Convenience Translation

Report on the Examination of the Domination and Profit and Loss Transfer Agreement between

Truck & Bus GmbH, Wolfsburg,

and

MAN SE, Munich,

pursuant to Art. 9 para. 1 c) ii) Regulation EC no. 2157/2001 in conjunction with
§ 293b para. 1 AktG

THIS IS AN ENGLISH TRANSLATION OF THE GERMAN TEXT, WHICH IS THE SOLE AUTHORITATIVE VERSION. IN CASE OF ANY DISCREPANCY BETWEEN THE ENGLISH AND GERMAN VERSIONS, THE GERMAN-LANGUAGE ORIGINAL SHALL PREVAIL.
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Annexes

1. Order of the 5th Chamber for Commercial Matters at the District Court [Landgericht] Munich I dated 17 January 2013 on the appointment of Rölf's RP AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, as the joint contract examiner for the examination of a Domination and Profit and Loss Transfer Agreement between MAN SE, Munich, and Volkswagen Coaching Gesellschaft mbH (now Truck & Bus GmbH), Wolfsburg

2. Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH, Wolfsburg, and MAN SE, Munich, in the version dated 26 April 2013

3. General Engagement Terms for German Public Auditors and Public Auditing Firms dated 1 January 2002
List of Abbreviations

**TRANSLATOR’S NOTE:** The abbreviations are listed in the German alphabetical order. Some of the abbreviations in the German version do not have equivalence in English and are not reflected in the following list.

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Meaning</th>
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<tbody>
<tr>
<td>para.</td>
<td>paragraph</td>
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<tr>
<td>AB</td>
<td>Swedish Corporation (Aktiebolag)</td>
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<tr>
<td>AG</td>
<td>German Stock Corporation [Aktiengesellschaft]</td>
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<tr>
<td>AktG</td>
<td>German Stock Corporations Act [Aktiengesetz]</td>
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<tr>
<td>AKU</td>
<td>work group at the IDW for business valuation [Arbeitskreis Unternehmensbewertung]</td>
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<td>Art.</td>
<td>Article</td>
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<tr>
<td>BaFin</td>
<td>German Federal Financial Supervisory Authority [Bundesanstalt für Finanzdienstleistungsaufsicht]</td>
</tr>
<tr>
<td>BGH</td>
<td>German Federal Supreme Court of Justice [Bundesgerichtshof]</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>Bloomberg</td>
<td>Bloomberg L.P., New York/USA</td>
</tr>
<tr>
<td>BRIC</td>
<td>Brazil, Russia, India, China</td>
</tr>
<tr>
<td>BRICS</td>
<td>Brazil, Russia, India, China, South Africa</td>
</tr>
<tr>
<td>BRL</td>
<td>Brazilian Real</td>
</tr>
<tr>
<td>BVerfG</td>
<td>German Federal Constitutional Court [Bundesverfassungsgericht]</td>
</tr>
<tr>
<td>CAGR</td>
<td>Compound Annual Growth Rate</td>
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<tr>
<td>CAPM</td>
<td>Capital Asset Pricing Model</td>
</tr>
<tr>
<td>CNY</td>
<td>Chinese Renminbi</td>
</tr>
<tr>
<td>DAF</td>
<td>DAF Trucks N.V., Eindhoven/The Netherlands</td>
</tr>
<tr>
<td>DCF Method</td>
<td>Discounted Cash Flow Method</td>
</tr>
<tr>
<td>i.e.</td>
<td><em>id est</em></td>
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<tr>
<td>DWT</td>
<td>dead weight tonnage; measurement of the load capacity of a ship</td>
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<tr>
<td>EBIT</td>
<td>Earnings Before Interest and Taxes</td>
</tr>
<tr>
<td>EBT</td>
<td>Earnings Before Taxes</td>
</tr>
<tr>
<td>IT</td>
<td>information technology</td>
</tr>
<tr>
<td>EC</td>
<td>European Community</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>EUR/€</td>
<td>Euro</td>
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</table>
Convenience Translation

e.V.
registered association [eingetragener Verein]
ECB
European Central Bank
FAUB
Special Committee for Business Valuation and Business Management at the IDW [Fachausschuss für Unternehmensbewertung und Betriebswirtschaft]
GmbH
German limited liability company [Gesellschaft mit beschränkter Haftung]
P&L
Profit and Loss Statement
HGB
German Commercial Code [Handelsgesetzbuch]
HRB
Section B in the German commercial register
IDW
Institute of Public Auditors in Germany e.V. [Institut der Wirtschaftsprüfer in Deutschland e.V.], Düsseldorf
IDW-FN
special publications of the IDW [IDW-Fachnachrichten]
IDW S1
ifo-Institute
ifo Institute – Leibniz Institution for Economic Research at the University of Munich e.V. [ifo Institut - Leibniz-Institut für Wirtschaftsforschung an der Universität München e. V.], Munich
IFRS
International Financial Reporting Standards
IfW
Institute for World Economics at the University of Kiel [Institut für Weltwirtschaft]
incl.
including
ISIN
International Securities Identifications Number
IWH
Institute for Economic Research in Halle [Institut für Wirtschaftsforschung]
KPMG
KPMG AG Wirtschaftsprüfungsgesellschaft
KStG
German Corporate Income Tax Act [Körperschaftsteuergesetz]
LNG
Liquefied Natural Gas
MAN
MAN SE, Munich
MDT
division MAN Diesel & Turbo
MDT SE
MAN Diesel & Turbo SE, Augsburg
MFI
subgroup MAN Finance
MFI GmbH
MAN Finance International GmbH, Munich
ML
division MAN Latin America
MTB
division MAN Truck & Bus
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td>MTB AG</td>
<td>MAN Truck &amp; Bus AG, Munich</td>
</tr>
<tr>
<td>MTI</td>
<td>MAN Trucks India Private Limited, Akurdi/India</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>mergers and acquisitions</td>
</tr>
<tr>
<td>mio.</td>
<td>million(s)</td>
</tr>
<tr>
<td>bill.</td>
<td>billion(s)</td>
</tr>
<tr>
<td>n/a</td>
<td>not applicable</td>
</tr>
<tr>
<td>no., nos.</td>
<td>number(s)</td>
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<tr>
<td>p.a.</td>
<td>per annum</td>
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<tr>
<td>PPA</td>
<td>Purchase Price Allocation</td>
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<tr>
<td>PR 61</td>
<td>Planning round 61 (strategic business planning 2013 to 2017)</td>
</tr>
<tr>
<td>PwC</td>
<td>PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft</td>
</tr>
<tr>
<td>approx.</td>
<td>approximately</td>
</tr>
<tr>
<td>Renk</td>
<td>division Renk</td>
</tr>
<tr>
<td>Renk AG</td>
<td>Renk Aktiengesellschaft, Augsburg</td>
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<tr>
<td>RFC</td>
<td>rolling forecast</td>
</tr>
<tr>
<td>RMMV</td>
<td>Rheinmetall MAN Military Vehicles GmbH, Munich</td>
</tr>
<tr>
<td>ROS</td>
<td>Return on Sales</td>
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<tr>
<td>RWI</td>
<td>Rhine-Westphalia Institute for Economic Research e.V. [Rheinisch-Westfälisches Institut für Wirtschaftsforschung e.V.], Essen</td>
</tr>
<tr>
<td>p., pp.</td>
<td>page(s)</td>
</tr>
<tr>
<td>Scania</td>
<td>Scania AB, Södertälje/Sweden</td>
</tr>
<tr>
<td>S.A.</td>
<td>Société anonyme</td>
</tr>
<tr>
<td>S.à.r.l.</td>
<td>Société à responsabilité limitée</td>
</tr>
<tr>
<td>SE</td>
<td>Societas Europaea (European Company)</td>
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<tr>
<td>SEK</td>
<td>Swedish Krona</td>
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<tr>
<td>SBU</td>
<td>Strategic Business Unit</td>
</tr>
<tr>
<td>Sinotruk</td>
<td>Sinotruk (Hong Kong) Ltd., Hong Kong/China</td>
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<td>t</td>
<td>ton</td>
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<tr>
<td>Tax-CAPM</td>
<td>Tax Capital Asset Pricing Model</td>
</tr>
<tr>
<td>TCO</td>
<td>Total Costs of Ownership</td>
</tr>
<tr>
<td>TEUR/T€</td>
<td>thousand Euro</td>
</tr>
<tr>
<td>Triad</td>
<td>Western Europe, North America, Japan</td>
</tr>
<tr>
<td>Abbreviation</td>
<td>Full Form</td>
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<tr>
<td>--------------</td>
<td>-----------</td>
</tr>
<tr>
<td>Truck &amp; Bus GmbH</td>
<td>Truck &amp; Bus GmbH (formerly Volkswagen Coaching Gesellschaft mbH), Wolfsburg</td>
</tr>
<tr>
<td>US/USA</td>
<td>United States of America</td>
</tr>
<tr>
<td>USD</td>
<td>US Dollar</td>
</tr>
<tr>
<td>V-Dax</td>
<td>DAX volatility index</td>
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<tr>
<td>VDMA</td>
<td>Verband Deutscher Maschinen- und Anlagenbau e.V.</td>
</tr>
<tr>
<td>Volkswagen AG</td>
<td>Volkswagen Aktiengesellschaft, Wolfsburg</td>
</tr>
<tr>
<td>WKN</td>
<td>German Securities Identification Number [Wertpapierkennnummer]</td>
</tr>
<tr>
<td>WP/WPg</td>
<td>Die Wirtschaftsprüfung (public auditors' technical journal)</td>
</tr>
<tr>
<td>WpHG</td>
<td>German Securities Trading Act [Wertpapierhandelsgesetz]</td>
</tr>
<tr>
<td>XETRA</td>
<td>Exchange Electronic Trading</td>
</tr>
<tr>
<td>e.g.</td>
<td>example given</td>
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<tr>
<td>ZfB</td>
<td>Zeitschrift für Betriebswirtschaft (Journal of Business Economics - JBE)</td>
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</table>
A. Assignment and Execution of the Assignment

In an order dated 17 January 2013, the 5th Chamber for Commercial Matters at the District Court Munich I appointed us as the joint contract examiner pursuant to Art. 9 para. 1 lit. c ii) of the Regulation (EC) no. 2157/2001 of the Council on the statute of the European Company (SE), § 293c\(^1\) for the examination of a Domination and Profit and Loss Transfer Agreement between

\textbf{Truck & Bus GmbH}

(formerly Volkswagen Coaching Gesellschaft mbH), Wolfsburg,

- hereinafter, also "\textbf{Truck & Bus GmbH}" -,

\textbf{MAN SE}, Munich,

- hereinafter, also "\textbf{MAN}" or the "\textbf{Company}".

The management of Truck & Bus GmbH, a 100% subsidiary of Volkswagen Aktiengesellschaft (hereinafter, also "Volkswagen AG") and the Executive Board [\textit{Vorstand}] of MAN subsequently mandated us with a letter dated 18 February/6 March 2013 to conduct the examination.

The contractual determination of the appropriate recurring compensation payment and the appropriate cash compensation by Truck & Bus GmbH and MAN is based on a valuation of MAN, which was conducted on the basis of generally recognized principles for equity valuation. PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, (hereinafter, also "\textit{PwC}") was mandated by Volkswagen Coaching Gesellschaft mbH, and KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, (hereinafter, also "\textit{KPMG}") was mandated by MAN to submit a joint valuation on the objectified equity value of MAN as of the valuation date of 6 June 2013 as well as on the amount of the appropriate recurring compensation payment under § 304 AktG and the appropriate cash compensation under § 305 AktG.

\(^{1}\) Hereinafter, a separate indication about the references in Art. 9 and 10 of the Regulation (EC) no. 2157/2001 of the Council about the statute of the European company (SE) will not be used.
The discussion regarding the determination of the equity value of MAN as of the valuation date of 6 June 2013 as well as the determination of the recurring compensation payment and the cash compensation under §§ 304, 305 AktG are included as an annex to the joint report of the management of Truck & Bus GmbH and the Executive Board of MAN.

Especially the following documents were available to us when conducting our examination:

- Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and MAN dated 26 April 2013 (see, Annex 2) incl. the Annex as well as the previous drafts

- Joint Report by the management of Truck & Bus GmbH, Wolfsburg, and the Executive Board of MAN SE, Munich, pursuant to § 293a German Stock Corporation Act, Art. 9 para. 1 lit. c (ii) Regulation on the Statute of the European Company about the Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and MAN SE pursuant to § 293a AktG dated 26 April 2013 (hereinafter, also the "Contract Report") as well as the previous drafts

- Joint Valuation Report of PwC and KPMG on the equity value of MAN as well as the amount of the recurring compensation payment and the cash compensation pursuant to §§ 304, 305 AktG as of 6 June 2013 in the context of the planned conclusion of a Domination and Profit and Loss Transfer Agreement pursuant to § 291 para. 1 AktG between Truck & Bus GmbH and MAN dated 18 April 2013 as well as the preceding drafts (hereinafter also the "Joint Valuation Report PwC/KPMG")

- Excerpts from the commercial register for MAN and Truck & Bus GmbH

- Articles of Association of MAN and Articles of Association of Truck & Bus GmbH

- Audit reports of PwC on the individual financial statements of MAN, MAN Truck & Bus AG, Munich, (hereinafter, also "MTB AG"), MAN Finance International GmbH, Munich, (hereinafter, also "MFI GmbH"), MAN Diesel & Turbo SE, Augsburg, (hereinafter, also "MDT SE") as well as Renk Aktiengesellschaft, Augsburg, (hereinafter, also "Renk AG") for the years 2010 through 2012, each with an unqualified opinion
Audit Reports of PwC on the audit of the consolidated financial statements of MAN and Renk AG for the years 2010 through 2012, each with an unqualified opinion

Annual reports of MAN for fiscal years 2010 through 2012

Strategic planning 2013 to 2017 (hereinafter, also "PR 61") of MAN

Budget plan 2013 to 2015 (hereinafter, also "UPL") of MAN

Rolling forecast 1 for 2013 (hereinafter, also "RFC 1/2013") of MAN

Publicly accessible information about the market and competitive environment as well as capital markets data

Comprehensive excerpts from the working papers of the valuation experts PwC and KPMG.

Persons designated by the Executive Board of MAN and the management of Truck & Bus GmbH to provide pertinent information as well as employees of PwC and KPMG responsible to carry out the valuation willingly provided all requested information.

The Executive Board of MAN has issued to us a management representation letter in accordance with professional practice. The management of Truck & Bus GmbH provided us with a written statement to the effect that all documents and information considered necessary by Truck & Bus GmbH for the examination of the Domination and Profit and Loss Transfer Agreement have been provided to us completely and correctly.

While performing our examination we adhered to the standard "Principles for the Performance of Business Valuations" in the version dated 2 April 2008 of the Institute of Public Auditors in Germany e.V. (IDW S1).

If material changes in the planned net assets, financial and earnings position or any other basis of the valuation occur at MAN between the finalization of our examination on 26 April 2013 and the scheduled resolution in the general shareholders' meeting of MAN on 6 June 2013, these changes would still have to be taken into account when determining the recurring compensation payment and the cash compensation.
We expressly point out that we did not perform an audit of the accounts, the annual financial statements or the management of the involved companies. Such audits are not subject of a contract examination pursuant to § 293b AktG. Adherence of the aforementioned annual financial statements and the management reports as of 31 December 2010 through 2012 to the respective legal provisions was confirmed by unqualified auditors’ opinions.

This report on the examination of the Domination and Profit and Loss Transfer Agreement is prepared exclusively for the purposes stated above. This report is not intended for publication, reproduction or use for any purpose other than the purposes stated above. This report may not be disclosed to third parties without our prior written consent. Consent will not be denied for undue reasons.

The General Engagement Terms for German Public Auditors and Public Auditing Firms in the version dated 1 January 2002 which is attached to this report as Annex 3 governs our engagement and our responsibility, also in relation to third parties. Our liability is determined by No. 9 of the General Engagement Terms. With regard to third parties, No. 1 para. 2 and No. 9 of the General Engagement Terms are applicable. Pursuant to § 293d para. 2 AktG, our responsibility towards the enterprises concluding the contract and their shareholders is governed by § 323 HGB applied by analogy.
B. Subject, Nature and Scope of the Examination

Subject and scope of the contract examination are determined by §§ 293b and 293e AktG. Pursuant to § 293b para. 1 AktG, the subject of the examination is the Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and MAN, dated 26 April 2013 was available. The examination extends especially to the appropriateness of the recurring compensation payment under § 304 AktG and of the cash compensation under § 305 AktG.

The contract examiner appointed pursuant to § 293c para. 1 AktG must report in writing on the results of the examination in accordance with § 293e AktG. The report on the examination must conclude with a declaration about whether the proposed recurring compensation payment and the proposed cash compensation are appropriate. The following must be stated in the report on the examination:

- According to which methods have the recurring compensation payment and the cash compensation been determined?
- For which reasons is the application of these methods appropriate?
- Which recurring compensation payment or which cash compensation, respectively, would result when applying different methods if more than one method was applied; at the same time, it is necessary to demonstrate the weightings attached to the various methods in the determination of the proposed recurring compensation payment or the proposed cash compensation and the underlying values and which specific difficulties arose in the valuation of the enterprises concluding the agreement.

The appropriateness of the recurring compensation payment and the cash compensation can be assessed based on an examination of the valuation of MAN, which represents the basis for determining the recurring compensation payment and the cash compensation. The contract examiner is not required to independently repeat the valuation, but may limit the examination to assessing the plausibility of the valuation forming the basis of the agreed amount of cash compensation and recurring compensation payment, including the valuation report (see, Hüffer, Aktiengesetz, 2012, § 293b no. 6; Emmerich/Habersack, The Law of Stock Corporate Groups and GmbH Corporate Groups [Aktien- und GmbH Konzernrecht], 2010, § 293b, no. 17 with further citations;
The contract examiner must analyze the valuation underlying the determination of the recurring compensation payment and the cash compensation with regard to methodological consistency and the substantive assumptions. If the determination is based on a forward looking analytical valuation, it is especially necessary to examine whether the factors relevant for the valuation have been properly determined and whether the planned results for the future appear to be plausible. If share price have been referred to in the valuation, the determination of the share price must be evaluated.

If the consent of the general shareholders’ meeting to the corporate group agreement is required, the Executive Board of each stock corporation or limited partnership based on shares involved in the corporate group agreement must prepare a comprehensive written report pursuant to § 293a AktG in which the conclusion of the corporate group agreement, the specifics of the contract and especially the nature and amount of the recurring compensation payment under § 304 AktG and the cash compensation under § 305 AktG are explained and substantiated both under a legal and economic perspective. Any specific difficulties in the valuation concluding the contract as well as the consequences for the shareholders’ interest must be pointed out. The management of Truck & Bus GmbH and the Executive Board of MAN prepared a Joint Report in accordance with § 293a AktG.

During the course of our work, we dealt with the Joint Report to the extent that it contains material statements about the subject of the examination, the methodological and mathematical explanation for and substantiation of the equity value of MAN and the determination of the cash compensation and the recurring compensation payment based thereupon. Apart from that, the completeness and accuracy of the Joint Report of the management of Truck & Bus GmbH and the Executive Board of MAN concerning the Domination and Profit and Loss Transfer Agreement, as well as the appropriateness of the Domination and Profit and Loss Transfer Agreement, were not subject of our examination.
We received the business planning serving as a basis for the valuation as well as the pertinent working papers and discussed and evaluated these in meetings with representatives of MAN as well as PwC and KPMG as valuation experts. We assessed the methodological consistency of the valuation model and mathematically checked the valuation. We recorded nature and scope of our examination work in our working papers.

We conducted our examination in the period from 25 January 2013 until 26 April 2013 primarily at the premises of MAN in Munich as well as in our offices in Düsseldorf and Frankfurt am Main.

Our Examination Report presents the results of our examination of the Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and MAN dated 26 April 2013, in particular the appropriateness of the proposed recurring compensation payment and the proposed cash compensation.
C. Findings

I. Content of the Domination and Profit and Loss Transfer Agreement

The minimum content of a Domination and Profit and Loss Transfer Agreement under corporate law is set forth in §§ 291 et seq. AktG. Assessing the corporate group agreement’s adherence to the principles of stock corporation law, is therefore limited to the general information on the contracting parties, the determination of the subject matter of the contract, the beginning and duration of the contract as well as the agreements concerning the recurring compensation payment and the cash compensation.

We report the following on the required minimum content of the Domination and Profit and Loss Transfer Agreement dated 26 April 2013, which has been submitted to us for examination:

1. Involved companies

Company names and registered offices of the involved companies are stated in the Domination and Profit and Loss Transfer Agreement.

2. Management control and instructions

MAN submits the management control of its company to Truck & Bus GmbH pursuant to clause 1 of the Domination and Profit and Loss Transfer Agreement. Truck & Bus GmbH is entitled to issue instructions to the Executive Board of MAN with regard to the control of the company. Truck & Bus GmbH is not entitled to issue a directive to the Executive Board of MAN to amend, maintain or terminate this Agreement.

This provision complies with the requirements in §§ 291 para. 1 sentence 1, 299 and 308 AktG.
3. Transfer of profit

MAN undertakes pursuant to clause 2.1 of the Domination and Profit and Loss Transfer Agreement to transfer its entire annual profit determined under the provisions of German commercial law to Truck & Bus GmbH. Accordingly, and subject to establishing or dissolving reserves pursuant to clauses 2.2 and 2.3 of the contract in accordance with the statutory provision in § 301 AktG, the annual net profit arising without having transferred any of it must be transferred, subject to reduction for any losses carried forward from the previous year and by the amount which must be allocated to the statutory reserves pursuant to § 300 AktG and by the amount which is blocked for dividends pursuant to § 268 para. 8 HGB.

The obligation to transfer profit exists for the first time for the entire net profit of the fiscal year of MAN beginning on 1 January 2014 or any subsequent fiscal year of MAN in which this Agreement becomes effective.

This provision fulfills the statutory requirements of § 291 para. 1 sentence 1 and §§ 301 in conjunction with 300 no. 1 AktG.

4. Assumption of losses

The parties agree in clause 3.1 of the Domination and Profit and Loss Transfer Agreement on an obligation of Truck & Bus GmbH towards MAN to assume losses in accordance with § 302 AktG.

5. Guaranteed Dividend and Recurring Compensation Payment

Pursuant to clause 4.1 of the Domination and Profit and Loss Transfer Agreement Truck & Bus GmbH guarantees to the outside shareholders of MAN a certain portion of profits for the fiscal year 2013 of MAN (the "Guaranteed Dividend") and pursuant to clause 4.2 of the Domination and Profit and Loss Transfer Agreement as adequate recurring compensation an annual cash compensation for the remaining contractual term starting in the fiscal year of MAN for which the claim of Truck & Bus GmbH for...
transfer of profit becomes effective pursuant to clause 2 (the "Recurring Compensation Payment").

The Guaranteed Dividend and Recurring Compensation Payment for each full fiscal year of MAN for each bearer common share as well as for each bearer nonvoting preferred share in MAN both representing an individual arithmetical share of € 2.56 in the share capital ("MAN Common Share" and "MAN Preferred Share", collectively "MAN share") is a gross amount of € 3.30 (the "Gross Recurring Compensation Payment") minus the amount for any corporate income tax and solidarity surcharge resulting from the pertinent tax rate applicable for the relevant fiscal year, whereby such deduction exclusively applies to that part of the Gross Recurring Compensation Payment in an amount of € 1.43 per share in MAN, which relates to the profit of MAN subject to German corporate income tax. Based on the situation at the time of concluding the Domination and Profit and Loss Transfer Agreement, the Guaranteed Dividend as well as the Recurring Compensation Payment amount to € 3.07 per MAN share for a full fiscal year. However, outside shareholders shall be entitled to receive the Guaranteed Dividend for each MAN share from Truck & Bus GmbH only if and insofar as the dividends per MAN share paid for the fiscal year 2013 (incl. all partial payments, if applicable) do not exceed the amount of the Guaranteed Dividend. Thus, the actual amount of Guaranteed Dividend to be paid per MAN share for the fiscal year 2013 may be lower than the aforementioned amount of € 3.07 per MAN Common Share or MAN Preferred Share depending on the actual amount of dividend to be distributed for fiscal year 2013.

The agreement of a fixed amount for the annual Gross Recurring Compensation Payment and its adjustments to allow for changes in the corporate income tax rate applicable in the relevant fiscal year complies with principles of a decision by the BGH ("Ytong Judgment" of 21 July 2003, II-ZB-17/01, juris).

Pursuant to clause 4.4 of the Domination and Profit and Loss Transfer Agreement, the Recurring Compensation Payment will first be paid for the fiscal year of MAN for which the claim for transfer of profit to Truck & Bus GmbH becomes effective. If the contract comes into effect in 2013, the Guaranteed Dividend will be granted for the fiscal year 2013.
In case of an increase of the share capital of MAN using corporate funds in exchange for new shares, clause 4.6 of the Domination and Profit and Loss Transfer Agreement provides that the Gross Recurring Compensation Payment per share in MAN will be reduced such that the total amount of the Gross Recurring Compensation Payment will remain unchanged.

The provision on the Recurring Compensation Payment is in accordance with § 304 AktG. With regard to the determination of the Recurring Compensation Payment, we refer to sections C.IV and C.VII.1.

6. **Cash Compensation**

Truck & Bus GmbH undertakes in clauses 5.1 and 5.3 of the Domination and Profit and Loss Transfer Agreement to acquire the shares of any outside shareholder of MAN upon request in exchange for a Cash Compensation of € 80.89 per MAN Common Share and € 80.89 per MAN Preferred Share free of costs for the outside shareholders of MAN. Should a higher Cash Compensation per MAN Common Share or per MAN Preferred Share finally be set in judicial appraisal proceedings [*Spruchverfahren*] to determine the appropriate Cash Compensation, the outside shareholders can demand a corresponding supplement to the Cash Compensation per MAN Common Share or MAN Preferred Share pursuant to clause 5.5 of the Domination and Profit and Loss Transfer Agreement.

The obligation of Truck & Bus GmbH to acquire the MAN shares is limited in time pursuant to clause 5.2 of the Agreement. The term ends two months after the date on which the registration of the existence of the Domination and Profit and Loss Transfer Agreement in the commercial register has been announced pursuant to § 10 HGB. In case of a request for judicial remedy on the determination of the Recurring Compensation Payment or the Cash Compensation, the term ends two months after the date on which the decision on the last decided request has been announced in the Federal Gazette [*Bundesanzeiger*].

If the share capital of MAN is increased prior to the expiration of the above term using corporate funds in exchange for issuance of new shares to outside shareholders, the
Cash Compensation per MAN share is reduced so that the total amount of the Cash Compensation remains unchanged.

If the Domination and Profit and Loss Transfer Agreement ends as a result of a termination by Truck & Bus GmbH or MAN after expiration of the deadline for acceptance of the offer for Cash Compensation, each outstanding shareholder at that time is again for a limited time period granted the right to sell to Truck & Bus GmbH the MAN shares held at that time in exchange for the agreed Cash Compensation or for any higher Cash Compensation finally set in special court appraisal proceedings or for any settlement to avert or terminate such proceedings, and Truck & Bus GmbH is required to purchase these shares.

The Cash Compensation provision is consistent with § 305 AktG. With regard to the determination of the Cash Compensation, we refer to Sections C.IV and C.VII.2.

7. Effectiveness and Term

Clause 6.1 provides that the Domination and Profit and Loss Transfer Agreement requires approval of the shareholders’ meeting of Truck & Bus GmbH and the approval of the general shareholders’ meeting of MAN in order to be valid. The approval of the Domination and Profit and Loss Transfer Agreement, among other items, is subject of the general shareholders’ meeting of MAN, which is scheduled to take place on 6 June 2013.

The Domination and Profit and Loss Transfer Agreement will come into effect upon registration in the commercial register of MAN.

The agreement is concluded for an indefinite period and can be terminated with six months’ written notice as per end of each fiscal year of MAN. The first ordinary right of termination is granted as per the end of the fiscal year ending five years after the beginning of the first fiscal year in which the Domination and Profit and Loss Transfer Agreement comes into effect.
As per clause 6.3 the right of each Party to terminate the contract for just cause is not affected.

8. **Letter of Affiliation and Comfort**

Clause 7 sets forth that Volkswagen AG, as the sole shareholder in Truck & Bus GmbH, issued a separate Letter of Affiliation and Comfort without entering the Domination and Profit and Loss Transfer Agreement as a contracting party and that such declaration is attached to the Domination and Profit and Loss Transfer Agreement.

9. **Result**

As the result of our examination, we conclude that the present Domination and Profit and Loss Transfer Agreement dated 26 April 2013 does not contradict the principles promulgated in §§ 291 et seq. AktG, especially with regard to the issues required by these provisions.

II. **Nature of Recurring Compensation Payment and Cash Compensation**

1. **Recurring Compensation Payment pursuant to § 304 AktG**

Pursuant to § 304 para. 1 sentence 1 AktG, a profit and loss transfer agreement must provide for an appropriate recurring compensation payment for the outside shareholders by way of a recurring monetary payment based on their shares in the share capital (recurring compensation payment). Furthermore, § 304 para. 1 sentence 2 AktG establishes that the domination agreement must guarantee to the outside shareholders a certain annual share in the profits based on the determined appropriate guaranteed dividend if the company is not required to transfer its entire profit. In the present case, this provision applies to fiscal year 2013, provided that the Agreement comes into effect in this fiscal year. However, for subsequent fiscal years the pertinent provision is § 304 para. 1 sentence 1 AktG.
As a minimum the annual payment of the amount likely to be distributed as an average payment per share to the individual share based on the company’s previous earnings position and its future prospects, taking into account reasonable depreciation and value adjustments but without establishing other profit reserves, must be guaranteed as a recurring compensation payment to the outside shareholders pursuant to § 304 para. 2 sentence 1 AktG.

The determination of the equity value as well as the resulting determination of the appropriate Recurring Compensation Payment is described in the Contract Report. The management of Truck & Bus GmbH and the Executive Board of MAN have fully adopted as their own the substance of the statements in the Joint Valuation Report by PwC/KPMG attached as an annex to the Contract Report. Accordingly, the recurring compensation payment results as an annuity on the determined equity value. With regard to further details, we refer to Section C.VII.1 and Annex 2.

2. Cash Compensation in accordance with § 305 AktG

Pursuant to § 305 para. 1 AktG, a domination or a profit and loss transfer agreement must also contain the obligation of the other party to the contract, in addition to the recurring compensation payment under § 304 AktG, to acquire the shares of any outside shareholder upon request in exchange for appropriate cash compensation determined in the contract.

Pursuant to § 305 para. 3 sentence 2 AktG, the appropriate cash compensation must take into account the company’s situation at the time its general shareholders’ meeting adopts the resolution on the corporate group agreement.

In the Contract Report, the determination of the equity value and the resulting Cash Compensation are described in detail. The management of Truck & Bus GmbH and the Executive Board of MAN have fully adopted as their own the substance of the statements in the Expert Report by PwC/KPMG attached as an annex to the Contract Report. With regard to further details, we refer to Section C.VII.2 and Annex 2.
III. Information on the Valuation Methodology

1. Valuation principles

1.1. Preliminary Remark

The results of a valuation are used as the basis for determining the recurring compensation payment payments as well as the appropriate cash compensation. The underlying methodology must be assessed by the examiner with regard to its principles, the reasons for its use and its appropriateness.

Legislation does not prescribe a specific valuation methodology.

Generally recognized principles for valuation have been developed in business economics theory, case law and valuation practice, which are widely adopted for valuations. According to the predominant view, the recurring compensation payment payment and the cash compensation must be derived from an objectified equity value. The objectified equity value normally represents an inter-subjectively verifiable value of future success from a stakeholder's point of view. Under a going concern perspective, this value is derived from the existing business concept together with all realistic expectations in the context of market opportunities and risks and the financial possibilities for the enterprise as well as other influencing factors. The basis for the valuation and the methodology are set forth in the standard Principles for the Performance of Business Valuations" of the Institute of Public Auditors in Germany e.V. (IDW S1) in the version dated 2 April 2008.

The equity value is determined – assuming financial objectives only – by the present value of the net cash flows to the owner of the enterprise. Pursuant to IDW S1, the equity value is determined solely from its capacity to generate financial surpluses for the owners of the enterprise.

The objectified equity value is determined on a “stand-alone-basis” in accordance with established case law, i.e. surpluses from synergies resulting from the specific underlying transaction are not to be included (so-called. real synergies [echte Synergien]). So-called pseudo synergies [unechte Synergien], on the contrary, can be achieved regard-
less of any effects resulting from the specific transaction. Surpluses arising from pseudo-synergies are to be considered insofar as pertinent measures have already been initiated or sufficiently documented in the corporate concept at the valuation date.

1.2. **Value of future success [Zukunftsertragswert]**

In general, the value of an enterprise results from the financial surpluses, which are generated by continuing the enterprise and selling any assets that are not required for the business (value of future success). The value of future success can be determined using the discounted dividend method or the discounted cash flow method.

The discounted dividend method determines the equity value of an enterprise by discounting the financial surpluses flowing to the owners of the enterprise in the future, whereby these surpluses are normally derived from the annual profits planned for the future. The underlying business planning can be prepared under commercial law or other provisions. The ability to finance the planned dividends must be considered. Under the discounted cash flow methods shown as an alternative in the IDW S1 standard, the future planned financial surpluses are discounted subject to the ancillary condition of qualifying for distribution under commercial law. In the case of identical assumptions and premises for the valuation, especially with regard to financing, both valuation methods lead to the same equity values.

The present value determined under the discounted dividend method takes into account the expected values of future financial surpluses derived from the company’s assets required for the business. Facts which cannot or cannot completely be reflected in the determination of the discounted dividend value must generally be separately valued and added to the discounted dividend value. In addition to the assets that are not required for the business, various special values might exist. Any existing assets that are not required for the business include those assets which could be freely sold without affecting the actual purpose of the enterprise (so-called “non-operating assets”)

The equity value of MAN was determined using the discounted dividend method. In addition to the discounted dividend value of the assets required for the business, special values and non-operating assets had to be considered.
1.3. **Liquidation value**

The liquidation value can be derived by discounting the financial surpluses resulting from liquidating the valuation object. The liquidation value would constitute the lowest value for the equity valuation under the IDW S1 if the liquidation value exceeds the value of future success.

In the present case, the valuation experts performed a rough determination of a possible liquidation value of MAN and compared the result to the calculated value on a going concern basis.

We also conducted a simplified estimate of a potential liquidation value. The resulting indicative value was substantially below the equity value of MAN due to the potential for earnings in the valuation object on a going concern basis as well as in light of the expenses incurred in case of liquidation. Since liquidation of MAN is also not intended according to information from the Executive Board of MAN and the management of Truck & Bus GmbH due to the expected potential for earnings, it is appropriate to ignore the liquidation value when determining the recurring compensation payment and the cash compensation.

1.4. **Net asset value**

The net asset value is derived from the reconstruction or replacement value of all assets and liabilities existing in the enterprise. Due to the difficulties of determining especially off-balance sheet intangible assets in an enterprise a net asset value is normally determined as a (net) partial reconstruction value. Since this net asset value generally has no direct relationship to future financial surpluses, the net asset value has no significance in itself when determining the equity value.

Therefore, it is reasonable that the net asset value was not determined.
2. Relevance of share price

If share prices exist for shares in the enterprise, these prices must be referred to under IDW S1 in order to assess the appropriateness of the equity value determined using the discounted dividend method or the DCF method. Especially influences, which might have had an effect on the development of the share price, must be carefully analyzed and presented.

According to the decision of the BVerfG (order dated 27 April 1999, 1-BvR-1613/94 in AG 1999, pp. 566, 568), the share price for the shares in an enterprise must be compared to the value per share determined using the discounted dividend method. The BVerfG requires that an existing share price cannot be ignored when determining the value of the investment in the enterprise. The cash compensation must accordingly be assessed such that the minority shareholders, in any event, do not receive less than they would have received in the case of a free decision to divest.

Both the Common Shares as well as the Preferred Shares in MAN are listed on the stock exchange. Therefore, when assessing the cash compensation under § 305 AktG, the issue of whether the share price should be the basis in light of the development of the share prices was examined.

According to established case law, the equity value and not the share price must be used as a basis when determining the reasonable recurring compensation payment under § 304 AktG (see, BGH, order dated 13 February 2006, II ZR 392/03 in AG 2006, pp. 331, 332; OLG Stuttgart, order dated 17 October 2011, 20 W 7/11, juris, no. 481).

With regard to the relevance of the share price for the cash compensation, we refer to Section C.V. of this Report.

3. Reasonableness of the method for determining the Cash Compensation

The above principles and methods for evaluation, namely, the discounted dividend method, are considered today in theory and practice of equity valuation to be
established and have been reflected in academic writings and the publications of the IDW. These principles and methods are generally also recognized in case law.

The appropriate cash compensation must take into account the company’s situation at the time its general shareholders’ meeting adopts the resolution about the contract in accordance with § 305 para. 3 sentence 2 AktG. Generally, there are different valuation methods available for determining the appropriate cash compensation.

According to the results of our examination, the determination of the Cash Compensation in the present case based on the discounted dividend value and including the special values and the non-operating assets leads to a reasonable result.

With regard to the details of the findings of our examination, we refer to the following sections.

4. Reasonableness of the method for determining the Recurring Compensation Payment

At least the annual payment of such amount must be committed as an appropriate recurring compensation payment payment under § 304 para. 2 sentence 1 AktG, which could likely be distributed as an average share in the profits for the individual share based on the earnings situation of the company to date and its future earnings prospects, taking into account reasonable depreciation and value adjustments but without establishing other profit reserves.

This means that a forecast of the average distributable profit is required.

The future earnings position is shown in the Contract Report and in the Joint Valuation Report of PwC/KPMG attached as an annex to the Joint Report in the context of the assessment of earnings for several years and sustained profits. We consider it mathematically correct to initially transform the varying earnings forecasts to a present value (discounted dividend value) and to then determine the average profit as a continuous amount by annuitizing this present value. Based on the results of our examination, the discounted dividend method used by the contracting parties, including the
special values and the assets not required for the business, was reasonable under § 304 AktG in order to determine the Recurring Compensation Payment.

With regard to details of our findings, we refer to the following sections.

IV. Specific Findings of the Examination

1. Valuation Object

1.1. Legal, tax and economic bases

The valuation object is MAN including its subsidiaries and companies in which it holds investments. MAN is a European Company (SE) with its registered office in Munich and is registered in the commercial register of the Local Court [Amtsgericht] Munich under HRB No. 179426.

The corporate purpose of MAN under its articles of association is investing in enterprises of all kinds, especially those engaged in mechanical engineering, plant engineering, vehicle manufacturing and engine production as well as trade; the manufacture of such products as well as the processing of materials of all kinds is also included.

The fiscal year of MAN corresponds to the calendar year.

The share capital of MAN in the amount of € 376,422,400.00 is divided into 147,040,000 bearer shares, of which 140,974,350 are Common Shares and 6,065,650 are Preferred Shares.

The MAN Preferred Shares do not grant any voting rights aside from the exceptions provided by law. The Preferred Shares grant the preferred shareholders an advance dividend compared to the common shareholders in the amount of € 0.11 per Preferred Share, but not a higher dividend compared to the common shareholders.
The MAN shares are listed in XETRA and on all seven German stock exchanges under the ISIN DE0005937007 and the WKN 593700 (Common Shares) as well as under the ISIN DE0005937031 and WKN 593703 (Preferred Shares).

The majority shareholder with a total of 75.03% of MAN Common Shares is Truck & Bus GmbH. In addition, Truck & Bus GmbH holds 43.3% of the MAN Preferred Shares. MAN shares held by Truck & Bus GmbH have been previously held by Volkswagen AG and have been transferred to Truck & Bus GmbH on 16 April 2013. A pertinent notification pursuant to § 21 para. 1 sentence 1 WpHG to MAN took place.

Treasury stock is not held by MAN.

MAN is the parent company of MAN Group companies and prepares consolidated financial statements pursuant to §§ 290, 315a HGB in accordance with international accounting standards as well as a group management report in accordance with § 315 HGB. MAN is itself included in the consolidated financial statements of Volkswagen AG as a subsidiary.

As of 31 December 2012, MAN directly or indirectly held investments in 32 domestic and 103 foreign companies which are fully consolidated in the consolidated financial statements and 9 investments which are accounted for according to the at-equity method and 60 investments which are not included in the consolidated financial statements.

For tax purposes, MAN together with its material German subsidiaries constitutes a (in)direct tax group for corporate income and trade tax purposes.

According to Company information, MAN had as of 31 December 2012 around € 639 million loss carryforwards for corporate income tax purposes and around € 521 million for trade tax purposes. In addition, there are further tax loss carryforwards in various domestic and foreign subsidiaries in an amount of around € 633 million.

As of 31 December 2012, MAN had a corporate income tax credit in an amount of around € 8 million.
The MAN Group is one of the leading commercial vehicle and machinery manufacturing groups in Europe with a concentration in the fields of transportation and energy. The key figures for the MAN Group are as follows in the fiscal years 2010 to 2012:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>2010 € m</th>
<th>2011 € m</th>
<th>2012 € m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>14,675</td>
<td>16,472</td>
<td>15,772</td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>722</td>
<td>247</td>
<td>189</td>
</tr>
<tr>
<td>Group balance sheet totals</td>
<td>17,431</td>
<td>18,670</td>
<td>19,918</td>
</tr>
</tbody>
</table>

As of 31 December 2012, 52,481 employees (without temporary agency workers) were employed at the MAN Group (31 December 2011: 50,178).

The MAN Group has divided its activities into the two business areas “Commercial Vehicles” and “Power Engineering” as well as the segment “Corporate Center/Consolidation”.

The business area Commercial Vehicles includes the divisions MAN Truck & Bus (hereinafter, also “MTB”), MAN Finance (hereinafter, also “MFI”) and MAN Latin America (hereinafter, also “ML”).

According to the segment information in the consolidated financial statements of MAN, the MTB division (incl. MFI) realized revenues amounting to approximately € 8,822 million (previous year: € 8,984 million) with an operating profit of € 225 million (previous year: € 565 million). In terms of gross vehicle weight, the truck products portfolio ranges from 7,5 t to 44 t. MTB is one of the leading commercial vehicle manufacturers in Europe. In addition, vehicles primarily for the Indian market as well as for selected export regions in Africa and Asia are produced by the subsidiary MAN Trucks India Private Limited, Akurdi/India (hereinafter, also “MTI”). In the area of busses, in addition to the mere chassis, city and intercity busses and coaches are offered. In 2012, a total of 74,680 trucks and 5,286 busses were sold with production sites in Germany, Austria, Poland, Turkey as well as India and South Africa. In addition, diesel and gas engines for on- and off-road use are produced at the production site in Nuremberg. MTB also generates part of the revenues in the used vehicle and after
sales area. Especially financing, leasing and renting concepts for commercial vehicle customers are offered in the MFI subgroup.

The ML division is the largest truck manufacturer in Brazil with production facilities in Brazil and Mexico. The main sales region for ML, in addition to Latin America, is Africa. In terms of gross vehicle weight, products range from 5 t to 74 t. In the area of busses, primarily chassis are offered for urban and cross-country busses. In 2012, according to the segment information in the consolidated financial statements of MAN, revenues in the amount of around € 2,870 million (previous year: € 3,579 million) were generated with an operating profit of € 229 million (previous year: € 400 million). In 2012, a total of 56,305 vehicles were sold, 10,476 of which were busses.

The business area **Power Engineering** includes the divisions MAN Diesel & Turbo (hereinafter, also “MDT”) and Renk.

In the MDT division, according to the segment information in the consolidated financial statements of MAN, revenues in the amount of approximately € 3,780 million (previous year: € 3,610 million) were generated with an operating profit of € 437 million (previous year: € 460 million). MDT is divided into three strategic business units “Engines & Marine Systems”, “Power Plants“ and “Turbomachinery“.

In the Engines & Marine Systems strategic business unit, among other items, two-stroke engines are developed and four-stroke engines developed and manufactured. These serve as propulsion systems in ships, auxiliary engines as well as for power generation in power plants. In the Power Plants strategic business unit, both power plant components as well as complete turn-key power plants are offered. The product range in the strategic business unit Turbomachinery includes concentrators, expanders as well as gas and steam turbines for most industrial and electric power production applications.

MDT produces in Europe as well as India and also in more than 100 international locations such as China, Denmark, France, Switzerland or the Czech Republic. In addition to the sales business, the so-called “after sales business“ represents a major part of MDT, including repairs, maintenance and replacement parts.
Renk divides its activities into the four strategic business units special gear units, standard gear units, vehicle transmissions and slide bearings and as a manufacturer of components supplies to system suppliers and equipment builders. The product portfolio covers switch, turn and steering transmissions for military track vehicles, testing systems, transmissions for mega-yachts, applications for public authorities and the Navy, industrial transmissions for special applications such as cement mills and high performance turbo transmissions, clutches as well as transmissions for commercial vessels and offshore wind power plants and slide bearings for standard and special applications in the areas of power generation, equipment construction and marine.

Renk Aktiengesellschaft is publicly listed and has its registered office in Augsburg. MAN holds around 76% of the shares. In fiscal year 2012, according to the segment information in the consolidated financial statements of MAN, Renk generated revenues of approximately €476 million (previous year: €389 million) with an operating profit of €66 million (previous year: €53 million). Renk produces in Germany at locations in Augsburg, Hanover, Rheine and Berlin and as of 31 December 2012 had eight foreign subsidiaries and investments as well as over 93 representative offices worldwide.

For Corporate Center/Consolidation, the activities of the Corporate Center are shown together with consolidation issues. The group Holding Company is mainly responsible for the strategic and structural as well as executive resource development of the MAN Group, and Group controlling. Furthermore, it handles the financial management for the MAN Group. In addition, MAN holds 25% plus one share in Sinotruk (Hong Kong) Ltd., Hong Kong/China, as well as 13.35% in Scania AB, Södertälje/Sweden. The investments in Scania and Sinotruk are assigned to Corporate Center.

1.2. Market and competitive environment

1.2.1. General economic parameters

Since mid-2011, a cooling of the worldwide economy can be observed, which affects all economically important regions. The causes for this are especially adjustment processes for consolidating government budgets and concerns about the solven-
Convenience Translation

The development of the financial policy in the USA caused additional uncertainty because especially the risk of drastic cuts in spending and tax increases was threatening in the context of the “fiscal cliff” at the beginning of the year 2013. Impulses for growth most recently came primarily from some of the threshold countries. The International Monetary Fund (IMF) expects for the year 2013 a growth of the worldwide economy of 3.5 % with economy continuously increasing over the course of the year. For 2014, an even stronger growth rate of 4.1 % is forecast. The IMF expects an annual growth of the world economy from 2015 to 2017 between 4.4 % and 4.6 %.5

The ifo-Institute forecasts for the Euro region for 2013 a decrease in the real gross domestic product (hereinafter, also the “GDP”) of 0.2 %.6 The economic development in this economic region will further diverge. While for stable economies such as Germany, Austria and Finland a recovery is expected, especially economies in many southern European crisis countries will shrink. The IMF expects annual economic growth of 1.5 % to 1.7 % in the Euro region from 2015 to 20177 after an increase in the gross domestic product of 1.1 % in the year 2014.

The forecast for 2013 GDP growth in Germany was only recently (25 March 2013) reduced from then 0.8 % to a mere 0.3 %. At least in the first half of the year, especially the demand for investment goods will be weak, and in the entire year a decrease of 3 % is expected.8 For 2014 to 2017, however, the IMF expects annual economic growth of 1.3 % to 1.4 % for Germany,9 while other economic research institutes consider the mid-term outlook to be more optimistic.

The economic growth in Latin America in the year 2013 is forecast by the IMF at 3.6 %. The economically most important country in this region is Brazil.10 The IMF expects for the gross domestic product of Brazil an annual growth through 2017 of

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4 See, IMF, World Economic Outlook Update, January 2013.
5 See, IMF, World Economic Outlook, October 2012.
7 See, IMF, World Economic Outlook, October 2012.
8 See, Updated economic forecast by the Council of Experts for the year 2013, March 2013.
9 See, IMF, World economic outlook, October 2012.
slightly above 4 % and an average growth in the population through 2017 on average of 0.8 % per year. Due to the upcoming international sport events (FIFA World Cup 2014, Olympic Games 2016) additional investments will be initiated in the region. In the long-run, Brazil could develop into one of the world’s largest oil and gas producers by developing the crude oil and natural gas deposits discovered in 2008 in the southeastern Atlantic coast (“pre-salt reservoir”).

The IMF forecasts for the Asian region an average growth of the gross domestic product of 7.1 % in the year 2013. The growth in this region is especially driven by the economies in India and China. The economic growth in China accelerated again in the year 2012, but China’s foreign trade suffers also from the weakness in the economy in Europe. The growth in India decreased in 2012 which was caused by private consumption as well as foreign trade and problems resulting from losses in harvests and in the energy supply.

The development of inflation shows substantial regional differences. While values of slightly above or around 2 % annually are expected for the EU and Germany in the mid-term, the forecasts for Brazil are at around 5 % and for China at around 3 %. Inflation rates of around 4 % are forecast worldwide.

1.2.2. Industry environment

1.2.2.1. Commercial Vehicles

(1) Market assessment

(1.1) MAN Truck & Bus

Continuing growth in the world population and the related continuously increasing worldwide trading volume result in increasing demand for transportation and energy. This fundamentally positive market environment for commercial vehicles is marked by

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different factors, which will increasingly present challenges for the commercial vehicle manufacturers in the coming years:

• As a typical market for capital goods, the truck market is subject to **cyclical market fluctuations**. Not only are high volatilities in sale volumes observed, but there are also shortened periods of economically influenced upward and downward movements. Companies try to compensate for this effect with greater flexibility in production and sales channels.

• The bus market is divided into the segments city, intercity busses and coaches. There has been a downward tendency in licensing numbers for busses in Western Europe and also in Germany for many years. The demand for city busses depends to a substantial degree on the **investment behavior of the public sector**. The introduction of urban underground transit systems in major cities since the 1970s has continuously replaced busses for local public transit. The market development in intercity busses and coaches depends substantially on tourism. This market segment is experiencing increased competition resulting from the increasing number of competitively priced offers for airline tickets. Also, legal parameters such as the liberalization of traffic monopolies in long-distance passenger transport fundamentally influence the bus market. The demand for busses in Europe is traditionally supported by the southern European countries whose budgets, however, are tight due to the current Euro debt crisis.

• The conservation of raw materials and the **reduction of harmful substances** is a trend which increasingly influences the commercial vehicle market. In Europe, and thus, also in Germany, the market is currently influenced by the introduction of the Euro VI exhaust standard. Starting on 31 December 2013, new registrations, sale and commissioning of vehicles which do not comply with this exhaust regulation are prohibited. A related increase in price and operating costs could lead to accelerated purchases in 2013. The increased costs for the Euro VI trucks are supposed to be mitigated in Germany by a decrease in tolls as well as by public subsidies. The introduction of measures to lower emissions also causes increased costs for the vehicle manufacturers, which often cannot be fully passed on to the customers.

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15 See, on this the Regulation (EC) No. 595/2009 of 18 June 2009, Article 8, paragraph 2.
Commercial vehicle markets are very competitive on a global scale and price sensitive. Accordingly, there is a great **intensity in competition**. Competition also exists with other means of transportation, especially aircraft and rail vehicles where the expansion is continuously being forced. A further problem for the European commercial vehicle market is a high degree of saturation.

Together with growth in competition in the transportation sector, increasing operating costs and decreasing potential for differentiation between the manufacturers customers’ **brand loyalty** is decreasing. The manufacturers are trying to counter this with measures to promote sales such as new services for truck pool management up to management of an entire fleet as well as new financing and leasing offers.

In the **threshold markets**, there is an increasing trend to higher value and also more expensive vehicles, which results also from increasingly stricter legislation on exhaust fumes. The importance of procurement cost is decreasing while total operating costs (TCO: “Total Cost of Ownership”) is increasingly being taken into account in the purchase decision due to continuous increases in fuel prices. The threshold countries have in the meantime exceeded the triad markets (Western Europe, North America and Japan) in terms of sale volumes.

The additional costs for necessary technological innovations can, thus, only be passed on into the market to a limited degree. Overall, an increased pressure on margins is expected for commercial vehicle manufacturers.

The **estimate for market development** is made by MTB for the relevant markets and sales regions – based on so-called reference market studies of which excerpts were provided to us – by taking into account quantitative data (licensing numbers, GDP, investment ratios, etc.) and qualitative factors (trends, legislation, etc.).

The market environment is analyzed by MTB differentiated by European sales countries and sales countries outside of Europe.

The market region Europe, where MTB generates most of its revenues, covers especially the countries in the EU.
• The most important market for MTB is Germany, where MTB generated 30% of its revenues in 2012. After the large collapse in the market in the year 2009, the truck market grew in Germany on average by 9.5% annually, but continues to be considerably below the level before the crisis. The main drivers for sales volume of commercial vehicles lie in the demand for replacement, attractive financing conditions and a positive economic environment. The forecasts in the reference market studies on market growth in Germany for trucks of more than 6 t of gross vehicle weight lie between 1.4% and 3.6% of average annual growth through the year 2017. MTB, however, expects in the same period a growth in the market on average of 2.9% annually and, thus, lies in the upper range in the reference market studies.

The new licensing of busses in Germany with a gross vehicle weight greater than 8 t decreased in the period from 1992 through 2002 on average by 3.0% annually and further decreased on average by 1.2% annually afterwards in the period from 2003 to 2011. Thus, the market had a continuously decreasing tendency in the past. Contrary to this, an increase in sales volume is expected in Germany in the future due to, among other aspects, the liberalization of long distance bus transportation. The forecast in the reference market studies on annual market growth in Germany for busses greater than 8 t of gross vehicle weight lie between 0.5% and 1.3% through 2017. However, the market growth is slightly higher according to a forecast by MTB on average at 1.4% per year through 2017.

• Throughout Europe, the market expectations of MTB for trucks over 6 t lie on average at 3.3% annually through 2017 and, thus, below the forecast of the reference market studies of 6.6% annually.

The deviations to the market forecasts have their basis, among other aspects, in differences for the southern European countries which continue to suffer from the effects of the financial crisis and the Euro debt crisis, the further development and result of which is currently uncertain. Leading world economic institutions did not assume in 2012 that the crisis would become worse, but the current development shows that a recovery cannot be expected in the near future and that there will be correspondingly negative consequences for the real economy in the relevant countries. When assessing the different estimates for southern Europe it is necessary to
consider that MAN currently reflects market expectation in January 2013, while the reference market studies are based on last year’s data.

According to the study annual market growth in Europe for busses greater than 8 t of gross vehicle weight is at around 2.7 % through 2017. However, the market growth is forecast by “Market Planning” at MTB to be on average 3.3 % per year through 2017. Impulses for growth are expected especially from the eastern European countries.

In addition to Europe, especially Russia as well as the regions of Asia, Africa and the Middle East constitute major sales regions. With regard to America, we refer to the section on MAN Latin America.

- **Russia**, being one of the largest truck markets in the world, also represents an important market for MTB with around 9 % of revenues in 2012. The growth in the Russian truck market for vehicles over 6 t is expected by MTB to be around 2.1 % p.a. through 2017. This estimate lies within a range of market studies, which do not provide uniform evaluations of the Russian market.

Material drivers in the Russian economy and, thus, also the truck market are the economic development in Europe, the domestic market – especially the construction industry – as well as the development of prices for raw materials.

In addition to the economic aspects, growth is also expected as a result of renewing obsolete vehicle fleets.

According to MTB, positive influences on competition in the Russian truck market are to be expected as a result of Russia joining the World Trade Organization because the market has to date primarily been serviced by local manufacturers, partly also due to protectionist measures of the Russian government. However, this positive impulse is offset by the introduction of the so-called “utilization fee”, provided that it remains applicable to importers only.

- The growth in the market in India slowed down in the year 2012 particularly due to the downturn in demand in the domestic market. There are increasing structural
risks in India for the development of the truck market. These risks range from poverty which is expected to increase in India with the large growth in the population, to a substantial need for investments in infrastructure and the energy supply. The Indian market represents a further special aspect – contrary to developed markets – with regard to the vehicle demand where price is the main aspect of the purchase decision. Primarily domestic manufacturers have to date succeeded in gaining relevant market shares. The extent to which foreign manufacturers can participate in the growth in India depends on the success of new localized – and above all less expensive – vehicle concepts.

Based on the market situation, MTB expects for India an average annual rate of growth through 2017 of 7.9 % for trucks greater than 6 t and, thus, slightly below the rate of growth in the reference market study of 9.7 %.

- The Chinese truck market was very overheated in the past, especially in 2010. Current estimates believe that the market volume achieved at that time will not be realized in the near future. Therefore, it may also not be assumed that the growth in the market existing through 2010 will continue. The increasing tightening of the exhaust legislation in China may further slow down the growth in the truck market. Therefore, for China MTB assumes a slight downturn in the market.

In light of this, MTB expects stagnation in the market for the entire Asian region.

- The economy in South Africa is supported to a great extent by mining (gold, coal and diamonds). The country also has a well-developed road network with freeways between the major cities. Numerous traffic projects are planned in the coming years, including the expansion and the modernization of the rail system. One of the key questions for the market outlook is how quickly structural problems of South African economy can be solved.

The forecasts in the reference market studies about the annual growth in the market in South Africa for trucks greater than 6 t gross vehicle weight lie in a range of 0.6 % to 6.6 % through 2017. MTB even forecasts on average 7.6 % per year.
• Extensive investments and the related dynamic development of the construction industry characterize the development in the truck market in Saudi Arabia. At the same time, the ministry of traffic is currently having a new national transportation strategy developed with the goal of being able to handle 48 % of transport by rail in the coming 10 to 15 years.

MTB expects for Saudi Arabia through 2017 a growth in the market for trucks greater than 6 t gross vehicle weight on average of 3.1 % annually due to the currently generally positive impulses in the investment activity and, thus, lies above the reference market studies which forecast a growth of 2.3 %.

(1.2) MAN Latin America

Due to the size of Brazil and its influence in the surrounding countries of Latin America, the growth in this region is oriented to a great extent on the Brazilian market. With around 86 % of truck sales volume, the largest portion of trucks of ML was sold in the year 2012 in the home market of Brazil, in general one of the worldwide largest truck markets. The Latin American export markets in Argentina, Chile, Peru and Uruguay, which together amount to a portion of around 10 % of the truck sales volume by ML in 2012, are serviced from the core market in Brazil as well.

Although only around 13 % of the road network in Brazil outside of the cities is a fixed surface, the truck is considered to be the most competitive means of transportation for transporting goods.

The Brazilian truck market was marked in the years 2011 and 2012 especially by the change in emission standards from Proconve P5 (corresponding to Euro III) to Proconve P7 (corresponding to Euro V). Starting in the 2nd quarter of 2012, the manufacturers in Brazil were prohibited from delivering Proconve P5 vehicles. In addition, the flattening of the worldwide economy and the decreased growth in China, the largest export market for the Brazilian economy, have led to a substantial decrease in the truck market. Overall, the Brazilian truck market decreased in the year 2012 compared to the previous year by around 20 %.

In order to support the economy, the Brazilian government initiated several packages of measures in economic policy and money market policy with tax benefits for companies in the automobile sector, large investment and infrastructure projects as well as for the support of financing of capital expenditures in machinery and means of production.

The forecasts through the year 2017 predict an average annual growth in the market of 4.1 % for the Brazilian truck market. ML expects in the same period an average annual growth in the market of even around 9.0 % which corresponds almost to the historic market growth in the period 1992 to 2012.

Market studies forecast for the Brazilian bus market show an average annual growth of 1.6 %. Compared to this, ML expects a substantial increase with on average 7.8 % annual growth.

In light of optimistic expectation regarding market development, the assumption is that numerous new manufacturers from both established as well as growth markets will enter the Brazilian market in the coming years. This will result in a substantial increase in the competition and in pressure on prices and margins. However, the market entry for new competitors will be made difficult by regulatory interventions. The import of vehicles produced outside of the so-called Mercosur region, which includes Brazil, Argentina and Uruguay, will be hit with prohibitively high import duties. The use of tax benefits and other measures in the current economic programs are also linked to increased ratios for localization.

As a result, we consider the market assessments of MTB and ML to be transparent and reasonable.

(2) Competitors

The competitive situation in the business area of Commercial Vehicles is marked by a few companies such as Daimler AG, Stuttgart ("Daimler"), Fiat Industrial S.p.A., Turin/Italy ("Fiat Industrial"), Paccar Inc., Kirkland/USA ("Paccar"), Scania AB, Södertälje/Sweden ("Scania") and Volvo AB, Göteborg/Sweden ("Volvo").
The market share of MTB for trucks with a gross vehicle weight greater than 6 t in Europe and Germany is shown in comparison to the competitors based on Company information:

<table>
<thead>
<tr>
<th>Selected sales regions</th>
<th>Actual market shares 2012 trucks &gt; 6 ton gross vehicle weight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>MAN</td>
</tr>
<tr>
<td>Europe</td>
<td>17.0 %</td>
</tr>
<tr>
<td>Germany</td>
<td>26.8 %</td>
</tr>
</tbody>
</table>

ML has the lead position in Brazil for trucks with around 30 % market share ahead of Daimler with around 25 % and Ford Motor Company, Dearborn/USA, with around 16 % market share.

In fiscal year 2012, Daimler generated revenue of € 31.4 billion and thus, approximately 27.5 % of group revenue with 461,954 sold commercial vehicles. Daimler busses generated revenue of € 3.9 billion, which was still around 3.4 % of group revenue.\(^\text{17}\)

Fiat Industrial acts in the commercial vehicle business under its brand name Iveco. The commercial vehicles field at Fiat Industrial covers light, medium and heavy-duty commercial vehicles for transportation and distribution of goods as well as city busses and coaches. The business area of commercial vehicles generated 34.6 % of group revenue in fiscal year 2012 with € 8.9 billion in revenue.\(^\text{18}\)

The Paccar Group is present as a manufacturer of commercial vehicles and parts with the brands “DAF”, "Peterbilt" and "Kenworth" in more than 100 countries. Group revenue in 2012 was USD 17.1 billion.\(^\text{19}\)

Scania is a manufacturer of heavy-duty trucks, busses and engines. In fiscal year 2012, Scania generated total revenue of SEK 82.5 billion with 61,051 delivered trucks and 6,350 delivered busses as well as engines and other services.\(^\text{20}\) The majority in Scania and MAN are each held by Volkswagen AG.

\(^\text{17}\) See, Daimler AG, Annual Report 2012.
\(^\text{19}\) See, Paccar Inc., Annual Report 2012.
Volvo is a manufacturer of light, medium and heavy-duty trucks as well as busses. In 2012, Volvo generated 63.3 % of group revenues from truck sales with total group revenue being SEK 303.6 billion.\footnote{See, Volvo AB, Annual Report, 2012.}

1.2.2.2. Power Engineering

(1) Market assessment

(1.1) MAN Diesel & Turbo

(1.1.1) Engines & Marine Systems

In the strategic business unit Engines & Marine Systems, among others, two- (through licensees) and four-stroke engines are manufactured, which are primarily used in propulsion systems in ships. Therefore, business has profited in the past to a substantial degree from the boom in demand in the international ship market.

Long-term analyses show a clear cyclical movement in ship markets. A demand for new ships never before known dominated in the years 2004 to 2008, which drove the total of ship orders to a record level. The worldwide financial crisis ended the boom, and the number of ship orders sank to a level that it had at the turn of the millennium. After a brief recovery in the years 2010 and 2011, the year 2012 represents on a preliminary basis the low point in number of ordered ships after the crisis.

In addition to effects of the current generally weak global economic situation, the development in the international demand for ships is primarily determined by two major trends: In the first place, increasingly larger vessels with increasing loading capacity are in demand, and secondly there are increasingly stricter requirements on emissions and energy efficiency. Furthermore, financing of new ships is difficult in the current financial environment.

Based on a further increasing globalization, increasing demand for consumer goods and the related increase in the maritime trading volume, an average annual growth in
the general demand for new ships is anticipated in the amount of 10.9 % in the mid-
term (2012 to 2017). In the long run, an average annual growth in demand of 3.8 % is
expected.\(^{22}\)

A differentiated view has to be taken with regard to the different types of ships:

- The situation in the segments **container ships** and **freighters for mass goods**
  (so-called “bulkers”) is currently marked by excess capacities. An increasing de-
  mand is expected only starting in the year 2014.\(^{23}\) Overall, an average annual rate
  of growth in the amount of around 26 % is expected through 2017 in the area of
  container ships, based on the low point in the year 2012, and this is primarily the
  result of recovery effects as a consequence of the market collapse that occurred
  up to and including 2012. Long-term forecasts through the year 2024 forecast an-
  nual rates of growth of new orders at around 5 %, whereby the main driver is found
  in the area of the so-called “post-panamax ships” (65,000 to 100,000 DWT). Im-
  pulses for growth for bulkers are expected by the demand in China and India for
  iron ore and – in the mid-term – coal so that long-term growth rates of around 4 %
  annually are expected depending on the size of the ships.\(^{24}\)

- The **tanker segment** is currently also marked by excess capacities. This segment
  is influenced primarily by the worldwide demand for crude oil and is, thus, greatly
  influenced by the development in the worldwide economy, whereby this market
  segment as well is probably dominated by the demand in Asia. Accordingly, the
  greatest future impulses are expected from China.\(^{25}\) The main demand will be for
  tankers in the size above 80,000 DWT. On the other hand, there is currently a ten-
  dency for scraping tankers of all smaller sizes.\(^{26}\) Average annual growth of around
  7.3 % is forecast through the year 2017. When viewed in the long term, however,
  decreasing rates of growth are expected, and starting in the year 2020, an average
  annual growth in the orders for new ships is expected only at around 2.2 %.\(^{27}\)

\(^{23}\) See, Nord/LB Sector Research, Shipping Monitor, 03/2012.
\(^{25}\) See, HSH Nordbank, Shipping Quarterly 01/2013.
\(^{26}\) See, Maritime insight, Shipbuilding Outlook Club - Report 10/2012.
\(^{27}\) See, Clarkson Research Service, Forecast Report September 2012.
Global demand for gas influences the situation in the field of LNG tankers. As a result of major gas deposits, still lower prices as compared to crude oil, the (temporarily) intended departure of Japan and Germany from nuclear energy as well as the increasing demand for energy in China, Vietnam, Brazil and India, the demand for gas has continuously increased. This trend will continue in the future. At the same time, e.g., the USA is trying to further reduce its dependency on oil imports. This is possible as a result of successful “fracking” activities. Overall, the described development will lead to a continuing demand for LNG tankers, whereby in the long term an average annual growth is assumed in the amount of 6.6 %. 

In the area of all other types of ships, primarily the development of cruise ships and the offshore field must be mentioned. In the area of cruises, there has been a continuing trend in the demand that has been observed for some time. An increase in passenger numbers of around 30 % is expected for Europe in the next five years, and around 11 % is anticipated for North America. As a result of the increasing numbers in passengers, well known cruise lines are continuously expanding their fleets, and this is reflected in expected average annual growth in the orders for new ships in an amount of 14.9 % for 2012 through 2017. However, new orders for cruise ships will amount to less than 1 % of overall ship orders in 2013 and 2017. 

In the highly specialized offshore sector, there is also a boom at present. Given worldwide exploration projects, vessels are needed which meet the requirements for more difficult exploitation conditions in areas far from coast and thus also in deep sea conditions. An average annual growth in demand in an amount of 6.7 % is expected through 2017.

For auxiliary engines as well as engines for generating energy in stationary power plants which are produced in the strategic business unit Engines & Marine Systems, but not for the ship market, the market environment in the strategic business unit Power Plants is relevant.

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29 See, Nord/LB Sector Research, Shipping Monitor, 03/2012.
31 See, Nord/LB Sector Research, Shipping Monitor, 03/2012.
33 See, Nord/LB Sector Research, Shipping Monitor, 03/2012.
(1.1.2) Power Plants

The strategic business unit Power Plants produces stationary diesel and gas engines for de-centralized power plant operations and constructs turn-key power plant structures as a general contractor.

The relevant variable for the development of the business is the worldwide demand for energy and the related expansion of the energy supply. The main influencing factors for the market environment in this strategic business unit also lie in the (temporarily) intended departure of some countries from nuclear energy as well as the high necessity for capital expenditures for renewal and replacement of obsolete power plants in order to meet the worldwide disproportionately growing demand for electric power compared to energy consumption as a whole.\(^\text{35}\)

The demand for energy is influenced to a great extent by the development of the gross domestic product. While the demand for energy in Europe, just as the development of the GDP, grows only slightly or even stagnates, the growth regions and threshold countries, above all China, show an increasing demand for energy. According to estimates, the demand for energy in the developing countries compared to the year 2010 will increase by around 65 % by the year 2040.\(^\text{36}\) With regard to individual economic sectors, a strong growth in demand can be found for energy and energy supply especially in the industrial and transportation sector.

China, the USA and India are today both the largest producers of energy as well as the largest consumers and will so remain in the future.

Parallel to the increase in demand for energy, the energy supply will also develop positively. The energy supply increased by around 3 % annually from 1990 to 2009.\(^\text{37}\) Fossil fuels dominate the energy mix within the worldwide supply of primary energy.

The increasing demand for gas and crude oil as sources of energy is forecast to have an average growth of around 2-3 % in the period between the year 2010 and the year

While the demand for crude oil increases, the reserves are continuously decreasing. At the same time, there is growing environmental consciousness with the goal of keeping emissions as low as possible. In the long term, these effects will substantially intensify the change to natural gas and renewable energies.

(1.1.3) Turbomachinery

In addition to compressors, gas turbines and steam turbines as well as complete machine lines for various industries such as the process industry or the oil and gas industry are sold by the strategic business unit Turbomachinery.

The future development here is substantially influenced by the growing demand for energy and consumer products in the course of the growing world population. With regard to the demand for energy, above all the development in the exploitation industry and refineries is of importance for the strategic business unit Turbomachinery where the development in the business again depends on the worldwide demand for energy. We refer in this regard to the above section on the strategic business unit Power Plants.

According to forecasts of the United Nations, the world population will grow to around 9.3 billion people by the year 2050. Rates of birth show an above average increase especially in the so-called BRICS countries (Brazil, Russia, India, China and South Africa). The increasing population leads to a comparably high number of younger workers which, in turn, is a major force in the dynamics of economic growth. Annual average growth in the GDP of between 5 % and 8 % is expected in China, India, Latin America as well as the Middle East between the years 2010 and 2025.

Especially the growing wealth leads to increased consumption of gas and crude oil based products such as plastics and fertilizers. As a result of the increase in consumption, the existing generally insufficient production capacities must be expanded. The necessary expansion of capacity, in turn, leads to an increase in the demand for products in the strategic business unit Turbomachinery.

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39 See, ifo, current research results 01/2013.
(1.2) Renk

Renk, as a worldwide manufacturer of transmissions, completes the product portfolio in the business area of Power & Engineering. A situation analysis in the in part highly specialized markets of Renk yields the following main results:

- The demand for products in the military field, i.e. for the strategic business unit vehicle transmissions and in part for the maritime transmissions in the strategic business of special gear units, is marked primarily by the countries’ defense budgets. Increased spending in the BRIC countries is offset by lower defense budgets primarily in North America and Europe. A further adverse impact comes from the fact that the attempt is being made in various countries to develop national transmission manufactures for track vehicles, for example, in Spain, Korea and Turkey. Import and export restrictions are also found in many cases which limit the market potential. On the other hand, the increasing number of conflicts in the world generally leads to higher investments to secure territories, maritime routes and offshore regions. The market will continue to have strong regional differences in the future. Increases in demand are assumed especially for the Middle East, but also for Eastern Europe and the Asian Region.

- Especially the demand for cement mill transmissions and high performance turbo transmissions is relevant for stationary applications in the strategic business of special gear units. The demand for cement mills is marked to a decisive degree by the worldwide construction activity. Especially due to the substantial demand in China, the worldwide cement consumption has increased by more than 5 % annually in the last 20 years. The current downturn in demand for cement has led to an intense competition in the field of cement mills. Existing cement mills are currently not being fully used so that the expected general increase in demand for cement will lead only to a certain extent to a push in demand for transmissions.

- The strategic business of standard gear units is primarily marked by the expectations for the commercial shipping market. We refer in this regard to the above section. Growing demand for renewable energies has in general a positive effect on offshore wind power equipment and activates the demand for transmissions. Cuts in the support for solar power in Germany should also lead to an in-
crease in the offshore wind market. Risks result from alternative – transmission free – technologies as well as the currently difficult financing situation for wind parks and inadequate grid infrastructure.

- The strategic business unit of slide bearings is marked by power generation (large reactors and e-motors), the marine markets (shaft bearings and pressure bearings) as well as the construction of plants (especially steel, offshore, oil and gas). Reference can be made in this regard to the above discussion on ship markets and the demand for energy.

(2) Competitors

The competitive situation in the strategic business unit Engines & Marine Systems must be differentiated by the product groups of two- and four-stroke engines. The global market in the field of two-stroke engines is marked by a few large manufacturers. In 2012, MDT was the market leader with around 80 % market share ahead of Wärtsilä Corporation, Helsinki/Finland (hereinafter, also “Wärtsilä”) with around 18 %. The situation is different for four-stroke engines. According to the company’s own information for 2011, in addition to MDT with a market share of around 17 %, market shares are primarily held by Wärtsilä (market share of around 38 %), HHI-EMD, Engine & Machinery Division of Hyundai Heavy Industries, Ulsan/South Korea (market share of around 10 %, hereinafter, also “HHI-EMD”) as well as Caterpillar Marine Power Systems, a company of Caterpillar Co., Peoria/USA (market share of around 6 %, hereinafter, also “Caterpillar”).

As a result of using the same types of engines in the construction of Power Plants and ships, the same competitors are found in the strategic business unit Power Plants that are found in the four-stroke ship engine field. However, the market shares are not as equally divided so that, according to our information, Wärtsilä, with a market share of around 51 %, leads substantially ahead of MDT with around 24 % and HHI-EMD with around 8 % and Caterpillar with around 7 %. If one also considers the growth market for gas and dual fuel engines on a stand-alone basis, Wärtsilä dominates with around

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40 See, Wärtsilä Corporation 2012 Result Presentation (25.01.2013).
71 % market share ahead of MDT with around 13 % in the worldwide area of power plant motors.

Due to the heterogeneous product range in the strategic business unit Turbomachinery, there are many competitors. They include, in addition to Siemens AG, Munich and Berlin, also Elliot – a brand of the Ebara Corporation, Tokyo/Japan, Mitsubishi Heavy Industries Ltd., Tokyo/Japan and Dresser Rand Group Inc., Houston/USA.

For Renk competitors a predominantly mid-sized structure is observable. These competitors all have a high degree of technical specialization, low administration expenses, low publicity and – in part – very high profitability. Renk has a leading market position in various areas in this environment, for example, for switch, turn and steering transmissions in military track vehicles, special gear units for complex maritime applications and slide bearings for standard applications.

Especially noteworthy in this field is the fact that many customers of Renk compete with MDT.

2. Valuation date

The applicable valuation date is the date of the general shareholders’ meeting of MAN on which the resolution on the approval of the conclusion of the Domination and Profit and Loss Transfer Agreement is deemed to be adopted. The general shareholders’ meeting of MAN is scheduled for 6 June 2013.

The technical valuation date was set at 31 December 2012. Accordingly, the planned earnings surpluses were initially reduced to present value as of that date and subsequently increased in value using the relevant discount rate to 6 June 2013.

We consider this approach to be appropriate.
3. Determination of the discounted dividend value

3.1. Corporate planning

Two phases were used as the basis for determining the discounted dividend value for purposes of the valuation of MAN.

The first so-called detailed planning phase covers the period from 1 January 2013 through 31 December 2017. The business planning, which was performed irrespective of valuation purposes, is based for the planning period 2013 on the rolling forecast 1 for 2013 (RFC 1/2013), which was adopted by the Executive Board of MAN on 27 March 2013. The budget planning of MAN (UPL 2013 to 2015) was used as the basis for the planning years 2014 and 2015 and was adopted by the Executive Board of MAN on 27 November 2012 and presented to the Supervisory Board of MAN on 12 December 2012. The strategic business planning 2013 to 2017 submitted to the Executive Board of MAN on 4 September 2012, which also served for first inclusion into Volkswagen AG group planning (i.e. Planning Round 61, PR 61) was used as a basis for the planning years 2016 and 2017.

The business planning results from a multi-step top-down-bottom-up process at MAN Group in business areas and corresponding divisions and within the divisions in the respective strategic business units and business units. The business planning was prepared in accordance with International Financial Reporting Standards (IFRS) and includes as group planning the planned profit and loss statements, planned balance sheets and the resulting planned cash flow statements both at MAN Group level of as well as at the individual divisions’ level.

The group planning covers all fully consolidated group companies. Investments, which are not fully consolidated, are planned under the P&L caption earnings from financial investments and at-equity investments.

The valuation experts generally adopted the planning for the detailed planning phase of the company and revised the income from investments, the financial planning and the tax planning in consultation with Company representatives. Both, necessary technical adjustments for valuation purposes as well as adequate consideration of investments
which are not fully consolidated and tax loss carryforwards were thereby taken into account.

The second phase of the so-called terminal value starting in 2018 (hereinafter, also the “terminal value”) is basically based on the Company’s expectations as to a level of profit that can be sustainably achieved on the basis of the existing strategy. The valuation experts, in consultation with Company representatives, prepared analyses of the Company’s revenues and returns as well as those of comparable companies in order to take into account the very cyclical nature of the business model of MAN. The extrapolation of financial surpluses generated in the last detailed planning year 2017 was considered while taking into account the expected sustainable growth, which was reflected in the so-called growth factor. To the extent that certain circumstances in the last detailed planning year 2017 did not yet reflect a steady state, the resulting effects on earnings were annuitized and taken into account in the year of the terminal value.

We have assessed the planning methodology. A comparison of the planned values for the fiscal years 2010 to 2012 with the realized actual values in these fiscal years in order to assess the planning quality showed substantial deviations. However, these are driven to a substantial degree by the exceptionally volatile general economic conditions in recent years, which were not foreseeable at the time of the forecast for the respective business planning. A systematic distortion of the business planning such as a generally too optimistic or too pessimistic approach could not be identified. The business planning is an appropriate basis for the determination of the equity value of the Company in light of the updates performed by referring to the mid-term planning that followed the strategic planning for the years 2014 and 2015 as well as to the rolling forecast for the year 2013.

3.2. Analysis of the past

The starting point for our work is the analysis of past results because these serve as an initial orientation for assessing the plausibility of planned figures. We especially made use of consolidated financial statements of MAN for the fiscal years 2010, 2011 and 2012, all with an unqualified audit opinion.
3.2.1. Earnings position

The earnings position was analyzed on the basis of the consolidated profit and loss statement of MAN.

The development of revenues in the individual divisions is shown below:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>Actual</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue by divisions</td>
<td></td>
<td>€ m</td>
<td>%</td>
<td>€ m</td>
</tr>
<tr>
<td>MAN Truck &amp; Bus incl. MAN Finance</td>
<td></td>
<td>7,446</td>
<td>50.7</td>
<td>8,984</td>
</tr>
<tr>
<td>MAN Latin America</td>
<td></td>
<td>3,140</td>
<td>21.4</td>
<td>3,579</td>
</tr>
<tr>
<td>MAN Diesel &amp; Turbo</td>
<td></td>
<td>3,766</td>
<td>25.7</td>
<td>3,610</td>
</tr>
<tr>
<td>Renk</td>
<td></td>
<td>403</td>
<td>2.7</td>
<td>389</td>
</tr>
<tr>
<td>Corporate Center/Consolidation</td>
<td></td>
<td>-80</td>
<td>-0.5</td>
<td>-90</td>
</tr>
<tr>
<td>Total revenue</td>
<td></td>
<td>14,675</td>
<td>100.0</td>
<td>16,472</td>
</tr>
</tbody>
</table>

Approximately 20 % of revenues in fiscal year 2012 were realized in Germany, and approximately 57 % were realized in the core market in Europe (including Germany).

The worldwide economic recovery in the fiscal year 2010 after the crisis year 2009 led to higher orders in all business areas of the MAN Group. Especially the European commercial vehicles business recovered more quickly than expected. This development as well as a booming Brazilian market led to a substantial increase in order intake and revenue in the business area Commercial Vehicles (in the divisions MTB and ML).
MAN profited also in 2011 from the recovery of the worldwide economy, which only weakened during the course of that year, and MAN generated overall record revenue with a growth of 12 % compared to the previous year. The business area of **Commercial Vehicles** contributed materially to expanding the business volume with a share in revenue of around 76 %.

The weakening of the world economy continued in 2012. As a result and due to increasing uncertainties in the financial markets and the debt crisis in the Euro region, MAN was not able to achieve the level of revenue generated in the previous year. The downturn in revenue had its basis primarily in ML because the Brazilian market collapsed as a result of the introduction of the Proconve P7 emission standards as well as a bad economic situation. As a result of the decrease in demand in Brazil, revenue of ML compared to the previous year decreased by around 20 %.

The business area of **Power Engineering** (MDT and Renk divisions) generated revenue of € 3,999 million in fiscal year 2011 after € 4,169 million in the previous year. The fluctuations in revenue at MDT were primarily due to large projects and billing effects. A recovery of revenue to € 4,256 million occurred in 2012. While the strategic business units Engines & Marine Systems of MDT remained slightly below the previous year level due to the weakness in ship construction, the other two strategic business units of MDT were able to achieve slight, Renk even substantial increases in revenue.

Expenses for materials in the amount of € 9,108 million are contained in the **costs of goods sold** in the fiscal year 2012 (previous year: € 9,314 million). This corresponds to a cost of materials ratio of around 58 % compared to around 57 % in fiscal year 2011 and around 55 % in fiscal year 2010. The ratio must be differentiated by business area. While an increase in the cost of materials ratio from 60 % in 2010 to 63 % in 2012 (€ 7,309 million) occurred in the business area of Commercial Vehicles, the cost of materials ratio in the business area of Power Engineering developed from 44 % in 2010 to 43 % in 2011 and 46 % in 2012.

The **costs of goods sold ratio** improved from 78.6 % in 2009 to 77.7 % in the years 2010 and 2011 as a result of a better use of production capacity in the business area of Commercial Vehicles. Decreasing use of capacity, increasing prices for raw materials as well as a substantial pressure on the margins especially in the division MTB again
led to an increase in the costs of goods sold ratio by 1.5 percentage points in fiscal year 2012. Thus, the gross margin was only at 20.8 % compared to 22.3 % in the previous year.

The break-down and development of other operating income can be seen in the following table:

<table>
<thead>
<tr>
<th>MAN Group Other operating income</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from financial services</td>
<td>150</td>
<td>162</td>
<td>203</td>
</tr>
<tr>
<td>Gains from nonrecurring items</td>
<td>0</td>
<td>111</td>
<td>0</td>
</tr>
<tr>
<td>Gains on financial instruments</td>
<td>115</td>
<td>101</td>
<td>57</td>
</tr>
<tr>
<td>Other trade income</td>
<td>50</td>
<td>34</td>
<td>44</td>
</tr>
<tr>
<td>Gains on disposal of property, plant, and equipment, and intangible assets</td>
<td>10</td>
<td>14</td>
<td>6</td>
</tr>
<tr>
<td>Miscellaneous other income</td>
<td>191</td>
<td>200</td>
<td>230</td>
</tr>
<tr>
<td>Total of other operating income</td>
<td>516</td>
<td>622</td>
<td>540</td>
</tr>
</tbody>
</table>

Proceeds from transactions in the subgroup MFI are shown in the income from financial services. Gains from non-recurring items in the fiscal year 2011 resulted from the contribution in kind of a plant in Vienna to a joint venture with Rheinmetall Aktiengesellschaft, Düsseldorf, (Rheinmetall MAN Military Vehicles GmbH, Munich, hereinafter, also "RMMV"). The valuation of foreign currency positions as well as income from hedging transactions were shown under gains on financial instruments.

The selling expenses ratio was around 7.4 % on average in the observed period. Overall, selling expenses increased only slightly by € 86 million from € 1,095 million in fiscal year 2010 to € 1,181 million in fiscal year 2012.

The general and administrative expenses increased in the period 2010 to 2012 on average by 13.2 % annually. This corresponds to an absolute increase of the expenses by € 209 million or an increase in the general and administrative expenses ratio from 5.0 % in fiscal year 2010 to 6.0 % in fiscal year 2012. The cause for this development was primarily that additional personnel was employed in expectation of a continuing positive course of business in the year 2011 but the assumed revenue forecasts were then not realized due to the reasons described above.
The **other operating expenses** do not include the expenses attributable to functional areas and consist specifically of the following:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other operating expenses</td>
<td>€ m</td>
<td>€ m</td>
<td>€ m</td>
</tr>
<tr>
<td>Research and development</td>
<td>-373</td>
<td>-390</td>
<td>-428</td>
</tr>
<tr>
<td>Impairment losses on inventories</td>
<td>-94</td>
<td>-129</td>
<td>-94</td>
</tr>
<tr>
<td>Expenses from financial services</td>
<td>-100</td>
<td>-90</td>
<td>-123</td>
</tr>
<tr>
<td>Losses from nonrecurring items</td>
<td>0</td>
<td>-72</td>
<td>0</td>
</tr>
<tr>
<td>Legal, audit, and consulting costs</td>
<td>-70</td>
<td>-57</td>
<td>-29</td>
</tr>
<tr>
<td>Losses on financial instruments</td>
<td>-39</td>
<td>-52</td>
<td>-39</td>
</tr>
<tr>
<td>Bad debt allowances on receivables</td>
<td>-84</td>
<td>-41</td>
<td>-67</td>
</tr>
<tr>
<td>Miscellaneous other expenses</td>
<td>-382</td>
<td>-148</td>
<td>-97</td>
</tr>
<tr>
<td><strong>Total of other operating expenses</strong></td>
<td><strong>-1,142</strong></td>
<td><strong>-979</strong></td>
<td><strong>-877</strong></td>
</tr>
</tbody>
</table>

The expenses from financial services and losses on financial instruments correspond to the other operating income.

Miscellaneous other expenses in fiscal year 2010 included cost overruns and reserves for projects as well as expenses for expanding the strategic business unit Power Plants.

The **income from financial investments and at-equity investments** for the year 2010 shows, in addition to the profits from Scania (€ 99 million) and Sinotruk (€ 29 million), primarily also the recovery of the book value for the investment in Scania of € 357 million.

In fiscal year 2011, the financial and equity-method results contained, in addition to the profits from Scania (€ 59 million) and Sinotruk (€ 45 million), primarily the result from the reclassification of the shares in Scania as financial investments (€ 495 million) as well as the offsetting market valuation of the shares (€ - 677 million).

The reduction in book value for the investments in Sinotruk (€ 190 million) as well as the Joint Venture RMMV (€ 41 million) negatively affected the profits from financial and at-equity investments in fiscal year 2012. The dividend from Scania in the amount of € 60 million contributed positively to the results from investments.
As a result of the described development, the following EBIT break-down results in the period 2010 to 2012:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>Actual</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>€ m</td>
<td>%</td>
<td>€ m</td>
</tr>
<tr>
<td>MAN Truck &amp; Bus incl. MAN Finance</td>
<td>158</td>
<td>12.3</td>
<td>676</td>
<td>53.8</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>2.1%</td>
<td>7.5%</td>
<td>1.9%</td>
<td></td>
</tr>
<tr>
<td>MAN Latin America</td>
<td>271</td>
<td>21.1</td>
<td>301</td>
<td>24.0</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>8.6%</td>
<td>8.4%</td>
<td>4.8%</td>
<td></td>
</tr>
<tr>
<td>MAN Diesel &amp; Turbo</td>
<td>439</td>
<td>34.2</td>
<td>395</td>
<td>31.4</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>11.7%</td>
<td>10.9%</td>
<td>11.6%</td>
<td></td>
</tr>
<tr>
<td>Renk</td>
<td>52</td>
<td>4.1</td>
<td>53</td>
<td>4.2</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>12.9%</td>
<td>13.8%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate Center/Consolidation</td>
<td>363</td>
<td>28.3</td>
<td>-169</td>
<td>-13.5</td>
</tr>
<tr>
<td>Total of earnings before interest and taxes (EBIT)</td>
<td>1,283</td>
<td>100.0</td>
<td>1,256</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The business area of Commercial Vehicles overall only achieves an EBIT margin of 2.7 % in fiscal year 2012 compared to 7.8 % in the previous year due to the changed general economic conditions.

A correction of the EBIT for effects from purchase price allocations and non-recurring items gives the operating profit defined as an internal performance indicator at MAN and the resulting return on sales (ROS) being the relation of operating profit to revenues. The long-term ROS target value of MAN is 8.5 % +/- 2 percentage points.

The operating profit in the fiscal years 2010 to 2012 can be taken from the following table:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>Actual</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>€ m</td>
<td>€ m</td>
<td>€ m</td>
</tr>
<tr>
<td>Calculation of operating profit</td>
<td>1,283</td>
<td>1,256</td>
<td>623</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>8.7%</td>
<td>7.6%</td>
<td>3.9%</td>
<td></td>
</tr>
<tr>
<td>Purchase price allocation</td>
<td>109</td>
<td>109</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>Nonrecurring items</td>
<td>-357</td>
<td>118</td>
<td>231</td>
<td></td>
</tr>
<tr>
<td>Operating profit</td>
<td>1,035</td>
<td>1,483</td>
<td>964</td>
<td></td>
</tr>
<tr>
<td>ROS</td>
<td>7.1%</td>
<td>9.0%</td>
<td>6.1%</td>
<td></td>
</tr>
</tbody>
</table>

The effects of purchase price allocations relate primarily to ML with € 99 million in the years 2010 and 2011 and € 91 million in the fiscal year 2012 as well as the acquisition of Sinotruk.
Recoveries in book value for the investment in Scania primarily form the effects from non-recurring items in the fiscal year 2010 with € 357 million. The non-recurring items in the fiscal year 2011 result primarily from valuation effects for the investment in Scania (€ -182 million) as well as establishing provisions for irregularities in the delivery of ship engines at MDT (€ -65 million). This is offset by the transfer of assets to the Joint Venture RMMV in connection with a simultaneous acquisition of a 49 % share in activities transferred by Rheinmetall. The reduction in value of the investments in Sinotruk (€ 190 million) as well as RMMV (€ 41 million) caused the results from non-recurring items in an amount of € 231 million in fiscal year 2012.

The interest income in fiscal year 2012 is negatively affected by interest expenses as a result of supplemental tax payments resulting from the tax audit from the years 2002 to 2005.

The loss from discontinued operations in the years 2010 and 2011 has its basis primarily in the investment in Ferrostaal Aktiengesellschaft, Essen, which was sold in fiscal year 2012.

The number of employees in the MAN Group has continuously increased from 47,669 (including subcontracted workers) as of 31 December 2010 to 54,283 employees at the end of the year 2012. Out of this number, 36,816 employees are attributable to the business area of Commercial Vehicles, and 17,108 are attributable to Power Engineering.

The valuation experts adjusted the fiscal years 2010 to 2012 at Group level for extraordinary, one-off as well as aperiodic events in order to assure better comparability of the development in the past with the planned figures.
The **adjusted earnings before taxes** are determined as follows:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjustments to the past</td>
<td>€ m</td>
<td>%</td>
<td>€ m</td>
</tr>
<tr>
<td>Earnings before interest and taxes (EBIT)</td>
<td>1,283</td>
<td>157.8</td>
<td>1,256</td>
</tr>
<tr>
<td>Earnings from financial investments and at-equity participations</td>
<td>-470</td>
<td>-57.8</td>
<td>41</td>
</tr>
<tr>
<td>Division MDT</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value adjustments on accounts receivable against manroland</td>
<td>2</td>
<td>0.2</td>
<td></td>
</tr>
<tr>
<td>Reserves formed/ released</td>
<td>39</td>
<td>3.0</td>
<td></td>
</tr>
<tr>
<td>Reserves for investigations regarding irregularities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>in transfer of four-stroke engines (Project Poseidon)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value adjustments for receivables past due of the Danish branch</td>
<td>65</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td>Division MTB</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dissolution of a joint venture in Region West B.V.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt waiver toward the joint venture MAN FORCE TRUCKS Pvt. Ltd.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RMMV - Initial consolidation from inclusion of Vienna plant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBIT after adjustments</td>
<td>813</td>
<td>100.0</td>
<td>1,295</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>8.7%</td>
<td>7.6%</td>
<td>3.9%</td>
</tr>
<tr>
<td>EBIT margin after adjustments</td>
<td>5.5%</td>
<td>7.9%</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

We also refer to the discussion in the Joint Valuation Report PwC/ KPMG for a detailed description of the adjustments.

We assessed the adjustments of past figures on the basis of the audit reports for the fiscal years 2010 to 2012. In our view, the adjustments of past figures were adequate.
3.2.2. Financial situation

The financial situation of the MAN Group on the balance sheet dates 31 December 2010, 2011 and 2012 based on the audited consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) is as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€ m</td>
<td>%</td>
<td>€ m</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>1,914</td>
<td>11.0</td>
<td>1,883</td>
</tr>
<tr>
<td>Property, plant, and equipment</td>
<td>2,064</td>
<td>11.8</td>
<td>2,091</td>
</tr>
<tr>
<td>Equity-method investments</td>
<td>2,085</td>
<td>12.0</td>
<td>838</td>
</tr>
<tr>
<td>Financial investments</td>
<td>51</td>
<td>0.3</td>
<td>1,251</td>
</tr>
<tr>
<td>Assets leased out</td>
<td>1,755</td>
<td>10.1</td>
<td>2,303</td>
</tr>
<tr>
<td>Noncurrent financial services receivables</td>
<td>838</td>
<td>4.8</td>
<td>953</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>1,159</td>
<td>6.6</td>
<td>1,078</td>
</tr>
<tr>
<td>Other noncurrent assets</td>
<td>180</td>
<td>1.0</td>
<td>226</td>
</tr>
<tr>
<td><strong>Noncurrent assets</strong></td>
<td>10,046</td>
<td>57.6</td>
<td>10,623</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,852</td>
<td>16.4</td>
<td>3,513</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>1,982</td>
<td>11.4</td>
<td>2,331</td>
</tr>
<tr>
<td>Current financial services receivables</td>
<td>495</td>
<td>2.8</td>
<td>532</td>
</tr>
<tr>
<td>Current income tax receivables</td>
<td>133</td>
<td>0.8</td>
<td>117</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>139</td>
<td>0.8</td>
<td>0</td>
</tr>
<tr>
<td>Other current assets</td>
<td>713</td>
<td>4.1</td>
<td>596</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>14</td>
<td>0.1</td>
<td>1</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>1,057</td>
<td>6.1</td>
<td>957</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td>7,385</td>
<td>42.4</td>
<td>8,047</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>17,431</td>
<td>100.0</td>
<td>18,670</td>
</tr>
</tbody>
</table>

The intangible assets contain, in addition to goodwill (31 December 2012: € 881 million), capitalized development costs, which increase from € 355 million as of 31 December 2010 to € 700 million as of 31 December 2012. The focus of research and development was on the continuing development of commercial vehicles and diesel engines with regard to consumption and emission. In addition, the use of natural gas as a fuel was further developed in the field of Power Engineering.

The increases in property, plant and equipment are due to capital expenditures for replacement and maintenance as well as growth-induced expansions of capacity at various locations.

Overall, in fiscal year 2012 capital expenditures were made in the field of Commercial Vehicles of € 740 million after € 567 million in the previous year. The capital expenditures in the field of Power Engineering were € 195 million, which is a substantial increase compared to the capital expenditures of € 117 million in the fiscal year 2011. Of
these capital expenditures, € 175 million is attributable to investments in the fiscal year 2012 (previous year: € 70 million).

As of 31 December 2012, the financial investments and equity-method investments primarily show the shares in Scania and Sinotruk. The main change in these captions in the year 2011 results from the reclassification of shares in Scania. Other changes in fiscal year 2012 are mainly due to the write-down of the at-equity investment in Sinotruk by € 190 million, the increase in market value of the financial investment in Scania by € 463 million as well as the change in accounting for the investment in MTI (€ -72 million), which was fully consolidated as of 31 March 2012 and the write-down of RMMV (€ - 41 million).

The development of assets leased out, current and noncurrent financial services receivables as well as the change in inventories and trade receivables are based primarily on the changed production and business volumes in the analyzed period 2010 to 2012.

The shares in Ferrostaal Aktiengesellschaft are shown under the caption Assets held for sale as of 31 December 2010.

The deferred tax assets are due to loss carryforwards for corporate income tax and trade tax to the extent that the Company assumes that these loss carryforwards can be economically used.
Shareholders’ Equity as of 31 December 2012 is attributable in the amount of € 376 million to subscribed capital, € 795 million to capital reserves and € 4,263 million to retained earnings.

The noncurrent and current financial liabilities increased from a total of € 2,849 million as of 31 December 2010 to € 3,170 million as of 31 December 2011. As a result of issuing new bonds in a volume of € 2,089 million in fiscal year 2012, financial debt increased substantially and was € 5,299 million as of 31 December 2012. Taking into account the increased liquid funds of € 1,366 million as well as other assets of € 5 million a net debt of € 3,928 million results as of 31 December 2012 after € 2,212 million as of 31 December 2011. The large increase in financing in the fiscal year 2012 was caused, among other aspects, by a negative cash flow from investments of € 1,233 million. This includes the outflows of liquidity resulting from divesting Ferrostaal Aktiengesellschaft in an amount of € 345 million.

Pensions and other post-employment benefits increased in fiscal year 2012 especially due to actuarial losses resulting from a lower interest rate.

The long- and short-term provisions decreased from € 2,118 million as of 31 December 2010 to € 1,850 million as of 31 December 2012 and include primarily provisions for warranties (31 December 2012: € 832 million). The reduction of provisions is
primarily the result of the reduction of other business related obligations from € 625 million as of 31 December 2010 to € 373 million as of 31 December 2012.

The amount of **trade payables** is due to the change in business volume over the course of time.

**Prepayments received** could be increased by € 87 million despite lower order intake in 2012 in the division MDT.

**Other liabilities** of € 2,540 million in total for noncurrent and current obligations as of 31 December 2012 primarily include customer payments for assets leased out in the amount of € 1,633 million, which could not yet be realized as income as well as personnel-related liabilities in the amount of € 402 million. The reduction of other liabilities compared to the previous year (31 December 2011: € 2,844 million) is based primarily on the payment of obligations from the sale of the investment in Ferrostaal Aktiengesellschaft.

### 3.3. Analysis of the planning for operating profits

In order to evaluate the planning of MAN for the period 1 January 2013 to 31 December 2017, we conducted discussions with Members of the Executive Board and employees of the MAN Group as well as the valuation experts in order to assess the plausibility, based on the documents that were made available to us.
3.3.1. Business Planning for the MAN Group

The detailed planning for the fiscal years 2013 to 2017, based on the adjusted actual values for fiscal year 2012, is shown below. The EBIT is adjusted for the results from financial and at-equity investments. With regard to the planning of the results from investments we refer to section C.IV.3.4; the net interest result is shown in section C.IV.3.6.

Based on the current economic development especially in Europe, the MAN Group expects a stagnation of revenues in the year 2013. In accordance with the expected forecasts for growth, substantially increasing revenue is expected for the years after 2013. Starting with fiscal year 2012, the average annual growth rate for revenues for MAN through 2017 is around 6.9 % and, thus, lies well above growth forecasts for the world economy for the same period, which is at 4.4 % to 4.6 % annually.

In the business area of Commercial Vehicles, average annual rates of growth of 7.6 % are expected. Within that MTB generates an average annual rate of growth of 5.2 %. When measured against the forecast for growth in the European market, which is a primary market for MTB, this means gaining additional market shares. The rate growth of ML, on the other hand, at an average of 14 % is well above the rate of growth of the MAN Group and the business area of Commercial Vehicles as well as the general expectations for the market and competition in Brazil described in section C.IV.1.2.

Overall, in the planning year 2017 revenue of € 16,888 million are expected in the field of Commercial Vehicles. While the share of MTB in total revenue of MAN Group amounts to around 51.5 % in 2017, ML achieves a share of around 25.1 %. ML’s share in total revenues was only 18.2 % in fiscal year 2012.
An annual average growth in the amount of 5.6 % is the target in the field of Power Engineering. Driven by expectations for an increasing worldwide demand for energy as well as an increasing demand by oil, gas and petrochemical industry and a recovery of the ship market, revenue of € 5,000 million in the last planning year 2017 are expected in the MDT division after € 3.780 million in fiscal year 2012.

The **costs of goods sold** are not expected to increase to the same degree as revenues in the detailed planning period so that the **gross margin** of 20.8 % in fiscal year 2012 increases to 23.5 % in the planning year 2017. This target is supposed to be achieved, among other measures, by improving the use of existing capacities, increases in production efficiency, reducing personnel and savings in the cost of materials. Various projects have been started by MAN for this purpose, partly in cooperation with Volkswagen and Scania, and the first measures have been initiated. The status of the projects varies. Material effects on profits are expected for the first time in the planning years after 2014.

**Other operating income**, which in previous years also contained income from extraordinary and non-recurring items, is planned to increase continuously, starting 2014. The included income from MFI grows from € 218 million in fiscal year 2012 to € 270 million in the planning year 2017 (CAGR 4.3 %).

The **selling and administrative expenses ratio** decreases from 13.5 % in fiscal year 2012 to 10.0 % in the planning year 2017. In addition to a successive decrease in depreciation volume from purchase price allocations in the course of the ML acquisition during the planning period, especially a tighter organization of the sales force as well as further individual measures in various fields and markets are supposed to result in the substantial reduction of selling expenses compared to 2012. An increase in administrative expenses is supposed to be limited by stricter control of overheads, tightening of approval procedures and personnel capacity adjusted to the needs.

**Other operating expenses** include expenses which develop depending on the revenues and other operating income. For example, research and development costs of € 428 million in fiscal year 2012 increase to around € 840 million in the planning year 2017, which corresponds to a cost ratio of around 4 %. The increase is caused substantially by product launches in the business area of Commercial Vehicles. Corre-
Convenience Translation

Sponding to the proceeds of MFI, the operating expenses are forecast to be € 169 million in the planning year 2017.

Based on the above discussion, the expectation is that the EBIT margin (after adjustments) will improve from an average of 6.0 % in the analyzed reference periods 2010 to 2012 to 9.4 % at the end of the detailed planning period. Compared to fiscal year 2012, the EBIT in the planning horizon shows an average annual growth of 23.1 %.

If the adjusted EBIT is corrected for the continuing effects from purchase price allocations in previous years and if planned results from investments are included, the following operating profit and ROS results for the detailed planning period:

<table>
<thead>
<tr>
<th>MAN Group Calculation of operating profit</th>
<th>Actual 2012 € m</th>
<th>2013 € m</th>
<th>2014 € m</th>
<th>2015 € m</th>
<th>2016 € m</th>
<th>2017 € m</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBIT without income from investments</strong></td>
<td>729</td>
<td>557</td>
<td>975</td>
<td>1,367</td>
<td>1,735</td>
<td>2,065</td>
</tr>
<tr>
<td><strong>EBIT margin</strong></td>
<td>4.6%</td>
<td>3.5%</td>
<td>5.5%</td>
<td>7.0%</td>
<td>8.3%</td>
<td>9.4%</td>
</tr>
<tr>
<td>Purchase price allocations</td>
<td>110</td>
<td>90</td>
<td>68</td>
<td>51</td>
<td>35</td>
<td>32</td>
</tr>
<tr>
<td>Nonrecurring items</td>
<td>231</td>
<td>137</td>
<td>175</td>
<td>218</td>
<td>225</td>
<td>232</td>
</tr>
<tr>
<td>Income from investments</td>
<td>-182</td>
<td>137</td>
<td>175</td>
<td>218</td>
<td>225</td>
<td>232</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>888</td>
<td>784</td>
<td>1,218</td>
<td>1,636</td>
<td>1,995</td>
<td>2,329</td>
</tr>
<tr>
<td>**ROS **</td>
<td>5.6%</td>
<td>5.0%</td>
<td>6.8%</td>
<td>8.3%</td>
<td>9.6%</td>
<td>10.6%</td>
</tr>
<tr>
<td>**ROS **</td>
<td>5.6%</td>
<td>4.5%</td>
<td>6.4%</td>
<td>7.8%</td>
<td>9.0%</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

* Incl. proportionate annual earnings of investments starting 2013
** Incl. proportionate dividend from investments

Income from investments for 2013 to 2017 includes the valuation experts’ estimate for MAN share in annual profit of the investments. If only the proportionate dividends are included in the analysis, as in the year 2012 to ensure better comparability, there is a lower ROS due to taking into account dividend ratios.

The ROS determined on the basis of the shown planned results of operations at the end of the detailed planning period in 2017 lies at the upper end of the target corridor for the ROS value in the amount of 8.5 % +/- 2 percentage points as established by MAN.

Overall, the planning of the MAN Group must be considered to be ambitious with regard to the development in revenue and profit in light of the uncertainties in the relevant markets and when measured against the values in the past.
Additional details concerning the main drivers in the individual divisions are set forth in the following sections C.IV.3.3.2. et seq.

3.3.2. Business Planning for MAN Truck & Bus

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>8,822 € m</td>
<td>8,889 € m</td>
<td>9,870 € m</td>
<td>10,500 € m</td>
<td>10,900 € m</td>
<td>11,360 € m</td>
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<tr>
<td>Depreciation and amortization</td>
<td>231 € m</td>
<td>263 € m</td>
<td>271 € m</td>
<td>309 € m</td>
<td>326 € m</td>
<td>343 € m</td>
<td>8.2%</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>640 € m</td>
<td>406 € m</td>
<td>541 € m</td>
<td>576 € m</td>
<td>601 € m</td>
<td>625 € m</td>
<td>-0.5%</td>
</tr>
<tr>
<td>EBIT *</td>
<td>230 € m</td>
<td>257 € m</td>
<td>433 € m</td>
<td>573 € m</td>
<td>747 € m</td>
<td>952 € m</td>
<td>32.9%</td>
</tr>
<tr>
<td>EBIT margin *</td>
<td>2.6%</td>
<td>2.9%</td>
<td>4.4%</td>
<td>5.5%</td>
<td>6.9%</td>
<td>8.4%</td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>34,879</td>
<td>34,446</td>
<td>33,779</td>
<td>33,788</td>
<td>33,524</td>
<td>33,265</td>
<td>-0.9%</td>
</tr>
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</table>

* EBIT/EBIT margin without income from investments

(1) Development of revenues

Based on fiscal year 2012, an average growth in revenues of 5.2% is assumed for MTB in the planning period up to 2017, whereby the truck and used vehicle business grows faster than average and the business with busses, engines and components as well as the after sales business develops below average.

Since it is assumed that the European truck market will only recover starting in 2014, the expected revenue of MTB stagnates generally from 2012 to 2013. A noticeable recovery of revenues is only expected afterwards, resulting from the recovery of the southern European countries particularly affected by the financial and government debt crisis. After a substantial decrease in the year 2012, a recovery is already assumed for the European bus market starting in 2013, especially resulting from the additional demand due to liberalization of the long distance bus traffic in Germany.

The sales volume of new vehicles is supposed to increase for trucks from 74,680 in fiscal year 2012 to 92,737 in the planning year 2017. A recovery of sales volume in busses from 5,286 in fiscal year 2012 to 6,224 in the planning year 2017 is forecast.
Differentiated by region, MTB expects a slight increase of the market share for trucks in the weight class above 6 t through the planning year 2015 to then around 18 % for the European market (defined here without Russia and Turkey), whereby especially eastern Europe and Italy are considered to have high potential for growth. After 2015, growth corresponding to market growth is assumed. In the business with busses, MTB plans to maintain a market share of around 12.7 % being stable at the level of 2012.

MTB expects for Russia in the mid-term to be able to fulfill the prerequisites in order to avoid the so-called "Utilization Fee" by means of reinforcing local truck production. The utilization fee currently prevents an acceptable competitive position compared to local competitors because each MTB-vehicle is charged with fees so that MTB anticipates a decrease in sales volume in Russia for 2013. However, in the near future an economically reasonable market access for MTB in Russia is supposed to be possible. The production site in St. Petersburg that is expected to become operative in 2013 is considered to be a material aspect of this strategic concept.

MTB expects for the regions outside Europe an above average increase in sales volume and, thus, a decrease in the share of Europe in the total sales volume. The main areas of growth are considered to be in the Middle East, Asia and in South America. MTB plans a moderate growth in the field of busses outside of Europe. A problem for MTB in this regard is that its premium-segment busses have a tendency to be too expensive especially for threshold countries with strong growth.

An average growth of revenues above the average increase in the number of sold vehicles is planned both for trucks and busses. Accordingly, an increase in the vehicle prices is assumed despite the increase in the market share intended for trucks in Europe and the generally high intensity of competition and the related limited possibilities to pass on cost increases to customers. The planned price increase for trucks through 2014 must be seen especially in connection with the Euro VI introduction. From 2015 onwards, MTB expects lower price increases which are also supposed to result from an improvement in the product mix. Due to the market and competition situation as well as in regard to the Euro VI introduction, only minor price changes are assumed for busses.
Convenience Translation

The used vehicles business and the after sales business show a strong link to the development of the new vehicle market and are, thus, also substantially influenced by the overall economic development.

Although MTB plans to continuously expand the after sales business, the disproportionately low growth in revenue here must be seen in light of the fact that this business is expected primarily in the European market, and the European market for new vehicles is again supposed to grow disproportionately low compared to the entire market.

The engines and components business is more heterogeneous with regard to the relevant markets. A large portion of revenue is supposed to be achieved in the area of industry, agriculture, power gas as well as power diesel and, thus, outside of the truck and bus market. The average growth in revenue assumed here in the amount of around 4.6 % annually is slightly lower than the average growth expected by MTB.

(2) Development of profits

In addition to the increase in revenue, a substantial increase in EBIT is expected. Compared to the year 2012, where an EBIT margin of around 2.6 % was realized, MTB plans through 2017 an EBIT margin of 8.4 % on the then increased sales volume. The planned improvement in the margin is supposed to result especially from a reduction in the ratios for costs of goods sold, selling expenses and administrative costs. The planned margin is negatively affected, however, by the assumed increase in research and development cost to a sustained amount of 5 % of revenues.

The main reasons for the assumed reduction in the costs of goods sold ratio are, on the one hand, planned savings in costs of materials, which are supposed to result especially from optimization of product costs, optimization of the procurement process and improved purchasing conditions, as well as, on the other hand, a disproportionately low planned increase in the costs of warranties as compared to revenues resulting from optimizing the quality organization. The effects are supposed to result in part from implementing Volkswagen instruments and the strengthened cooperation with Scania. This involves so-called pseudo synergy effects in addition to general potential for optimization. These effects can be realized by intensifying the cooperation in the group of
MAN/Scania/Volkswagen regardless of the Domination and Profit and Loss Transfer Agreement to be concluded. Overall, MTB plans increasing positive effects on profit through 2017, especially from savings in cost of materials and effects from groupwide procurement in an amount of then around €125 million annually. Although initial measures to save cost of materials have already been initiated, the planned net savings target of 2.6 % on the costs of procurement in 2013 and of 2.0 % starting in 2014 must be considered to be ambitious in light of the previous degree of specification, especially for the first planning years.

In addition to cost savings, especially degression effects for fixed costs and economies of scale, resulting from improved use of capacity, contributes to increasing the margin. In the after sales business, measures for optimization are contemplated, which have a slightly negative effect on the EBIT margin in the first planning years but contribute to the growth in revenue and are then supposed to lead to a higher margin starting in 2017 compared to the year 2012. The focus on areas having stronger margins positively affects the EBIT margin in the business with engines and components.

In 2012, MTB has a selling and administrative expenses ratio which is substantially above the ratios of competitors due to new hires. A reduction of the ratio to around 10 % and, thus, to the level of the competitors is assumed in the planning period. The planned reduction in the number of personnel is expected to be achieved by natural fluctuation of personnel and increases in productivity.

Other operating income and expenses are especially influenced by the financial services of MFI. The earnings of MFI increase disproportionately low compared to revenues because the business model is established especially for the European markets, which show weak growth. However, a reduction of the costs for risk is assumed due to restructuring measures so that an increase in the EBIT (excluding income from investments) from around €4 million in 2012 to around €48 million in 2017 is planned for MFI.

The other operating expenses are otherwise influenced primarily by research and development expenses. The ratio of research and development and expenses is supposed to increase from 4.3 % in 2012 to 5.0 % in 2015 and then remain at this level. Since the assumed increase in the market share requires a continuous optimization of
products, the increase in research and development expenses is consistent with the other planning assumptions.

The product optimization not only influences the research and development expenses, but is also one of the main drivers for capital expenditures. A substantial reduction of the capital expenditures from € 640 million to € 406 million is planned in the year 2013. However, the capital expenditures are then supposed to increase again primarily due to the development of the new heavy truck series, which is supposed to replace especially existing products after the detailed planning phase. The depreciation and amortization increases as a consequence of the high capital expenditures in the recent past and the planning period.

As a result, we consider the planning of the MTB division to be ambitious in light of the market perspectives, the existing competitive situation, the planned growth in market share for trucks in Europe as well as the substantial future growth in EBIT.

3.3.3. Business Planning for MAN Latin America

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Revenue</td>
<td>€ 2,870</td>
<td>3,025</td>
<td>3,635</td>
<td>4,344</td>
<td>4,901</td>
<td>5,528</td>
<td>14.0%</td>
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<tr>
<td>Depreciation and amortization thereof PPA</td>
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<td>123</td>
<td>143</td>
<td>123</td>
<td>104</td>
<td>147</td>
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<tr>
<td>Capital expenditures</td>
<td>92</td>
<td>76</td>
<td>60</td>
<td>43</td>
<td>28</td>
<td>25</td>
<td>-22.7%</td>
</tr>
<tr>
<td>EBIT</td>
<td>100</td>
<td>160</td>
<td>176</td>
<td>218</td>
<td>182</td>
<td>170</td>
<td>11.2%</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>4.8%</td>
<td>4.6%</td>
<td>6.0%</td>
<td>7.2%</td>
<td>8.6%</td>
<td>9.5%</td>
<td>30.7%</td>
</tr>
<tr>
<td>EBIT margin (excl. PPA depreciation)</td>
<td>8.0%</td>
<td>7.1%</td>
<td>7.7%</td>
<td>8.2%</td>
<td>9.2%</td>
<td>10.0%</td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>1,937</td>
<td>2,102</td>
<td>2,102</td>
<td>2,102</td>
<td>2,102</td>
<td>2,102</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

(1) Development of revenues

After a substantial decrease in revenues in the year 2012 by 19.8 %, an average annual growth of 14.0 % is assumed for ML through 2017. The downturn in revenue in the year 2012 was primarily caused by the introduction of the emission standard Proconve P7, in addition to the general development of the economy in Brazil. On the
one hand, this increased the sales volume of Proconve P5 vehicles in the year 2011 and the first quarter of 2012 as a result of accelerated purchases and, on the other hand, it substantially reduced the demand in 2012 due to the prohibition on deliveries of Proconve P5 vehicles by manufactures starting in the 2nd quarter 2012. Although a growth in revenue is again assumed for the year 2013, this is around 5.4 % and substantially below the average annual growth in the entire planning period. A substantial recovery is first expected starting in the year 2014 for both the Brazilian market as well as the export markets. Measures to support the economy, for example, a substantial improvement of the financing conditions, government capital expenditures in trucks and busses, tax benefits or investments in infrastructure, were already started by the Brazilian government in 2012.

The growth in revenues assumed for the planning period is supposed to result primarily from an increase in the sales volume. Truck sales are supposed to increase from 45,829 units in the year 2012 to 77,704 units in the year 2017. The assumption for sales volume of busses is that this will increase from 10,476 to 17,296 units.

Differentiated by region, Brazil clearly remains the most important truck market for ML in which the company has been the market leader since 2003 in the field of heavy-duty trucks above 5 t (ANFAVEA, Anuário da Indústria Automobilística Brasileira, May 2012, pp. 82 et seq.). Nevertheless, ML expects a slight downturn in the market share from around 30 % in the year 2012 to around 28 % in the year 2017 for trucks in the segment above 5 t. This is due to increasing competitive pressure and a weak position in the market for very heavy-duty trucks, for which a high market growth is forecast. This has its cause especially in increased investments for international sports events such as the FIFA World Cup in 2014 and the Olympic Games in 2016. For further planning periods ML intends to enter the segment 3.5 t with a new light truck (Phevos). The assumption is that a significant market share can be achieved immediately after product launch.

Overall, ML plans in the long-term to generate more than 80 % of sales volume in the Brazilian market.

For the export market, ML plans a substantial increase in the export volume to around 17,000 units by 2017. This means that a growth above the expectations for the market
Convenience Translation

is assumed, which is supposed to be achieved by improved competitiveness resulting from introduction of new products and product improvements as well as by intensifying local production.

For average vehicle prices ML assumes a steady price increase for domestic as well as export business during the planning phase. Compared to the assumed volume effect, this price increase can be considered of less importance. The price assumptions are considered to be reasonable in light of the price competition intensified in 2012 especially by Volvo and Daimler.

(2) Development of profits

Starting in 2012, ML plans a substantial growth in EBIT both in absolute numbers as well as in EBIT margin. This is supposed to increase by the end of the planning period from around 4.8 % in fiscal year 2012 to around 9.5 %. The planned improvement in the margin is especially supposed to result from a reduction in the ratios for the costs of goods sold, selling expenses and administrative costs.

The costs of goods sold ratio in fiscal year 2012 increased compared to the previous year substantially due to the introduction of Proconve P7. Although especially the localization of engines, the introduction of products with strong margins, the increase in the portion of heavy-duty trucks and expansion of the sales volume that will lead to economies of scale and a digression of fixed costs support an improvement in the margin, measures are planned which lead to an increase in revenues, but will likely have a negative effect on the margin. Especially the disproportionately high expansion of the export business with lower margins and the entry into the truck segment above 3.5 t must be recognized in this context. It is also necessary to take into account that depreciation and amortization in the planning period increases as a consequence of continuously high capital expenditures.

A material influencing factor for the increase in the EBIT margin is the planned decrease in selling expenses. The disproportionately low development of these costs is caused primarily by a decreasing effect on profits from purchase price allocations in the planning period, which result from the takeover of the commercial vehicle business
from Volkswagen in the year 2009. Adjusted for this effect, there is – after a slight increase due to product introductions in the years 2013 to 2015 – still an improvement in the selling expenses ratio in the following period. Overall, selling expenses decrease to an adjusted level below the average in the past because assumably no additional sales employees will be required starting in 2013 despite the substantial increase in revenues.

The capital expenditures increase compared to the past primarily due to product capital expenditures in the new light series (Phevos) and increased research and development activities. New introductions of products are required at ML because both in the truck and in the bus business, products are at the end of their life cycle. The lower capital expenditures ratio compared to MTB is explained by the concept of the "Consórcio Modular", which contractually regulates that parts of the operating capital expenditures are borne by the partners.

The "Consórcio Modular" concept also has a material influence on the development of employees. Accordingly, the partners in the "Consórcio Modular" employ the workers involved in the production process, whereas ML has primarily employees who are active in the field of product development, quality assurance, sales and customer service. This explains the disproportionately low increase in the number of employees compared to the sales volume. The increase in employees at the partners corresponding to increased revenue is expressed in the costs of materials.

Overall, we consider the planning of ML to be correctly derived and reasonable. In light of the fact that the planned exchange rate for the years 2014 to 2017 lies below the forward rates expected as per end of our engagement, which shows that there is a substantial devaluation of the Brazilian Real compared to the Euro, the ML planning must even be considered to be ambitious.
## 3.3.4. Business Planning for MAN Diesel & Turbo

### Development of revenue

Based on the fiscal year 2012, an average annual growth in revenue of around 5.8% is assumed for MDT overall in the detailed planning period through 2017. The three strategic business units Engines & Marine Systems, Power Plants and Turbomachinery contribute to this with average annual rates of growth of 3.7%, 10.1% and 5.3%, respectively.

The strategic business unit **Engines & Marine Systems** is closely linked to the development in the international ship market. A substantial recovery is anticipated for this market only for the years 2014 and 2015, which is reflected first in increased order intake and, with a delay, in revenues. Accordingly, revenues of €1,809 million are expected in 2015 compared to €1,410 million in 2013 representing an expected annual growth rate of around 14% in 2014 and more than 12% in 2015. In addition to the general development of the market, the growth is also supposed to be generated by introducing new products and, therefore, gaining additional market shares. A large potential for growth is seen especially in the areas of LNG tankers as well as special ships for the offshore business. This also applies for the after sales business which is supposed to be continuously expanded. Stabilization in revenue with a moderate growth is assumed in the years 2016 and 2017, which corresponds to the expected development in the market starting in 2016. In 2017, revenue is expected to increase to €1,863 million.

### Actual and Planning Revenue

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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€3,780</td>
<td>€3,570</td>
<td>€4,000</td>
<td>€4,550</td>
<td>€4,800</td>
<td>€5,000</td>
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<td>Depreciation and amortization</td>
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<td>€91</td>
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<td>€112</td>
<td>€120</td>
<td>€129</td>
<td>9.5%</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>€149</td>
<td>€158</td>
<td>€148</td>
<td>€148</td>
<td>€173</td>
<td>€182</td>
<td>4.1%</td>
</tr>
<tr>
<td>EBIT *</td>
<td>€357</td>
<td>€239</td>
<td>€397</td>
<td>€579</td>
<td>€619</td>
<td>€645</td>
<td>12.6%</td>
</tr>
<tr>
<td>EBIT margin *</td>
<td>9.4%</td>
<td>6.7%</td>
<td>9.9%</td>
<td>12.7%</td>
<td>12.9%</td>
<td>12.9%</td>
<td>-</td>
</tr>
<tr>
<td>Employees</td>
<td>14,863</td>
<td>15,200</td>
<td>16,000</td>
<td>17,200</td>
<td>17,700</td>
<td>17,900</td>
<td>3.8%</td>
</tr>
</tbody>
</table>

* EBIT/EBIT margin without income from investments and adjusted for special effects for 2012
For the strategic business unit **Power Plants**, a slight decline in revenue is expected from € 773 million in 2012 to € 628 million in 2013. This decline as well as an increase of revenue in 2014 to € 762 million is primarily due to the timing of a major project in Brazil. The substantial growth in revenue expected in the planning year 2014 in this strategic business unit is also due to positive market expectations with regard to the demand for decentralized energy supply. Parallel to the new business, the offered services under the name MAN PrimeServ are supposed to be expanded and also contribute positively to growth in revenue. The further, substantial increase in revenues from € 886 million in 2015 to € 1,146 million in 2016 is also due to the release of capacities previously tied up in large projects which are supposed to be directed to a large number of new, smaller projects with high sales potential. Overall, sales revenues are expected to grow significantly to € 1,250 million by the end of the detailed planning period compared to € 628 million in 2013. Gaining additional market shares is also expected, as are impulses for growth from increasing relevance of gas engines.

The strategic business unit **Turbomachinery** plans an increase in revenue of around 27 % to € 1,854 million from 2012 to 2015. Stabilization of the business is anticipated subsequently. Taking into account the cyclical nature in major relevant fields of industry and a feared increase in the competitive pressure, a slight decrease in revenues is planned for 2016, which again slightly increases in 2017 to € 1,887 million. The main drivers for growth in the business unit are the development of the world population and the resulting increase in demand for energy and consumer products which is linked to an increasing level of wealth in developing and threshold countries with large populations. The expected demand for turbo machinery in connection with increasingly demanding methods of exploiting oil and gas deposits should positively influence the demand in this field of business. In addition to the new business, the development of the after sales business is supposed to be expanded.

(2) **Development of profits**

The development of the EBIT in the planning year 2013 is driven, on the one hand, by a difficult situation in the ship construction sector and, on the other hand, by finalization of large plant construction projects with a below-average profitability. The EBIT margin, therefore, decreases compared to the previous year from 9.4 % to 6.7 %. During the
further course of the detailed planning period, a substantial improvement in the EBIT margin to finally 12.9 % in the planning year 2017 is expected. Together with the assumed increase in revenue, the EBIT increases from € 357 million in fiscal year 2012 to € 645 million in the planning year 2017 (+ 80.7 %).

The planned improvement in the margins is supposed to be achieved especially by reducing the costs of goods sold ratio. In addition to the previously described extraordinary effect in the strategic business unit Power Plants, especially the improved use of existing capacities is supposed to have a positive effect. In addition, a major expansion of the after sales business with its strong margins is planned. The service presence worldwide is supposed to be expanded for this purpose, and the use of electronic means for processing orders and an improved logistics for spare parts is supposed to be pushed and new products for protection of know-how are supposed to be applied, and the service employees are supposed to be trained (so-called PrimeServ Academy).

In order to continue to be a leading player in the development of efficient engines as well as turbo machinery, an ongoing development of the product portfolio is required. Therefore, a slight increase in the research and development expenses from around 4.4 % of revenues in 2012 to around 4.7 % in 2017 is planned.

An investment process already commenced in 2012 will also be continued in the detailed planning period. In addition to capital expenditures to increase production efficiency, primarily necessary replacement and maintenance investments are planned. Increasing depreciation and amortization must be anticipated in connection with the planned investment activity.

The increase in the number of employees primarily relates to the further expansion of sales capacities and the international after sales business.

As a result, we consider the planning of MDT to be reasonable.
3.3.5. Business Planning for Renk

The planning at Renk is as follows:

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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€ m</td>
<td>€ m</td>
<td>€ m</td>
<td>€ m</td>
<td>€ m</td>
<td>€ m</td>
<td>%</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>14</td>
<td>17</td>
<td>18</td>
<td>18</td>
<td>19</td>
<td>19</td>
<td>5.3</td>
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<tr>
<td>Capital expenditures</td>
<td>28</td>
<td>39</td>
<td>33</td>
<td>36</td>
<td>35</td>
<td>28</td>
<td>0.2</td>
</tr>
<tr>
<td>Employees</td>
<td>2,245</td>
<td>2,333</td>
<td>2,407</td>
<td>2,430</td>
<td>2,457</td>
<td>2,501</td>
<td>2.2</td>
</tr>
</tbody>
</table>

(1) Development of revenue

Revenues of Renk in the fiscal year 2012 are broken down rather evenly among the four strategic fields of business. An average annual growth in revenue of 4.5 % is expected through the planning year 2017.

The cause for the initial slight downturn in the development of revenue in the planning year 2013 is primarily the development of vehicle transmissions. A comparably high amount of order intake was realized in fiscal year in 2012, and a further large project is also expected in the planning year 2013, but this will affect revenues only successively starting in 2014 due to the long start-up times for projects. Revenues from acquired large projects will be completely realized subsequently up to the end of the detailed planning period. In addition to the business with new projects, Renk especially expects a stable positive development in the after sales business because military transmissions have a very long useful life if adequately maintained.

The development of revenue of maritime gear units benefits from worldwide continuing procurement programs for naval forces and coast guards that have continued for several years, among others in the USA, Algeria and Korea. A weakening of demand is anticipated here only at the end of the detailed planning period. The market for stationary special applications, however, is extremely difficult and is supposed to provide positive impulses only starting in 2014. A stable level of revenue is assumed over the long term for gear units in maritime as well as stationary applications.
Despite the presently difficult situation with regard to demand in the worldwide ship construction market, Renk profits with standard transmissions currently from a continuing high demand in the field of LNG tankers. In this shipping segment, in which Renk, according to information from the Executive Board, at times achieved a market share of 100%, a downturn in demand and revenue is expected in 2014 before the unit reaches a relatively stable level of revenue. For offshore wind energy, a substantial growth is assumed through 2017 despite the currently rather difficult parameters. The expectation here is especially that Asia will gain in importance in the mid-term as a market for sales.

The demand for slide bearings is also especially influenced by Asia. Modest economic prospects, relatively standardized products with relatively large numbers of units and high competition lead to a stagnation of the expected revenues in 2013 and to moderate expectations for growth in the mid-term.

(2) Development of profit

The Executive Board believes that the only partial correlation between different markets makes it possible to achieve good risk diversification and, thus, a stable profit situation. Therefore, the EBIT margin is considered to remain relatively stable between 12.7% and 13.6%.

Capital expenditures for purposes of expansion have already been effectuated at the locations in Rheine and Hanover in connection with the renewal program for production processes that has already been carried out for a few years. In the future, a similar expansion is also planned for the plant in Augsburg, which is supposed to be completed by 2015. After completion of the capital expenditures for expansion, the level of capital expenditures again decreases to values comparable to fiscal year 2012. Given the capital expenditures, depreciation and amortization increases in the planned period.

The planned growth in employees is slightly lower than the planned growth in revenue.
Overall, an average annual increase in EBIT by around 4.2 % from a total of € 65 million in fiscal year 2012 to € 80 million at the end of the detailed planning period is expected.

We conclude that the planning is reasonable.

3.3.6. Business Planning for Corporate Center/Consolidation

The division Corporate Center/Consolidation combines MAN and its shared services companies as well as the consolidation entries between the companies in the MAN Group.

The Corporate Center includes, in addition to MAN as the group holding company, eleven additional companies in which especially the main shared service centers of personnel and IT services are integrated.

The planned revenues and contributions to earnings before taxes in the division Corporate Center/Consolidation are shown as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue *</td>
<td>-176</td>
<td>-159</td>
<td>-262</td>
<td>-296</td>
<td>-400</td>
<td>-443</td>
<td>20.3</td>
</tr>
<tr>
<td>EBIT *</td>
<td>-60</td>
<td>-138</td>
<td>-151</td>
<td>-173</td>
<td>-131</td>
<td>-136</td>
<td>17.7</td>
</tr>
</tbody>
</table>

* EBIT without income from investments

Corresponding to revenues, the costs of sales are consolidated, whereby the group planning accounts for interim profit eliminations from group transactions.

The substantially better EBIT in fiscal year 2012 compared to the planned years results primarily from positive one-off consolidation effects.

The further development of planned EBITs for the Corporate Center, including the shared services center, is influenced in the detailed planning period by the general and administrative expenses, which increase from € 105 million in 2012 to € 125 million in
2017 (CAGR 2012 to 2017 3.6 %), especially due to the forecast development of personnel costs.

We have discussed the major underlying assumptions which form the basis for planning the Corporate Center, including the shared services center, as well as the consolidation with representatives of MAN and the valuation experts, and we consider the assumptions to be reasonable.

3.3.7. Interim result for the detailed planning phase

We have mathematically and in substance assessed the methodology underlying the business planning. Overall, we consider the detailed planning to be ambitious, taking into account the above discussion.

3.4. Income from investments

Contrary to the dividend planning of MAN, the annual profit forecast (as per consensus estimates performed by analysts) for the investments in Scania and Sinotruk, respectively, which are not being fully consolidated were taken into account by the valuation experts under the simplified assumption of a full profit distribution in the same period. Genuine business planning of the aforementioned companies could not be submitted to us. The income from investments planned as described, thus, comparable with the past to only a limited degree, are as follows:

<table>
<thead>
<tr>
<th>Income from non-consolidated investments</th>
<th>Planning</th>
<th>CAGR 2013 - 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2014</td>
</tr>
<tr>
<td>Scania</td>
<td>117</td>
<td>135</td>
</tr>
<tr>
<td>Sinotruk</td>
<td>18</td>
<td>26</td>
</tr>
<tr>
<td>Other financial investments</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td><strong>Income from investments</strong></td>
<td><strong>137</strong></td>
<td><strong>175</strong></td>
</tr>
</tbody>
</table>

MAN has an investment with a share of 13.35 % in the capital of the Swedish commercial vehicle manufacturer Scania. Scania belongs worldwide to the leading manufacturers of heavy-duty trucks, busses and coaches as well as industrial and ship engines.
Volkswagen AG shows in its list of investments as of 31 December 2012 a direct share in the share capital of 49.29 %. As a result of the shares held in Scania by MAN as of 31 December 2012, the share in the capital of Scania attributable to the shareholders of Volkswagen AG is 59.13 %. The shares in Scania are listed on the Stockholm Stock Exchange.

The current development of the Scania Group business is described as follows in the annual report of Volkswagen AG as of 31 December 2012:

„The slump in demand in the European truck markets had a negative impact on the Scania brand in fiscal year 2012, which sells almost half of its vehicles there. The Swedish commercial vehicles manufacturer’s global deliveries to customers were down 15.9 % to 67 thousand vehicles. Declining volumes led to a 7.4 % reduction in the Scania brand’s sales revenue to € 9.3 billion. Operating profit declined by € 442 million to € 930 million. This was due to increased competition, lower capacity utilization and increased costs as well as lower volumes. The operating return on sales was 10.0 %, compared with 13.6 % in the previous year.“

Scania shows a consolidated annual profit of SEK 6,640 million for the fiscal year 2012. As of 31 December 2012, this corresponded to around € 773.5 million and around € 103.3 million attributable to the MAN share. With regard to the fiscal year 2012, an average annual rate of growth in the profits from this investment of 9.5 % is shown in the detailed planning period.

The shares in the associated company Sinotruk, a Chinese commercial vehicle manufacturer, are listed on the Hong Kong Stock Exchange.

As a result of lower expectations for earnings, MAN adjusted the value of the investment in Sinotruk as of 31 December 2012 by an amount of € 190 million. Under at-Equity accounting, the book value as of 31 December 2012 was € 399 million. The share value as of 31 December 2012 was € 400 million.

Sinotruk had a consolidated annual profit in the amount of CNY 171.5 million in fiscal year 2012. As of 31 December 2012, this corresponded to around € 20.9 million, and the portion attributable to MAN was around € 5.2 million. Based on fiscal year 2012, an average annual growth of the profits from the investment of more than 50 % is shown in the detailed planning period.
We have conducted independent analyses about the consensus estimates for annual profits and the current stock prices for Scania and Sinotruk. The planned annual profits taken into account by the valuation experts together with the simplifying assumption of full profit distribution lead to contributions in value exceeding the respective market values (as per share prices)

The other investments, which are not fully consolidated, are contained in **other financial investments**. During the valuation of MAN operational and non-operating investments have been differentiated. While the non-operating consolidated investments were valued based on an interest on the MAN share in their equity using the MAN Group's cost of equity, the valuation experts differentiated for operational non-consolidated investments between the profit share of the last available fiscal year and the interest on the MAN share in equity at MAN Group's cost of equity and took into account whichever resulted in the higher amount.

Under aspects of reasonableness, we consider the approach and the result of the valuation experts to be valid.

### 3.5. Determination of the EBIT for terminal value phase

The contribution to operating profit in the terminal value phase is basically based on an expectation of the Company as to a level of profit that can sustainably be achieved on the basis of the existing strategy and existing as well as planned capacities. The valuation experts conducted analyses of revenue and contributions to earnings by divisions of the Company as well as comparable enterprises in coordination with the Company.
The following values were applied for the period starting in 2018 et seq:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>Revenue (€ m)</th>
<th>EBIT margin (%)</th>
<th>EBIT (€ m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAN Truck &amp; Bus incl. MAN Finance</td>
<td>10,500</td>
<td>6.0</td>
<td>630</td>
</tr>
<tr>
<td>MAN Latin America</td>
<td>5,000</td>
<td>8.3</td>
<td>413</td>
</tr>
<tr>
<td>MAN Diesel &amp; Turbo</td>
<td>5,050</td>
<td>11.8</td>
<td>593</td>
</tr>
<tr>
<td>Renk</td>
<td>550</td>
<td>13.3</td>
<td>73</td>
</tr>
<tr>
<td>Corporate Center/Consolidation</td>
<td>-447</td>
<td>n.a.</td>
<td>-137</td>
</tr>
<tr>
<td><strong>MAN Group</strong></td>
<td><strong>20,653</strong></td>
<td><strong>7.6</strong></td>
<td><strong>1,572</strong></td>
</tr>
</tbody>
</table>

- **MTB**

  Compared to revenues in the last detailed planning year 2017 in the amount of € 11,360 million, € 10,500 million were applied in the terminal value. The value was estimated by the valuation experts by taking into account an extrapolation of long-term trends in revenue taking into consideration the cyclicality of the truck business.

  The EBIT margin was estimated to be sustainable at 6.0 %. This value lies slightly above longer averages for the EBIT margin realized in the history of MTB and the values expected in the detailed planning period. It must be taken into account that due to MAN being included in the Volkswagen Group, successive (pseudo) potentials for synergy are to be realized in the detailed planning which – assuming a sustained effect – make EBIT margins above the historic values appear reasonable.

- **ML**

  The sustained level of revenue applied in the terminal value in the amount of € 5,000 million is around 10 % below the expected value of € 5,528 million in the last detailed planning year. The average revenue volume achieved in the detailed planning phase of around € 4,287 million, however, is exceeded in the sustained value for revenue by more than 16 %. Thus, the Company expects on a sustained basis that it will produce around 93,000 vehicles, which corresponds to a use of the existing production capacity of around 93 %. 
The applied EBIT margin of 8.25 % is substantially below the value of 9.5 % planned for 2017. Taking into account the capital expenditures required to maintain the existing concept and the depreciation and amortization planned in the last detailed planning year, a reduction of the margin is appropriate. If long-term average analyses are also considered, as must be the case for cyclical market valuations, the applied value is slightly above such long-term average values and is therefore a reasonable estimate in our view.

- **MDT**

Based on the level of revenue achieved in the division MDT at the end of the detailed planning period in the amount of € 5,000 million, an extrapolation was made taking into account a growth factor of 1 %. The underlying assumption is that MDT will succeed in realizing on a sustained basis the strategically planned increase in revenues realized in the detailed planning. Taking into account the positive market perspectives and the strategic focus of the division, we consider the applied value to be reasonable.

The EBIT margin of 11.75 % is easily one percentage point below the EBIT margin of 12.9 % realized in the last detailed planning year. The reduction is primarily due to a clearly different depreciation and amortization and capital expenditures volume in the last detailed planning year. An adjustment of the capital expenditures ratio to a valid value for achieving the level of revenue results in a reduction of the EBIT margin by around 1 percentage point.

- **Renk**

The sustained revenues in the amount of € 550 million shown for Renk correspond to the targets expected by Renk with the existing capacities and the current prospects in the market. It is necessary to take into account that the Executive Board of Renk considers the revenue volume for offshore wind power contained in the detailed planning to have a tendency of being excessive in light of the current very difficult parameters so as to rather not consider the earnings level as sustainable in the future.
The EBIT margin of 13.3 % is within the target range of 13 % to 14 % intended by the Executive Board of Renk and the average of the values generated in the past and in the detailed planning period and therefore appears to be reasonable.

- Corporate Center/Consolidation

Contributions to earnings by the Corporate Center/Consolidation for the last detailed planning year 2017 were technically extrapolated by the growth factor.

There is no reason to object to this approach.

The valuation experts, in consultation with the Company, referred to the average value generated in the detailed planning period for the sustained annual surpluses expected from Scania.

In light of the cyclical nature of the truck market, we consider this approach to be appropriate.

For the terminal value total revenues in the amount of € 20,653 million as well as an EBIT (before results from investments) in the amount of € 1,572 million (EBIT margin 7.6 %) result for MAN in total. Taking into account the profit from investments applied in the valuation, an ROS margin of 8.7 % results for the terminal value. Compared to the target margin for the ROS in the amount of 8.5 % mentioned in the annual report 2012, it is necessary to consider that the proportionate dividends from Scania are included there, while in the context of the valuation, the proportionate annual profits of Scania are used due to technical reasons of the valuation. Taking into account this effect, an ROS margin in the amount of around 8.3 %, which is comparable to the past, results for MAN in the terminal value.

The applied EBIT value (before profit from investments) in the terminal value for the MAN Group in the amount of € 1,572 million was historically exceeded from 2001 to 2012 only in the booming year of 2007 with € 1,739 million which is certainly not representative. The EBIT value lies above various longer-term average analyses, which appear appropriate for reflecting cycles, both taking into account the generated actual results as well as the detailed planning. Accordingly, an average EBIT in the amount of
€ 881 million was realized in the period 2001 to 2012, and an average EBIT of € 1,054 million was realized from 2010 to 2012. An average EBIT in the amount of € 1,340 million is calculated for the detailed planning period 2013 to 2017, and an average EBIT in the amount of € 1,202 million results for the entire period 2001 to 2017. Comparable conclusions hold when analyzing EBT rather than EBIT.

The ROS margin for the terminal value lies slightly below the target value of 8.5 % communicated by MAN in the annual report 2012 when taking into account the proportionate dividends of Scania, but it is within the range stated there of +/- 2 percentage points.

We have assessed in substance the result applied for the terminal value and intensively discussed this with Company representatives and the valuation experts. In light of the highly cyclical nature of the profits, the existing capacities and the expanded capacities at the Company up to the end of the detailed planning period, the margins generated on average in the past and in the detailed planning period for the MAN Group and the competitors as well as the long-term forecast market environment and competition, we consider the performed normalization of sustainable revenue and EBIT margins to be an appropriate estimate within reasonable ranges.

3.6. Net interest result

The net interest result contains the interest income and expenses derived from the financial needs of the MAN Group. The valuation experts modified the determination of the net interest result by taking into account technical adjustments for purposes of the valuation.

Based on interest bearing debt and liquid funds of the MAN Group as of 31 December 2012, the need of the MAN Group for financing was determined in the context of an integrated planning of balance sheet and cash flows, taking into account the planned retained earnings and dividends.

The average annual interest rates were determined to be 3.0 % to 4.0 % by reference to existing credit agreements and bonds as well as pension provisions. The valuation
experts used a sustainable interest rate for debt of around 3.5 % in terminal value as the basis for the valuation.

We assessed mathematically and in substance the determination of the interest income. We conclude that it was properly determined.

3.7. Taking into account corporate taxes

The corporate income tax was determined by the valuation experts in consultation with the Company. The earnings before taxes (EBT) were initially divided into five so-called tax clusters in order to assure that differences with regard to the relevant tax rates appropriate as well as tax loss carryforwards be adequately taken into account. The tax clusters relate to the German corporate and local trade tax group, Renk, Euroleasing, ML as well as the rest of the world as the residual amount.

The determination of the tax basis was performed separately for each tax cluster by taking into account existing tax loss carryforwards. The statutory provisions on the so-called minimum taxation (§ 8 KStG in conjunction with § 10d EStG and § 10a GewStG) – unlimited crediting of losses in the amount of € 1 million, above this up to 60 % of the amount in excess of € 1 million – were taken into account for the three German tax clusters (one to three) both for purposes of trade tax and corporate income tax. Remaining loss carryforwards for tax purposes were carried forward to the next year. Additions were also made to the tax basis in individual tax clusters in order to correct expenses non-deductible for tax purposes.

The considered nominal tax rates are for Germany (tax clusters one to three) around 29.1 % to 31.3 %, whereby a corporate income tax burden of 15 % plus the solidarity surcharge of 5.5 % as well as trade tax were applied, taking into account the respectively applicable trade tax charge rate. Reference was made to the Brazilian corporate tax burden in the nominal amount of 34 % for the division ML (tax cluster four). A nominal tax rate of around 24.5 % was applied for tax cluster five, i.e. the rest of the world. This results from the respective tax rates in the specific countries weighted with an estimate of the profit share generated in the respective countries.
This results in the following tax burden:

<table>
<thead>
<tr>
<th>MAN Group Income taxes</th>
<th>Actual 2012 € m</th>
<th>2013 € m</th>
<th>2014 € m</th>
<th>2015 € m</th>
<th>2016 € m</th>
<th>2017 € m</th>
<th>2018ff. € m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings before tax (EBT)</td>
<td>311</td>
<td>564</td>
<td>1,056</td>
<td>1,490</td>
<td>1,862</td>
<td>2,230</td>
<td>1,737</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-122</td>
<td>-41</td>
<td>-133</td>
<td>-302</td>
<td>-404</td>
<td>-545</td>
<td>-448</td>
</tr>
<tr>
<td>Net income</td>
<td>189</td>
<td>523</td>
<td>923</td>
<td>1,188</td>
<td>1,458</td>
<td>1,684</td>
<td>1,288</td>
</tr>
<tr>
<td>Tax rate</td>
<td>-39.2%</td>
<td>-7.3%</td>
<td>-12.6%</td>
<td>-20.3%</td>
<td>-21.7%</td>
<td>-24.5%</td>
<td>-25.8%</td>
</tr>
</tbody>
</table>

The increase in the effective tax rates in the detailed planning period results from the successive usage of tax loss carryforwards, which will be almost exhausted by the end of the year 2017. The then remaining minor amounts of usable tax loss carryforwards are annuitized in the year of the terminal value and taken into account as a reduction in the tax burden.

We have reviewed the tax planning both systematically, mathematically and with regard to substance on a test basis. We consider the applied premises and the approach taking into account certain generalizations for purposes of simplification to be reasonable. As a result, we are of the view that the determined tax burden is reasonable.

### 3.8. Dividend policy

Pursuant to IDW S1, the determination of the objectified equity values for the detailed planning period must be based on the distribution of those financial surpluses which are available after taking into account the documented business concept as of the effective date of the valuation and the legal restrictions.

The dividends specifically planned by the Company were taken into account in the detailed planning period for purposes of the valuation. The retained amounts in the detailed planning period are required to finance the business activity or repay debt in accordance with the business planning.

In the terminal value phase, a dividend ratio of 50 % is assumed which is based on the dividend policy of listed companies identified in the past in the German capital market. The retained earnings resulting from growth which are required to finance the sustained growth and, therefore, are not available for direct allocation to the shareholders
were properly determined by the valuation experts by extrapolating the planned balance sheet for the planning year 2017.

To the extent that there is no specific use of the amounts retained in the business as is the case in the detailed planning period, retained amounts can be directly attributed to the shareholders in the context of the calculation of the valuation in accordance with IDW S1. This approach is based on the assumption that retained amounts are invested in an interest bearing manner by the enterprise at the discount rate before shareholders’ income taxes and before corporate taxes. This is reflected in the valuation model for the terminal value phase by a direct allocation of retained amounts to the shareholders. These amounts are not included in the financial results of the business planning as available funds.

We consider the assumptions about the dividend policy made in the valuation of MAN to be appropriate and reasonable.

3.9. Shareholders’ Income taxes

Income taxes on shareholders are taken into account in the valuation, on one hand, in the determination of earnings to be capitalized and, on the other hand, in the determination of the alternative investment as reflected in the discount rate.

The tax burden is based on the use of the generated amounts. To the extent that a dividend payment is made to the shareholders, the amounts are burdened with the withholding tax [Abgeltungssteuer] plus the solidarity surcharge, resulting to 26.375 %.

The amounts retained in the terminal value are assessed at a tax rate in the amount of one half of the withholding tax plus the solidarity surcharge, i.e. 13.1875 %. The deduction of such taxation on capital gains is based on the assumption that investors will neither realize gains in the share price in the short term nor hold the shares perpetually due to earnings retention. The application of a tax rate in the amount of 13.1875 % on capital gains instead implies a long holding period of more than 25 years.
Even though empirical studies about the holding period for investors in the German capital market do not exist, we consider the amount of the effective taxation applied for the valuation of MAN to be appropriate. A long holding period with a corresponding effect on the amount of the effective tax burden is assumed for the benefit of the outside shareholders.

We deem the overall approach for taking into account personal income taxes to be appropriate.

3.10. Determination of net dividend payments to be discounted

The following net dividend payments to the shareholders of MAN result from the analysis of the planning:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>Net dividend payments to be discounted</th>
<th>Planning</th>
<th>Terminal value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013 € m</td>
<td>2014 € m</td>
<td>2015 € m</td>
</tr>
<tr>
<td>Earnings before interest and taxes (EBIT)</td>
<td>557</td>
<td>975</td>
<td>1,367</td>
</tr>
<tr>
<td>Income from investments</td>
<td>137</td>
<td>175</td>
<td>218</td>
</tr>
<tr>
<td>Net interest</td>
<td>-131</td>
<td>-94</td>
<td>-95</td>
</tr>
<tr>
<td>Earnings before taxes (EBT)</td>
<td>564</td>
<td>1,056</td>
<td>1,490</td>
</tr>
<tr>
<td>Corporate taxes</td>
<td>-41</td>
<td>-133</td>
<td>-302</td>
</tr>
<tr>
<td>Net income</td>
<td>523</td>
<td>923</td>
<td>1,186</td>
</tr>
<tr>
<td>Net income attributable to noncontrolling interests</td>
<td>9</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>Net income attributable to shareholders of MAN</td>
<td>513</td>
<td>912</td>
<td>1,176</td>
</tr>
<tr>
<td>Retention</td>
<td>-327</td>
<td>-688</td>
<td>-775</td>
</tr>
<tr>
<td>Dividend payments</td>
<td>187</td>
<td>224</td>
<td>401</td>
</tr>
<tr>
<td>Personal income taxes on dividend payments</td>
<td>-49</td>
<td>-59</td>
<td>-106</td>
</tr>
<tr>
<td>Dividend payments after personal income taxes</td>
<td>138</td>
<td>165</td>
<td>295</td>
</tr>
<tr>
<td>Notional allocation of retention</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Personal income taxes on notional allocation</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Growth-related retention</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net dividend payments to be discounted</td>
<td>138</td>
<td>165</td>
<td>295</td>
</tr>
</tbody>
</table>

The portion of the annual net income attributable to noncontrolling interests relates to the outside shareholders of Renk AG.
4. Discount rate

4.1. Initial comments

The discounted dividend value is determined by discounting the planned future earnings to the valuation date. The purpose of the discount rate used therefore consists, on the one hand, of rendering amounts comparable which are realized in the future by discounting them to the valuation date. On the other hand, the interest rate permits the investor to make a comparison to available alternative investments with equivalent terms, taking into account uncertainties and the inherent risk. The discount rate accordingly reflects the return on an investment alternative to owning the object of the valuation considered to be equivalent to the object of the valuation in timing, risk and taxation of financial surpluses.

Pursuant to IDW S1, the discount rate is derived from (observable) returns on investment in the capital market for corporate investments (in the form of stock portfolios), which must be adjusted to the specific object of the valuation. The alternative returns on investment required for this purpose are in theory and valuation practice technically determined by using the returns from a virtually risk-free alternative investment (risk-free rate) which is adjusted with a risk premium appropriate for an investment decision in the object of the valuation, the income tax burden for the investor and a growth rate.

We have analyzed the approach of the valuation experts in determining the discount rate as follows:

4.2. Risk-free rate

The assessment of the risk-free rate is oriented, according to the predominant view, on the expected returns on investment for fixed interest bearing securities issued by the government. When determining a virtually risk-free alternative investment, it is also necessary to consider that this must be appropriate in terms of timing to a perpetual investment in the enterprise. Since such bonds with a perpetual term do not exist in the German capital market, according to the recommendations of the AKU (now the: Special Committee for Enterprise Valuation Business Management, hereinafter, also the
"FAUB"),\(^{41}\) an estimate of the risk-free rate can be derived using current interest yield data from the interest yield curve that is observable as of the valuation date.

In the case of the valuation of MAN, an estimate of the future average interest level was assumed using interest yield data provided by the German Federal Bank [\textit{Deutsche Bundesbank}]. In accordance with the recommendations of the AKU,\(^{42}\) averages were collected for a three-month period.

The valuation experts determine for the three-month period up to 31 March 2013 a rounded risk-free rate of 2.50 % in accordance with professional recommendations.

We have verified the applied risk-free rate using our own calculations in accordance with the recommendations of the FAUB and on the basis of the interest yield curve and the interest yield structure data of the German Federal Bank.

The published interest yield data involve estimated values, which are determined on the basis of observed current returns on investment for coupon bonds (German federal government bonds, German federal government obligations, German federal treasury certificates). We have calculated averages in order to smooth short-term fluctuations in the market and possible errors in estimation especially in the area of long-term interest rates. In accordance with the recommendation of the AKU,\(^{43}\) averages were collected for a three-month period.

According to the recommendations of the FAUB, a typified, consistent stream of earnings growing by 1 % was assumed in order to determine a uniform risk-free rate using the interest yield curve. We have examined in our own calculation the extent to which the determined present value equivalent uniform risk-free rate derived differs from the risk-free rate resulting on the basis of the individual income stream of MAN.

For a three-month period up to 31 March 2013, according to our calculations under the methodology described above and taking into account a typified growing income stream, a uniform risk-free rate of 2.43 % results, and taking into account the individual

\(^{41}\) 84th meeting, FN-IDW no. 1-2/2005, p. 70
\(^{42}\) 86th meeting, FN-IDW no. 8/2005, p. 555
\(^{43}\) 86th meeting, FN-IDW no. 8/2005, p. 555
Convenience Translation

Income stream of MAN also 2.43%. In light of the professional rules on rounding to ¼ percentage points, this results in a risk-free rate of 2.50%, respectively.

We conclude that the uniform risk-free rate in the amount of 2.50% before personal income taxes applied in the valuation of MAN is appropriate.

At the time of the general shareholders’ meeting, the current interest conditions must again be determined in order to verify whether a changed assessment of the appropriateness of the Recurring Compensation Payment and the Cash Compensation results on the basis of any change in interest rates occurring between the submission of the Examination Report and the date of the general shareholders’ meeting.

The risk-free rate of 2.50% used by the valuation experts must be reduced by the withholding tax of 25% plus the solidarity surcharge so that the after tax rate is 1.84%.

4.3. Risk premium

In general, it would be necessary to refer to the individual risk preference of a shareholder in order to assess the risk premium. In the case of a large number of shareholders, it is practically impossible to inquire about the individual attitude of each shareholder with regard to risk. Therefore, it is common when determining objectified equity values to refer to capital markets models in order to assess the risk premium. This makes it possible to reflect the risk preference of a large number of investors, which is expressed through supply and demand in the prices for securities.

The market-based determination of the risk premium in theory and valuation practice as well as under IDW S1 normally takes place by applying the Capital Asset Pricing Model (CAPM). The CAPM is based on a comparison of the enterprise’s specific return on investment in its stocks and the return on investment in the market portfolio. The specific risk premium for the enterprise is calculated as the product of the so-called market risk premium and the specific level of risk for the enterprise.
4.3.1. Market risk premium

The market risk premium corresponds to the difference in the return on investment from a market portfolio and a virtually risk-free investment in securities and therefore represents in effect such higher return on investment which is granted by the market for investing in risky securities compared to virtually risk-free bonds.

In the case of statutory occasions for valuations, the determination of objectified equity values is pursuant to IDW S1 based on an analysis after personal income taxes of the shareholders because only the income streams which the investors actually receive are relevant for the valuation. The shareholder is assumed to be a domestic, fully taxable natural person holding the shares as private property.

The CAPM, as originally conceived, does not take into account personal income taxes. However, the personal income taxes have an effect on the observed returns on investment for stocks and, thus, the market risk premium. An explanation of the empirically observable returns on investment for stocks is provided by the Tax-CAPM, which expands the CAPM by expressly considering the effects of personal income taxes.

Empirically, past capital markets studies have shown that the expected value for differences on returns on investment between virtually risk-free, fixed interest government securities and investment in a market portfolio of stocks lies in a range between 3 % and 7 % while ignoring extreme values. The majority of these capital markets studies referred to the pre-tax returns on investment. Representative capital markets studies for the German capital market on the effects of the corporate tax reform 2008 on the market risk premium before and after income taxes do not yet exist.

There has been a dispute for years in academic writing and in valuation practice about which studies of the capital markets represent an appropriate basis for determining a market risk premium in the context of valuations when using the CAPM. The level of the observable market risk premium is influenced by a large number of factors, for example, by the chosen model, the way in which the average is calculated, the observation period and the tax system. The future market risk premium to be determined represents, thus, an estimated variable due to the lack of uniformity with regard to the col-
lection of past data and the uncertainty with regard to the ability to carryforward the identified values in the future.

The FAUB used to consider it appropriate to apply an after tax market risk premium of 5% to 6% for the German market in the case of valuations with valuation dates after 1 January 2005 on the basis of empirical studies, which expressly take into account the effects of the half-income method on the amount of the market risk premium. These empirically determined estimated values are based on dividing the overall return on investment in a stock portfolio into a return on investment by way of dividends that is taxable at the level of the shareholder and a tax free return on investment from the share price. This no longer corresponds to the currently applicable tax system in which capital gains are taxed at the same nominal tax rate as dividend income while the effective taxation on capital gains, however, lies below the dividend income (due to longer average holding periods). In addition, the corporate tax reform 2008 also affects the overall return on investment in a stock portfolio because corporate tax rates and the tax basis for corporate taxes have changed.

On 3 December 2009, the FAUB initially published information about the effects of the crisis in the financial markets and the economic crisis on valuations. The FAUB stated that a market risk premium of 4% to 5% after personal income taxes was considered appropriate after introduction of the withholding tax [Abgeltungssteuer] in the course of the corporate tax reform 2008. The FAUB further stated that the range of the market risk premium was derived by reference to a long-term observation period in which different economic cycles were already taken into account. Therefore, the FAUB saw no reason to adjust the amount of the market risk premium in light of the developments in the capital markets at that time.

In the report about the results of the 104th meeting of the FAUB on 22 March 2011, the level of the market risk premium was again an issue. The FAUB was of the opinion that there was no reason to change the approach when determining the risk-free rate or the market risk premium and referred to a 3.0% risk-free rate that existed in December 2010.

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45 FN-IDW no. 12/2009, pp. 96 et seq.
In the information "about the effects of the current situation in the capital markets on the determination of the discount rate" dated 10 January 2012\textsuperscript{46}, the FAUB recommends, in connection with the increased uncertainty in the capital markets observable at that time and the increased risk aversion expressed by such uncertainty, to examine whether this situation is taken into account by applying a market risk premium at the upper end of the range of 4.0 % to 5.0 % (after personal income taxes) recommended up to that time. The FAUB finds in this regard that this generally applies on all occasions of a valuation but that further considerations can be appropriate in the appraiser’s own analysis, depending on the situation in the specific case.

Finally, the FAUB explains in its information "about taking into account the financial market crisis when determining the discount rate in the valuation" of 19 September 2012,\textsuperscript{47} that the current situation of the capital markets does not correspond to the situation that was observed on average in the past. When forecasting the market risk premium, parameters influencing the premium that have changed as a result of the financial market crisis, especially a change in risk tolerance, must be considered so that higher market risk premiums can currently be justified compared to the previous years. The FAUB accordingly considers it currently appropriate to orient the assessment of the market risk premium after personal taxes in a range of 5.0 % to 6.0 %. The FAUB stated that it will continue to regularly analyze the factors influencing the assessment of the discount rate in its meetings and will update the recommendation accordingly in the case of changes.

The FAUB emphasizes both in its information of 10 January 2012 as well as in its information of 19 September 2012 that, regardless of the capital markets oriented considerations about the market risk premium, a deterioration of the economic prospects and the uncertainties with regard to the economic parameters and the prospects for development of an enterprise must generally be taken into account in the context of determining the expected values in business planning.

The valuation experts applied a market risk premium after personal taxes of 5.5 % based on reference to the instructions from the FAUB dated 19 September 2012.

\textsuperscript{46} FN-IDW no. 2/2012, p. 122.
\textsuperscript{47} FN-IDW no. 10/2012, pp. 568 et seq.
We had the following findings with regard to the market risk premium applied for the valuation of MAN:

As a result of the financial and economic crisis in 2008 and 2009 as well as the current government debt crisis, the capital markets have been subject to substantial fluctuations in recent years which, among other results, have led to the volatility (e.g. as reflected in the V-DAX) increased at times to very high values, but in the meantime has again fallen to a level which is not unusually high when compared to the course of several years. At the same time, it can be observed that the returns on investment for German government bonds and the resulting risk-free rate used for purposes of valuations currently have a level that is close to the lowest historic levels.

Accordingly, the question arises about the current expectations for returns on investment of participants in the capital market and the resulting implications for assessing the discount rate which can be expressed in the following statements:

Statement 1:
The participants in the capital market continue to expect relatively unchanged, stable (after tax) returns on investment involving risk. This would have the consequence that a higher risk premium than in the past would be appropriate for determining consistent costs of capital in light of the currently low level of returns on investment for virtually risk-free federal government bonds.

Statement 2:
The participants in the capital market have sustainably reduced their expectation for returns on investment involving risk as a result of the expected mid-term to long-term stand-still of the level of returns on investment for virtually risk-free federal government bonds at the present level. This would mean that an adjustment of the risk premium would not be appropriate.

In our view, there is currently no certainty in theory and valuation practice about which of the above statements should be clearly given priority.

If statement 1 was adopted and, thus, an adjustment of the market risk premium was preferred, this would require having knowledge about the stable (after tax) demand of
investors for return on investment. Based on this, the market risk premiums would vary depending on the respective virtually risk-free rate. At present, we are not aware of any studies about which values would mean that an existing level of the risk-free rate would have to be considered as unusually low so that an objectified, specific adjustment of the market risk premium would be necessary because otherwise a deviation from the assumed (after tax) demand of investors for return on investment considered to be stable would occur.

In light of this as well as of the need for an objectified determination of value, we take the position that an increase in the market risk premium in the present valuation is indeed quite plausible, although currently the specific determination is not documented by empirically studies. Based on the qualified professional requirements of the IDW, we consider the market risk premium applied here by the valuation experts to be methodologically reasonable.

4.3.2. Beta factor

The estimated risk premium for a total market portfolio must be adjusted under the CAPM with regard to the specific risk structure of the enterprise being valued. The individual risk for the enterprise is determined as the correlation of the return on investment for the object of the valuation to the return on investment of the market portfolio and is expressed in the so-called beta factor.

The beta factors observable in the capital market initially reflect both the operational risk of the enterprise as well as the capital structure risk. In order to isolate the operational risk, the beta factors observed in the market must be adjusted for the respective capital structure risk.

When valuing MAN, an unlevered beta factor of 0.90 was used as the basis for the valuation.

We report the following findings in this regard:

For MAN as a listed company past beta factors are available from the capital market.
We have collected beta factors for the common stock of MAN both for various periods of time up to 8 January 2013, the date prior to the ad hoc notification of MAN pursuant to § 15 WpHG, which announced that Volkswagen wanted a Domination and Profit and Loss Transfer Agreement with MAN, as well as up to 8 May 2011, the date prior to the announcement that Volkswagen would be issuing a mandatory offer pursuant to § 35 para. 2 WpÜG. We varied the reference period from two to five years prior to 8 January 2013 and from two to five years prior to 8 May 2011 as well as the intervals for the return on investment and the comparative indices. In this and in following analyses we referred to data provided by the financial services provider Bloomberg.

All of the beta factors we collected are statistically significant. The analysis of the standard errors, the coefficients of determination, the trading days, the trading volumes as well as the bid-ask spreads do not lead to any indications that the observable beta factors are not reliable.

In the case of weekly intervals for returns on investment, we observed levered beta factors between 1.09 to 1.32 (periods up to 8 January 2013) and between 1.06 to 1.30 for periods prior to the announcement about having to submit a takeover offer (periods prior to 8 May 2011). In the case of monthly intervals for the return on investment, the levered beta factors are between 1.45 and 1.86 and between 1.48 and 1.88.

After adjustment for the capital structure risk (so-called unlevering), unlevered beta factors result for weekly intervals of the return on investment of between 0.91 to 1.09 and between 0.88 to 1.13 and, in the case of monthly intervals for the return on investment, there are unlevered beta factors between 1.22 to 1.55 or between 1.28 and 1.62.

We collected the beta factors for the preferred stock of MAN using the same criteria. In the case of weekly intervals for the return on investment, we observed unlevered beta factors 0.76 to 1.01 (periods up to 8 January 2013) and between 0.55 and 0.98 for period prior to the announcement about having to submit a takeover offer (periods prior to 8 May 2011). In the case of monthly intervals for the return on investment, the unlevered beta factors are between 0.84 and 1.07 or between 0.91 and 1.11.

All beta factors we collected are also statistically significant for the MAN preferred stock. Based on the analysis of standard errors, the coefficients of determination, the
trading days, the trading volumes as well as the bid-ask spreads, there are no indications that the observed beta factors are not reliable, although beta factors collected on the basis of above criteria appear less reliable compared to the MAN common stock.

The question arises whether the operational risk of MAN can be determined by a beta factor analysis on the basis of the non-voting preferred shares. We have compared the development of the stock price for the common stock and the preferred stock during the analyzed period of time for the purpose of further analyses.

The comparison of the expected share price development shows that the development of the price for the MAN preferred stock deviates in part substantially from the development of the price for the MAN common stock despite the expected uniform operational risk. A divergence of share price development starting in September 2009 and an approximation of share price development in April 2012 were to be observed. This leads to the assumption that at least part of the operational risk is characterized by other influences, which are reflected in the observed fluctuations in price of the preferred share. Since preferred stock only accounts for a portion of around 4 % of total existing shares in MAN, this class of stock is only of secondary importance, in our view, when assessing the uniform, unlevered beta factor for MAN.

The valuation experts completely reject the observed beta factor of MAN (common stock) as a basis for determining an appropriate estimator of the specific entrepreneurial risk because they argue that the possibility cannot be ruled out that the development of the share price for the MAN common stock has been distorted by the accumulation
of shares by Volkswagen and has not been exclusively influenced by the operational risk at MAN.

We assessed the view of the valuation experts on the basis of the following graph and report the following findings:

The development of the share price for MAN common stock was influenced since Volkswagen entered with an investment of 15.1% on 6 October 2006. During the time up to 9 January 2013, the date of the ad hoc notification about the intended conclusion of a Domination and Profit and Loss Transfer Agreement, Volkswagen made further purchases, whereby the investment was increased only slightly from around 29.9% to around 30.3% in the period from 27 February 2007 through 9 May 2011.

Given no material influence by purchases to be found in the period from 27 February 2007 through 9 May 2011, we included the own beta factor for the two-year period prior to 9 May 2011 in our examination for the purpose of our analysis. The unlevered beta factor of the common stock for this period lies in a range of 0.88 to 0.96 when using different reference indices.

The valuation experts, on the other hand, refer to a peer group analysis for measuring the future beta factor of MAN. To this end, companies were identified which are comparable in their fields of activity, competitive and risk positions as well as the key financial performance indicators with the object of the valuation. We refer to the discussion of the valuation experts with regard to further details.
We have conducted our own analysis to assess the peer group analysis performed by the valuation experts in order to determine the future beta factor of MAN.

Based on an analysis of MAN areas of business, the valuation experts identified potential listed peer group companies which are active in the same areas as MAN. An ancillary condition was liquid trading in the stock of the peer group enterprises in the analyzed period.

The valuation experts used a 5-year period with monthly reference periods in order to determine the beta factors of the peer group. In each case, the broadest possible market index in the country of domicile was used as the reference index. A range of average levered beta factors for the peer group of 1.11 to 1.60 (average 1.34) was observed by the valuation experts for the period up to 28 February 2013. The appropriately determined unlevered beta factors lie in a range of 0.55 to 1.20 with an average of 0.93.

For valuation purposes, an unlevered beta factor of 0.90 was used by the valuation experts.

In light of the fact that uniform requirements with regard to selection criteria, the observation period and the length of intervals for the return on investment do not exist in academic writings, case law and valuation practice, we additionally conducted our own analysis to determine the beta factor of a possible peer group on the basis of data from the information service provider Bloomberg for the peer group companies selected by the valuation experts.

We assessed and supplemented the identification and selection of peer group companies using our own research.

According to the results of our analyses, a total of twelve companies qualify as peer group companies based on the appropriately chosen selection criteria. In addition to the ten correctly selected peer group companies used by the valuation experts, we additionally identified Cummins Inc. USA, and Deutz AG. Cummins Inc. manufactures diesel engines, turbines, generators as well as comparable products and also competes with MAN. The company distributes its products primarily in North and South
America, Europe and the Middle East as well as in Africa. Deutz AG is a German company, which has specialized in the manufacture of engines as well as engine components. The Volvo Group holds 25% of the company, which is active primarily in Europe, America and Asia.

During the course of our calculations, we determined the levered beta factors for the list of twelve peer group companies we prepared on the basis of both weekly as well as monthly capital market observations for the five-year period until 1 March 2013. A country specific index as well as trans-national European or worldwide indices were used as the reference index for each of the peer group companies. Significant beta factors were identified for all peer group enterprises. As a result of the analysis of standard errors, the coefficients of determination, the trading days, the trading volumes as well as the bid-ask spread, there were no indications that the observed beta factors are not reliable. The average (median) levered beta factors of the twelve peer group enterprises lie in a range of 1.27 to 1.48 and 1.30 to 1.58 based on weekly and monthly intervals for the return on investment.

The beta factors of the peer group companies observed in the capital market initially reflect both the operational risk of the enterprise as well as the respective capital structure risk. In order to isolate the operational risk of the peer group, the beta factors observed in the market must be adjusted for the respective capital structure risk.

Therefore, we adjusted the levered beta factors for the respective capital structure risk. The average (median) of the unlevered beta factors for the twelve peer group companies lies in a range of 0.88 to 1.12 and 0.99 to 1.10 based on weekly and monthly intervals for the return on investment as well as various reference indices.

The capital structure risk of MAN was correctly reflected in the valuation by the valuation experts by periodically adjusting the future unlevered, rounded beta factor of 0.90 for the risk effects resulting from the varying level of debt at MAN (re-levering). The so levered beta factor of MAN has values between 0.98 and 1.10.

In summary, we consider the period specific risk premium used in the valuation of MAN, which is the product of the market risk premium and the beta factor derived from a peer group analysis, to be reasonable. Based on the analysis of MAN's own beta
factor (common stock) and the peer group analysis, which we conducted, there are no indications that the applied unlevered beta factor is not reasonable.

4.4. Growth rate

A virtually risk-free alternative investment by definition yields earnings in the future which are as good as certain in the nominal amount and also remain constant when the real value of money changes. Compared to this, investing in an enterprise offers the opportunity for a nominal increase in the profits of the enterprise in the case of a reduction in the real value of money by passing on the devaluation of money in the prices.

This perspective for additional growth is directly taken into account in the assessment of the amounts in the period for which there is specific planning of earnings and expenses. In the terminal value phase, growth is taken into account mathematically by means of a deduction from the interest rate.

The valuation experts used a growth rate of 1.0 % for the valuation of MAN.

We report the following findings on this point:

The future growth of the financial surpluses at MAN results from reinvesting retained earnings as well as organically from effects of pricing, volumes and structure.

Growth resulting from retained earnings is systematically reflected by directly attributing the contribution to value from retained earnings and deducting one half of the tax rate for the withholding tax including the solidarity surcharge.48

The general expectation for inflation represents an initial indication for any further growth to be reflected in the deduction for growth from the discount rate for valuation purposes.

As stated by the valuation experts, rates of inflation of around 1 % to 2 % are expected for Germany and the EU in the years 2013 to 2017.

It must first additionally be pointed out that the specific price increases to which MAN is subject are different from the general rate of inflation.

The ability to pass on price increases resulting from inflation to the customers of MAN in the full amount can also be only assumed to a limited degree as a result of the competitive environment and the resulting pressure on prices. In light of this, we do not consider it possible to pass on the price increases in full to the customers of MAN.

In addition to price increases, the potential influence of developments in the market, the environment and competition must generally be analyzed when assessing the future growth rate.

These effects are fully reflected in the planning of MAN as well as in the terminal value, which in the Company's view represents a steady state.

We consider a further extrapolation of the substantial growth in profits in the detailed planning period not to be appropriate. This takes into account neither the substantially cyclical nature of the markets, which was generally not reflected in the detailed planning period, nor the level of revenue and profit achieved already at the end of the detailed planning period.

Factors for growth in a range of between 0 % and 2 % are regularly considered to be appropriate in case law unless companies with unusual prospects for growth are involved which is not the present case.

Therefore, we consider taking into account the growth rate in the amount of 1.0 % to be a reasonable estimator.
4.5. **Applied discount rate**

The discount rates applied by the valuation experts when assessing the value of MAN accordingly result as follows:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk-free rate before personal income taxes</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td>2.50%</td>
<td></td>
</tr>
<tr>
<td>Personal income taxes</td>
<td>-0.66%</td>
<td>-0.66%</td>
<td>-0.66%</td>
<td>-0.66%</td>
<td>-0.66%</td>
<td>-0.66%</td>
<td></td>
</tr>
<tr>
<td>Risk-free rate after personal income taxes</td>
<td>1.84%</td>
<td>1.84%</td>
<td>1.84%</td>
<td>1.84%</td>
<td>1.84%</td>
<td>1.84%</td>
<td></td>
</tr>
<tr>
<td>Market risk premium after personal taxes</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.50%</td>
<td>5.50%</td>
<td></td>
</tr>
<tr>
<td>Unlevered beta</td>
<td>0.90</td>
<td>0.90</td>
<td>0.90</td>
<td>0.90</td>
<td>0.90</td>
<td>0.90</td>
<td></td>
</tr>
<tr>
<td>Levered beta</td>
<td>1.06</td>
<td>1.10</td>
<td>1.08</td>
<td>1.04</td>
<td>1.03</td>
<td>0.98</td>
<td></td>
</tr>
<tr>
<td>Risk premium after personal income taxes</td>
<td>5.62%</td>
<td>6.06%</td>
<td>5.95%</td>
<td>5.70%</td>
<td>5.67%</td>
<td>5.40%</td>
<td></td>
</tr>
<tr>
<td>Growth rate</td>
<td>-1.0%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of equity, net of shareholder income tax, after growth discount</td>
<td>7.66%</td>
<td>7.90%</td>
<td>7.79%</td>
<td>7.55%</td>
<td>7.51%</td>
<td>6.24%</td>
<td></td>
</tr>
</tbody>
</table>

We consider the methodology for determining the discount rate described by the valuation experts as well as the applied discount rate to be reasonable.

5. **Discounted dividend value [Ertragswert]**

The discounted dividend value of MAN as of 6 June 2013 was determined by the valuation experts as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net income</td>
<td>€ m</td>
<td>523</td>
<td>923</td>
<td>1,188</td>
<td>1,458</td>
<td>1,684</td>
<td>1,268</td>
</tr>
<tr>
<td>Net income attributed to noncontrolling interests</td>
<td>9</td>
<td>12</td>
<td>11</td>
<td>12</td>
<td>12</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Net income attributed to shareholders of MAN</td>
<td>513</td>
<td>912</td>
<td>1,176</td>
<td>1,446</td>
<td>1,672</td>
<td>1,277</td>
<td></td>
</tr>
<tr>
<td>Retention</td>
<td>-327</td>
<td>-688</td>
<td>-775</td>
<td>-1,000</td>
<td>-1,157</td>
<td>-639</td>
<td></td>
</tr>
<tr>
<td>Dividend payments</td>
<td>187</td>
<td>224</td>
<td>401</td>
<td>446</td>
<td>515</td>
<td>639</td>
<td></td>
</tr>
<tr>
<td>Personal income tax on dividend payments</td>
<td>-49</td>
<td>-59</td>
<td>-106</td>
<td>-118</td>
<td>-136</td>
<td>-168</td>
<td></td>
</tr>
<tr>
<td>Dividend payments after personal income taxes</td>
<td>138</td>
<td>165</td>
<td>295</td>
<td>328</td>
<td>379</td>
<td>470</td>
<td></td>
</tr>
<tr>
<td>Notional allocation of retention</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>639</td>
<td></td>
</tr>
<tr>
<td>Personal income taxes on notional allocation</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-84</td>
<td></td>
</tr>
<tr>
<td>Growth-related retention</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>-80</td>
<td></td>
</tr>
<tr>
<td>Net dividend payments</td>
<td>138</td>
<td>165</td>
<td>295</td>
<td>328</td>
<td>379</td>
<td>444</td>
<td></td>
</tr>
<tr>
<td>Discount rate</td>
<td>7.66%</td>
<td>7.90%</td>
<td>7.79%</td>
<td>7.55%</td>
<td>7.51%</td>
<td>6.24%</td>
<td></td>
</tr>
<tr>
<td>Present value as of 1 January</td>
<td>128</td>
<td>142</td>
<td>236</td>
<td>244</td>
<td>262</td>
<td>10,451</td>
<td></td>
</tr>
<tr>
<td>Discounted dividend value as of 31. Dezember 2012</td>
<td>11,462</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulation factor</td>
<td>1.032</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discounted dividend value as of 6. June 2013</td>
<td>11,831</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The calculation was made without limiting the decimal places.
We have examined the determination of the discounted dividend value using our own model and do not arrive at any higher discounted dividend value for MAN.

6. **Special values and non-operating assets**

Those assets are defined as non-operating assets and can therefore be freely sold without affecting the actual activity of the enterprise. When valuing the entire enterprise at the discounted dividend value, non-operating assets must be separately valued, taking into account the best possibility for realizing their value, and they must be included in the total value after taking into account deferred taxes.

The real estate held as financial investments under IAS 40 and a property in Brazil were identified as non-operating assets in the consolidated financial statements of MAN. Further, the corporate income tax asset as of 31 December 2012 amounting to € 8 resulted in a special value in the amount of around € 7 million after discounting it over the disbursement period as of the date of the general shareholders’ meeting of MAN.

In summary, the following contribution results as of 6 June 2013:

<table>
<thead>
<tr>
<th>MAN Group Special values</th>
<th>€ m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-operating properties</td>
<td>57</td>
</tr>
<tr>
<td>Corporate income tax credits</td>
<td>7</td>
</tr>
<tr>
<td>Total special values</td>
<td>64</td>
</tr>
</tbody>
</table>

The existing non-operating real estate property was assessed with the estimated market value of around € 71 million (book value as of 31 December 2012, around € 27 million) taking into account the tax burden occurring at the corporate level in case of a sale amounting to € 14 million. The market valuation was conducted on the basis of common valuation methods such as applying the current land values for undeveloped properties [Bodenrichtwerte] and by determining discounted earning values for leased out properties. To the extent that specific offers existed, these were taken into account.
We assessed the recognition of special values and conclude that they were derived appropriately.

7. **Equity value and value per share**

The equity value of MAN as of 6 June 2013 results as follows:

<table>
<thead>
<tr>
<th>MAN Group</th>
<th>€ m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity value</td>
<td></td>
</tr>
<tr>
<td>Discounted dividend value as of 6. June 2013</td>
<td>11,831</td>
</tr>
<tr>
<td>Special values and non-operating assets</td>
<td>64</td>
</tr>
<tr>
<td><strong>Equity value as of 6 June 2013</strong></td>
<td><strong>11,894</strong></td>
</tr>
</tbody>
</table>

The share capital of MAN amounts to € 376,422,400.00 and is divided into 147,040,000 no-par value bearer shares of which 140,974,350 are Common Shares and 6,065,650 are Preferred Shares.

Accordingly, a mathematical value for each share entitled to a dividend results as of the date of the general shareholders’ meeting on 6 June 2013 in an amount of € 80.89. We consider the reasons described in the valuation report of PwC/KPMG as well as in the Contract Report for treating the classes of stock identically and, thus, determining a uniform value for the Common Shares and the Preferred Shares to be reasonable and appropriate.

We verified the conduct of the valuation of MAN in all material steps, especially with regard to determining the capitalized earnings, the determination of the discount rate and the calculation of the enterprise value as of the valuation date of 6 June 2013.

We consider the approach shown in the Joint Valuation Report of PwC/KPMG, which is attached to the Contract Report, to be appropriate and the result to be reasonable.
8. **Comparative market valuation**

It is common in valuation practice to verify the plausibility of the equity value determined using the discounted dividend method by means of a multiple valuation.

When applying the earnings multiples, the price for the enterprise results as the product of a key financial number considered to be representative multiplied by an industry or enterprise specific factor. The basic concept is that observable relationships between values in the capital market for peer group enterprises can be applied to the enterprise being valued.\(^{49}\) The multiple is derived from the relationship of the market prices observed in the market for peer group enterprises compared to a reference value for these peer group enterprises, which is also known. The selection of the peer group enterprises is of particular relevance.

The choice of multiples that can be found in academic writings and practice is large. In general, a differentiation is made between so-called equity multiples and entity multiples. Equity multiples reflect the market price for the equity capital, and entity multiples consider the market price for the entire invested capital. When applying entity multiples the market price of equity is shown by deducting the market value of the net debt of the object of the valuation from the initially determined overall enterprise value.

The valuation experts assessed the reasonableness of the discounted dividend value of MAN on the basis of the multiples enterprise value ("EV") to EBITDA (= EV/EBITDA) as well as enterprise value to EBIT (= EV/EBIT). In order to determine the multiples, the valuation experts used data from the capital markets and key financial indicators for the peer group already used when determining the beta factor.

The valuation experts conclude that the determined discounted dividend value plus the special values in each case lie above the determined core range for the market value of equity, which results from the comparable market valuation on the basis of the EV/EBITDA and the EV/EBIT multiples when taking into account the net debt, the minority shares as well as the special values in MAN. Thus, there are no indications from the comparative market valuation that the equity value determined with the discounted dividend method is not reasonable.

The selected multiple valuations are suitable for assessing the reasonableness, also in light of industry specifics. We verified the comparative valuation performed by the valuation experts on the basis of available financial data and consider this valuation to be appropriate.

V. Share price

The share capital of MAN in the amount of € 376,422,400.00 is divided into 147,040,000 bearer shares, of which 140,974,350 are Common Shares (approx. 96 %) and 6,065,650 are Preferred Shares (approx. 4%). Both classes of stock are traded in XETRA as well as on all seven German stock exchanges. Effective as of 24 September 2012, the MAN common stock was moved from the DAX 30 to the MDAX, which covers 50 stocks, due to the low market capitalization of the free float.

During the course of determining the cash compensation under § 305 AktG, the fair market value of listed shares cannot be determined without taking into account the share price according to court rulings of the BVerfG (order dated 27 April 1999, 1–BVR–1613/94 in AG 1999, pp. 566, 568). The BVerfG requires that an existing share price cannot be ignored when determining the value of the investment in the enterprise. As a result, the cash compensation must be set such that the minority shareholders, in any event, do not receive less than they would have received in the case of a free decision to divest. If the discounted dividend value is less than the share value, the share price must generally be referred to, whereby an appropriate average price must be used as the basis. The share price does not have to be used as a reference if it does not correspond to the fair market value of the shares or if no trade has taken place, for example, as a result of lack of trading in the market or manipulation.

A decisive aspect for determining the average price, among others, is for which reference period the average price is determined.

According to an order of the BGH dated 19 July 2010 (II-ZB-18/09 in WM 2010, pp. 1471, 1473) the value of the shares on the stock exchange used as a basis for an appropriate cash compensation must generally be determined on the basis of a
Relevance weighted average price within a three-month reference period prior to announcing the structural measure.

We report the following findings with regard to taking into account the share price of the MAN stock:

The Executive Board of MAN published an ad hoc announcement on 9 January 2013 under § 15 WpHG and announced the notification from Volkswagen that it intended to conclude a Domination and Profit and Loss Transfer Agreement with MAN in order to create an integrated commercial vehicle group.

We have determined the volume-weighted average share price for the MAN stock for the three-month period prior to publication of this ad hoc announcement by referring to Intraday data (source: Bloomberg). We determined the following data in the reference period from 9 October 2012 to 8 January 2013:

<table>
<thead>
<tr>
<th>MAN Shares</th>
<th>Trading days</th>
<th>Trading volume of shares</th>
<th>Average price in €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common shares</td>
<td>61</td>
<td>9,662,690</td>
<td>79.11</td>
</tr>
<tr>
<td>Preferred shares</td>
<td>61</td>
<td>315,334</td>
<td>73.39</td>
</tr>
</tbody>
</table>

Due to the trading activities, we see no indications that the share price cannot be referred to as being relevant for determining the lowest limit for the Cash Compensation under the criteria of the BVerfG and the concurring case law of the civil courts.

The valid minimum prices notified by the Federal Financial Supervisory Authority [Bundesanamt für Finanzdienstleistungsaufsicht, "BaFin"] based on § 5 WpÜG Offering Regulation as of 9 January 2013 was € 79.08 per share of MAN Common Shares or € 73.39 for each Preferred Share. Thus, the volume-weighted three-month average price for common stock determined by us differs by no more than + € 0.03.

The BaFin calculates minimum prices in accordance with the requirements of § 5 para. 3 WpÜG Offering Regulation on the basis of the securities transactions on the exchange notified to the BaFin pursuant to § 9 WpHG. § 5 para. 3 WpÜG Offering Regulation is not directly applicable in the present case, but according to relevant case law
the value determined in this manner represents an appropriate basis for estimation and assessment when setting a cash compensation (see, OLG Munich, order dated 11 July 2006, 31 Wx 41/05 with further citations).

A uniform amount of € 80.89 per MAN Common Share and MAN Preferred Share was offered as Cash Compensation. The offered amount for Cash Compensation is accordingly above both the average prices notified by the BaFin and the average price determined by us. Therefore, the question which of the submitted average prices should be used as the basis for the MAN common stock is not relevant for the decision in this case.

Irrespective of the above, we have assessed whether the share price might, as an exceptional situation, not reflect the fair market value of the stock so that it cannot be referred to when setting the Cash Compensation for the minority shareholders.

According to the ruling of the BVerfG, this is only conceivable in exceptional circumstances if practically no trading has taken place in shares of the company over an extended period or if individual outside shareholders have not been able to sell their shares at the share price due to a tight market, or if the share price has been manipulated.

We have not identified any indications for manipulation of the share price. Manipulation is generally prevented by referring to a reference period for determining the share price which ends prior to the announcement of the structural measure.

The BGH (II-ZB-18/09 in WM 2010, p. 1471, 1475) considers solely referring to the average share price prior to the announcement of the structural measure not to be appropriate if a longer period of time has passed between the announcement of the structural measure and the date of the general shareholders’ meeting and the development of the share prices appears to indicate that an adjustment is necessary. In this situation, the share value must be extrapolated corresponding to the general development in value or the typical development of value in the industry, taking into account the development of the share price in the meantime. The BGH has found that a period of 9 months is such a “longer period of time”.
A period of around 5 months lies between the announcement of the structural measure under corporate law (9 January 2013) and the date of the general shareholders’ meeting (6 June 2013). In light of the duration of the valuation and examination and the notice periods for the general shareholders’ meeting, we do not find any indications that the period might be too long in the sense of the reasoning of the BGH.

VI. Specific difficulties in the valuation

Pursuant to § 293e para. 1 AktG, the examination report must address any specific difficulties, which have arisen in determining the value of the companies concluding the contract.

As a result of our work in examining the appropriateness of the recurring compensation payment pursuant to § 304 AktG and the cash compensation under § 305 AktG, we find that there were no particular difficulties in the valuation of MAN within the meaning of § 293e para. 1 AktG.

VII. Determination of the Recurring Compensation Payment pursuant to § 304 AktG and the Cash Compensation pursuant to § 305 AktG

1. Recurring Compensation Payment pursuant to § 304 AktG

<table>
<thead>
<tr>
<th>Determination of appropriate guaranteed dividend</th>
<th>with CIT and solidarity surcharge</th>
<th>without CIT and solidarity surcharge</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity value as of 6. June 2013 (in € m)</td>
<td>4,653</td>
<td>7,242</td>
<td>11,894</td>
</tr>
<tr>
<td>Number of shares (common and preferred shares)</td>
<td>147,040,000</td>
<td>147,040,000</td>
<td>147,040,000</td>
</tr>
<tr>
<td>Equity value per share (in €)</td>
<td>31.64</td>
<td>49.25</td>
<td>80.89</td>
</tr>
<tr>
<td>Appropriate guaranteed dividend per share after personal income taxes and after CIT, solidarity surcharge (in €), annuity of 2.798%</td>
<td>0.89</td>
<td>1.38</td>
<td>2.26</td>
</tr>
<tr>
<td>plus personal income taxes 26.375%</td>
<td>0.32</td>
<td>0.49</td>
<td>0.81</td>
</tr>
<tr>
<td>Appropriate guaranteed dividend per share before personal income taxes and after CIT, solidarity surcharge (in €)</td>
<td>1.20</td>
<td>1.87</td>
<td>3.07</td>
</tr>
<tr>
<td>plus CIT and solidarity surcharge 15.625%</td>
<td>0.23</td>
<td>-</td>
<td>0.23</td>
</tr>
<tr>
<td>Appropriate gross guaranteed dividend payment per share before personal income taxes and before CIT, solidarity surcharge (in €)</td>
<td>1.43</td>
<td>1.87</td>
<td>3.30</td>
</tr>
</tbody>
</table>

The basis for the determination of the recurring compensation payment is an equity valuation of MAN, which was conducted according to the principles of the discounted dividend method under the IDW S1.
At least the annual payment of such amount must be committed as a recurring compensation payment under § 304 para. 2 sentence 1 AktG which could likely be distributed for the individual share as an average share in the profit based on the previous earnings situation of the company and its future earnings prospects, taking into account reasonable depreciation and fair value adjustments, but without establishing other profit reserves. This statutory provision assures that an outside shareholder will receive a recurring compensation payment, which corresponds in value to an average dividend which the shareholder would receive in case of a full dividend payment and without a corporate group agreement being in place.

Since the law intends to place the shareholders in a position they would have been in if no corporate group agreement were concluded, the future earnings position without the measure is decisive. This position determines what can likely be distributed as profit in the future. § 304 AktG accordingly refers to the discounted dividend value of the company and not to the share price. The recurring compensation payment is supposed to protect the outside shareholders against the loss of dividends caused in the future by the transfer of profits; therefore, it links to the payment per share the shareholder would have likely received without the corporate group agreement.

Truck & Bus GmbH guarantees pursuant to clause 4 of the Domination and Profit and Loss Transfer Agreement to pay to the outside shareholders of MAN a Guaranteed Dividend or Recurring Compensation Payment in the gross amount of € 3.30 per Share of Common Stock as well as a gross amount of € 3.30 for each Preferred Share (“Gross Recurring Compensation Payment”) for the duration of the Domination and Profit and Loss Transfer Agreement for each full calendar year, less corporate income tax and solidarity surcharge at the respective applicable rate for the relevant fiscal year on the amount subject to German corporate income tax.

Taking into account the tax situation at the time of conclusion of the contract, a net Recurring Compensation Payment in the amount of € 3.07 per MAN Common Share as well as net € 3.07 for each MAN Preferred Share is determined for each full fiscal year.

If the Domination and Profit and Loss Transfer Agreement comes into effect in 2013, an isolated Domination Agreement will be concluded without an obligation of profit transfer of MAN. Therefore, Truck & Bus GmbH guarantees to the outside share-
holders of MAN the payment per share in the gross amount of € 3.30 for each MAN Common Share and Preferred Share as an appropriate Gross Recurring Compensation Payment for the fiscal year 2013 if the Domination and Profit and Loss Transfer Agreement takes effect in the year 2013.

As explained in the Joint Contract Report, the Recurring Compensation Payment is determined by compounding the equity value of € 11,894 million or of the value per share of € 80.89, respectively. The corporate income tax contained was derived by the valuation experts on the basis of a difference calculation. We assessed the reasonableness of this approach as follows:

1.1. Determination of the average payment per share

The determination of an average fixed future profit with in fact fluctuating profit expectations is correctly performed by annuitizing the present value of the profits fluctuating over the individual periods. We consider this method of establishing an average to be reasonable. We consider the inclusion of non-operating assets and special values in the calculation of the Recurring Compensation Payment made by the valuation experts to be appropriate in light of the economic aspect that the parties entitled to the Recurring Compensation Payment also have shares in this part of the business assets.

The valuation experts applied an interest rate of 2.8 % (after personal income taxes) or 3.8 % (before personal income taxes) for the annualization of the value per share and made the following considerations in this regard:

During the term of the Domination and Profit and Loss Transfer Agreement, the recipients of the Recurring Compensation Payment receive from Truck & Bus GmbH as a subsidiary, which is controlled by Volkswagen AG as the sole shareholder, a fixed Recurring Compensation Payment. The recipient of the Recurring Compensation Payment does not bear a risk which materially exceeds the risk of default of Truck & Bus GmbH. Given the Domination and Profit and Loss Transfer Agreement whereby Truck & Bus GmbH will be the controlled company while Volkswagen AG will be the controlling company, the default risk of Truck & Bus GmbH can be set at the default risk of Volkswagen AG due to the existence of a loss compensation claim of Truck &
Bus GmbH in analogy to § 302 AktG for the term of the contract. Shareholders receiving a Recurring Compensation Payment do not have to bear further risk even if the Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and MAN is terminated by either party because then the claim for Cash Compensation in the amount of € 80.89 per MAN Common Share and MAN Preferred Share is resurrected pursuant to clause 5.6 of the Domination and Profit and Loss Transfer Agreement. According to the Letter of Affiliation and Comfort, Volkswagen AG undertakes to ensure that Truck & Bus GmbH be managed and financially equipped such that Truck & Bus GmbH is able to fulfill its liabilities under clause 5 of the Domination and Profit and Loss Transfer Agreement in a timely manner.

Thus, it can be stated that the risk of a reduction of the discounted dividend value of MAN for the duration of the Domination and Profit and Loss Transfer Agreement is countered by the contracting parties by resurrecting the Cash Compensation in case of termination of the Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and MAN. However, the default risk of outside shareholders regarding their Recurring Compensation Payment would not be comparable to the default risk of Volkswagen AG in case of a termination of the Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and Volkswagen AG. In such case, outside shareholders of MAN may demand security provisions as creditors of Truck & Bus GmbH against Volkswagen AG according to § 303 AktG by analogy. Furthermore, Volkswagen AG has confirmed that it does not intent to terminate the Domination and Profit and Loss Transfer Agreement in the Letter of Affiliation and Comfort.

As a starting point for the interest, therefore, the risk-free rate of 2.5 % as explained above (Section C.IV.4.2.) was chosen. This represents a uniform, perpetual return on investment for a virtually safe German government bond, taking into account the different terms.

The risk of default at Volkswagen AG was taken into account with a credit spread of 130 basis points (1.3 %).

The annualization of the value per MAN share of € 80.89 at an interest rate of 3.8 % before personal income taxes leads to a Recurring Compensation Payment of € 3.07.
The valuation experts’ considerations on the determination of the annualization rate are comprehensive and we consider these to be reasonable in light of the provision in clause 5.6 of the Domination and Profit and Loss Transfer Agreement which applies in the case of termination by Truck & Bus GmbH or MAN.

1.2. Taking into account corporate income tax under the BGH rulings

Setting a fixed Gross Recurring Compensation Payment and deriving the net Recurring Compensation Payment by applying the respective corporate income tax and solidarity surcharge rate of the relevant fiscal year corresponds to the applicable ruling of the BGH ("Ytong" judgment of 21 July 2003, II ZB 17/01, juris). This ruling is criticized in academic writing with regard to the fact that the effective date principle for valuations is broken solely for purposes of German corporate income tax rates while there is no systematic reason why German corporate income tax should be considered differently in the methodology than foreign corporate income taxes or German trade tax.

In accordance with the predominant valuation practice, an adjustment was performed exclusively for German corporate income tax and solidarity surcharge when determining the Recurring Compensation Payment for the outside shareholders of MAN.

In accordance with the announcement of the AKU concerning the above mentioned judgment of 21 July 2003, we are of the opinion that the Gross Recurring Compensation Payment designated in the Domination and Profit and Loss Transfer Agreement, which must be reduced on the basis of the respective future corporate income tax burden, was reasonably determined.

1.3. No differentiation between classes of shares

MAN has various classes of shares, Preferred Shares and Common Shares, which do not involve any different allocation of profit. The preferred dividend is only structured as an “advanced dividend” without the preferred shareholder having a claim for a higher dividend in the sense of a “genuinely” higher dividend. In accordance with the predominant view in legal writings and case law, this preference was not attributed with any
independent value in the context of § 304 AktG because the preference only compensates for the loss of the voting rights (§ 139 AktG) and this is not taken into account when calculating the Recurring Compensation Payment (see, Munich Commentary on the AktG/Paulsen § 304 no. 100 with further citations). Furthermore, based on the dividend payment predicted for purposes of calculating the Cash Compensation, it can be assumed that the preferred shareholders’ statutory claim to an advanced dividend of € 0.11 per share will not become effective in the forecast period, thus, a higher Cash Compensation would not be appropriate.

1.4. Reasonableness of the Recurring Compensation Payment

We accordingly conclude that the contractually designated net Recurring Compensation Payment of € 3.07 per MAN Common Share and € 3.07 per MAN Preferred Share is appropriate.

2. Cash Compensation pursuant to § 305 AktG

We report the following findings with regard to the determination of the proposed Cash Compensation under § 305 AktG:

The equity value of MAN derived on the basis of the discounted dividend value is € 11,894 million. This results in a mathematical value per MAN Common Share and Preferred Share in an amount of € 80.89. This value is above the share price of a maximum of € 79.11 per Common Share and € 73.39 per Preferred Share, which must be referred to in accordance with the rulings of the German Federal Constitutional Court, as of the end of the determination period considered to be appropriate under the rulings of the highest courts that ends with the announcement of the structural measure under the law on stock corporations on 9 January 2013.

Contrary to the Recurring Compensation Payment under § 304 AktG, the Cash Compensation gives the shareholder the possibility of leaving the company for full compensation; therefore, it is based on the full value which the enterprise would have had in the market without concluding the corporate group agreement.
The present Domination and Profit and Loss Transfer Agreement provides for Cash Compensation in the amount of € 80.89 per Share of Common Stock and for each Preferred Share, and this is not below the equity value determined on the basis of the discounted dividend value.

We accordingly conclude that the designated Cash Compensation per share in the above mentioned amount is appropriate.
D. Final Declaration on the Reasonableness of the proposed Recurring Compensation Payment and the proposed Cash Compensation

Within our engagement, we conducted an examination of the Domination and Profit and Loss Transfer Agreement dated 26 April 2013 between Truck & Bus GmbH, Wolfsburg, and MAN SE, Munich, in accordance with § 293b para. 1 AktG. The Domination and Profit and Loss Transfer Agreement shall be submitted to the general shareholders' meeting of MAN SE on 6 June 2013 for resolution.

We issue the following final declaration in accordance with § 293e AktG:

“On the basis of our findings and due to the reasons set forth above, the Recurring Compensation Payment and the Guaranteed Dividend of € 3.07 per Share of Common Stock and € 3.07 per Preferred Share in MAN (net amount) designated in the Domination and Profit and Loss Transfer Agreement between Truck & Bus GmbH and MAN SE and the designated Cash Compensation, under which the outside shareholders of MAN SE are offered a Cash Compensation of € 80.89 uniformly for each Common Share and each Preferred Share in their company are appropriate. We consider the provision in the Domination and Profit and Loss Transfer Agreement, according to which the Recurring Compensation Payment results from a fixed gross amount of € 3.30 per share less corporate income tax and solidarity surcharge to be paid by MAN SE on this amount given the tax rate applicable for the relevant fiscal year to be appropriate in light of the decision of the BGH – II ZB 17/01 dated 21 July 2003.”

Düsseldorf, 26 April 2013

Rölfs RP AG
Wirtschaftsprüfungsgesellschaft

__________________________  ___________________________
 Michael Wahlscheidt          Jochen Breithaupt
 - German Public Auditor -   - German Public Auditor -
ANNEXES
Decision of 01/17/2013:

1. On the motion of

MAN SE
represented by the executive board
Ungererstrasse 69
80805 Munich

and

Volkswagen Coaching Gesellschaft mbH
represented by the managing directors
38436 Wolfsburg

AG [Amtsgericht, local court] – register court – Brunswick, HRB 100261 [docket number B 100261]

the chief judge of the fifth chamber for commercial matters of the LG (Landgericht, regional court) Munich I appoints

Rölfs RP AG
Wirtschaftsprüfungsgesellschaft
Grafenberger Allee 159
40237 Dusseldorf

pursuant to Art. 9 para. 1 lit. C ii) of the council regulation (EC) No. 2157/2001 on the Statute for a European company (SE), section 293 c AktG [Aktiengesetz, German stock corporation act] as joint contract auditor for the audit of a domination and profit and loss transfer agreement between MAN SE as dominated company and Volkswagen Coaching Gesellschaft mbH as dominating company.

2. The value of the subject matter at issue is determined to be € 3,000,–, section 30 para. 2 KostO [Kostenordnung, German act on tribunal costs].

Reasons:
An obstacle for the appointment of the audit firm mentioned as contract auditor is not recognizable so that it could be chosen by the court out of the two proposed audit firms pursuant to the suggestion of the applicants.

Dr. Krenek
chief judge
at the regional court

The conformity of the executed copy with the original document is confirmed.
Munich, April 22, 2013
The clerk of the court at the clerk’s office of the regional court Munich I

[signature illegible]
Pidhorianski
judicial clerk
Domination and Profit and Loss Transfer Agreement  
*(Beherrschungs- und Gewinnabführungsvertrag)*

between

(1) Truck & Bus GmbH

having its registered office in Wolfsburg, registered in the commercial register *(Handelsregister)* at the Local Court *(Amtsgericht)* Braunschweig under company number HRB 100261,

- herein referred to as "Truck & Bus GmbH" -

and

(2) MAN SE

having its registered office in Munich, registered in the commercial register at the Local Court *(Amtsgericht)* Munich under company number HRB 179426,

- herein referred to as "MAN" -

1 Management Control and Instructions

1.1 MAN submits the management control *(Leitung)* of its company to Truck & Bus GmbH. Truck & Bus GmbH is accordingly entitled to issue instructions *(Weisungen)* to the Executive Board of MAN with regard to the management control of the company. The Executive Board of MAN is required to comply with the instructions of Truck & Bus GmbH.

1.2 Truck & Bus GmbH is not entitled to issue an instruction to the Executive Board of MAN to amend, maintain or terminate this Agreement.

1.3 Any instructions require text form *(Textform)* or, if the instructions are issued orally, they shall be confirmed in text form without undue delay.

2 Transfer of Profit

2.1 MAN undertakes to transfer its entire annual profit *(Gewinnabführung)*, as determined in accordance with commercial law, to Truck & Bus GmbH. Subject to establishing or dissolving reserves in accordance with Clauses 2.2 and 2.3 below, the maximum amount permissible under section 301 German Stock Corporations Act *(Aktiengesetz)* *("AktG"),* as amended from time to time, shall be transferred.

2.2 If and only to the extent permissible under commercial law and as economically justified by reasonable commercial judgement and with the consent of Truck & Bus GmbH, MAN may
allocate parts of its annual profit to other profit reserves (section 272 para. 3 German Commercial Code (Handelsgesetzbuch) ("HGB")).

2.3 Upon the written request of Truck & Bus GmbH, MAN shall dissolve other profit reserves within the meaning of section 272 para. 3 HGB established during the course of this Agreement and use the proceeds to compensate for any annual loss or transfer the proceeds as profit. Other reserves or profits carried forward from the period prior to the term of this Agreement may neither be transferred as profit to Truck & Bus GmbH nor be used by MAN to compensate for any annual loss.

2.4 The obligation on MAN to transfer its annual profit applies for the first time to the entire profit for the fiscal year of MAN beginning on 1 January 2014 or for whichever subsequent fiscal year of MAN in which this Agreement becomes effective. The claim of Truck & Bus GmbH for a transfer of profit under this Clause 2 becomes due at the end of the last day of the fiscal year of MAN for which the respective claim exists. The claim must be fulfilled within four weeks from determination of the annual financial statements of MAN. Interest shall accrue in accordance with statutory law for the time between the due date of the claim for the transfer of the profit and its fulfillment. Claims based on any default in payment remain unaffected.

3 Assumption of Losses

3.1 An assumption of any annual losses (Verlustübernahme) of MAN by Truck & Bus GmbH is agreed by reference to the provisions in section 302 AktG, as amended from time to time.

3.2 The obligation to assume losses applies for the first time for the entire fiscal year of MAN in which this Agreement becomes effective. The claim of MAN with regard to the compensation of any annual losses under Clause 3 becomes due at the end of the last day of a fiscal year of MAN for which the respective claim exists. The claim must be fulfilled at the latest upon expiration of four weeks after determination of the respective annual financial statements of MAN. Interest shall accrue in accordance with statutory law for the time between the due date of the claim for the compensation of the annual losses and its fulfillment. Claims based on any default in payment remain unaffected.

4 Guaranteed Dividend and Recurring Compensation Payment

4.1 Truck & Bus GmbH guarantees that it will pay to the outside shareholders of MAN in respect of the fiscal year 2013 of MAN a certain portion of the profit pursuant to Clause 4.3 below as adequate cash compensation ("Guaranteed Dividend") (Garantiedividende). To the extent that the dividend paid for the fiscal year 2013 of MAN (including any payments on account) for each share of MAN falls short of the Guaranteed Dividend, Truck & Bus GmbH will pay to each outside shareholder of MAN the corresponding difference per share. Payment of any such difference is due on the first banking day after the ordinary general shareholders' meeting of MAN for the fiscal year 2013 of MAN.

4.2 From and including the fiscal year of MAN in relation to which the claim of Truck & Bus GmbH for the transfer of the annual profit under Clause 2 takes effect, and for the remainder of the term of this Agreement, Truck & Bus GmbH undertakes to pay to the outside shareholders of MAN as adequate recurring compensation an annual cash compensation ("Recurring Compensation Payment") (Ausgleich). The Recurring Compensation Payment is due on the first banking day following the ordinary general shareholders' meeting of MAN for the preceding fiscal year, but in any event within eight months following expiration of the relevant fiscal year.
4.3 For each full fiscal year of MAN, the Guaranteed Dividend or the Recurring Compensation Payment, respectively, for each bearer share of MAN representing a mathematical portion of EUR 2.56 in the share capital ("MAN Share"), i.e. for each bearer common share of MAN representing a mathematical portion in the share capital of EUR 2.56 ("MAN Common Share") as well as for each bearer nonvoting preferred share of MAN representing a mathematical portion in the share capital of EUR 2.56 ("MAN Preferred Share"), in each case amounts to a gross sum of EUR 3.30 ("Gross Recurring Compensation Payment") minus the amount of any corporate income tax and the solidarity surcharge in accordance with the respective tax rate applicable for these taxes for the relevant fiscal year, provided that this deduction is only made on the portion of the Gross Recurring Compensation Payment in the amount of EUR 1.43 per MAN Share which relates to the profits of MAN that are subject to German corporate income tax.

Based on the situation at the time of conclusion of this Agreement, the portion of the Gross Recurring Compensation Payment of EUR 1.43 per MAN Share which relates to the profits of MAN that are subject to German corporate income tax is subject to a deduction of 15% corporate income tax plus 5.5% solidarity surcharge, i.e. EUR 0.23. Together with the remaining portion of the Gross Recurring Compensation Payment of EUR 1.87 per MAN Share which relates to profits that are not subject to German corporate income tax, the aggregate amount of the Guaranteed Dividend or of the Recurring Compensation Payment amounts to EUR 3.07 per MAN Share for a full fiscal year based on the situation at the time of conclusion of this Agreement.

4.4 The Guaranteed Dividend is granted for the fiscal year 2013 of MAN if this Agreement becomes effective in the year 2013. The Recurring Compensation Payment is granted for the first time for the fiscal year of MAN for which the claim of Truck & Bus GmbH for transfer of profit under Clause 2 becomes effective.

4.5 If this Agreement ends during a fiscal year of MAN or if MAN establishes an abbreviated fiscal year (Rumpfgeschäftsjahr) during the term of this Agreement, the Gross Recurring Compensation Payment is reduced proportionately pro rata temporis for the relevant fiscal year.

4.6 If the share capital of MAN is increased using corporate funds in exchange for the issuance of new shares, the Gross Recurring Compensation Payment per MAN Share is reduced to such an extent that the total amount of the Gross Recurring Compensation Payment remains unchanged.

If the share capital of MAN is increased by cash contributions and/or contributions in kind, the rights under this Clause 4 also apply for the shares subscribed to by outside shareholders in such capital increase. The beginning of such entitlement pursuant to this Clause 4 of the new shares corresponds to the dividend entitlement set by MAN when issuing the new shares.

4.7 If judicial appraisal proceedings (Spruchverfahren) regarding a judicial determination of the adequate recurring compensation are initiated and the court adjudicates a legally binding higher Guaranteed Dividend and/or a higher Recurring Compensation Payment for each MAN Common Share or each MAN Preferred Share, the outside shareholders are entitled to demand a corresponding payment in addition to the Guaranteed Dividend and/or Recurring Compensation Payment per MAN Common Share or MAN Preferred Share which they have already received, even if they have already received the Compensation pursuant to Clause 5 of this Agreement. All other outside shareholders in the respective class of stock will be treated in the same way if Truck & Bus GmbH undertakes to pay a higher Guaranteed Dividend and/or a higher Recurring Compensation Payment to an outside shareholder of MAN in a settlement for the purpose of avoiding or settling judicial appraisal proceedings.
5 Compensation

5.1 Truck & Bus GmbH undertakes upon demand of each outside shareholder of MAN to purchase such shareholder's MAN Shares in exchange for a cash compensation in the amount of EUR 80.89 per MAN Common Share and EUR 80.89 per MAN Preferred Share ("Compensation") (Abfindung).

5.2 The obligation of Truck & Bus GmbH under Clause 5.1 of this Agreement is for a limited period of time. The time limitation period ends two months after the date on which the registration of this Agreement in the commercial register has been announced pursuant to section 10 HGB. An extension of the time limitation period pursuant to section 305 para. 4 sentence 3 AktG as a result of a motion for determination of the adequate recurring compensation or Compensation by a court pursuant to section 2 of the German Act on Special Court Proceedings (Spruchverfahrensgesetz) remains unaffected; in this event, the time limitation period ends two months after the date on which the decision on the last motion ruled on has been announced in the Federal Gazette (Bundesanzeiger).

5.3 The transfer of the MAN Shares for payment of the Compensation is free of costs for the outside shareholders of MAN.

5.4 If the share capital of MAN is increased using corporate funds in exchange for the issuance of new shares prior to the expiration of the time limitation period set forth in Clause 5.2 of this Agreement, the Compensation per MAN Share is reduced accordingly to such an extent that the total amount of the Compensation remains unchanged. If the share capital of MAN is increased prior to the expiration of the time limitation period set forth in Clause 5.2 of this Agreement by means of cash contributions and/or contributions in kind, the rights under this Clause 5 also apply for the shares subscribed to by the outside shareholders in such capital increase.

5.5 If judicial appraisal proceedings regarding a judicial determination of the adequate Compensation are initiated and the court adjudicates a legally binding higher Compensation for each MAN Common Share or each MAN Preferred Share, the outside shareholders are entitled to demand a corresponding additional payment to the Compensation for each MAN Common Share or each MAN Preferred Share, even if they have already received the Compensation stipulated in this Agreement. All other outside shareholders in the same class of stock will be treated in the same way if Truck & Bus GmbH undertakes to pay a higher Compensation to an outside shareholder of MAN in a settlement for the purpose of avoiding or settling judicial appraisal proceedings.

5.6 If this Agreement is terminated by notice of termination by Truck & Bus GmbH or MAN at a point in time when the time limitation period set forth in Clause 5.2 for accepting the Compensation pursuant to Clause 5.1 has already expired, each outside shareholder of MAN at that time is entitled to sell his MAN Shares held at the time of the termination of this Agreement to Truck & Bus GmbH in exchange for payment of the Compensation set forth in Clause 5.1 for each MAN Common Share and each MAN Preferred Share, and Truck & Bus GmbH is required to purchase the shares of each outside shareholder upon request of such outside shareholder. If the Compensation set forth in Clause 5.1 for each MAN Common Share or each MAN Preferred Share is increased by a legally binding decision in judicial appraisal proceedings or by a settlement for the purpose of avoiding or settling judicial appraisal proceedings, Truck & Bus GmbH will purchase the shares of the outside shareholders under the preconditions set forth in sentence 1 in exchange for payment of the amount established for each MAN Common Share or each MAN Preferred Share in the judicial appraisal proceedings or in the settlement. This right to sell is for a limited period of time. The time limitation period ends two months after the date on which the registration of the termination of this Agreement in the
commercial register of MAN is announced pursuant to section 10 HGB. Clause 5.3 and Clause 5.4 apply accordingly.

6 Effectiveness, Term and Termination of this Agreement

6.1 This Agreement requires the consent of the general shareholders’ meeting of MAN as well as the consent of the shareholders’ meeting of Truck & Bus GmbH. This Agreement becomes effective upon registration in the commercial register of MAN.

6.2 This Agreement is concluded for an indefinite period of time. This Agreement can be terminated for the first time as of the end of the fiscal year of MAN which ends at least five years (Zeitraume) after the beginning of the fiscal year of MAN for which the claim of Truck & Bus GmbH under Clause 2 takes effect. The term of this Agreement is extended subsequently in each case by one year unless this Agreement is terminated by one of the Parties by giving six months’ notice prior to the expiration.

6.3 Notwithstanding the above Clause 6.2, this Agreement can be terminated for just cause (wichtiger Grund) without compliance with any notice period. Just cause exists if just cause for purposes of tax law for the termination of this Agreement exists. Just cause also exists if Truck & Bus GmbH no longer directly or indirectly holds the majority of the voting rights under the MAN Shares or if Truck & Bus GmbH undertakes to transfer, subject to the fulfillment of external conditions, if any, the shares in MAN to a third party so that Truck & Bus GmbH would no longer directly or indirectly have the majority of the voting rights under the MAN Shares upon the closing of the contract, or in the event of a merger, spin-off or liquidation of Truck & Bus GmbH or MAN.

6.4 Any notice of termination must be in writing.

7 Letter of Affiliation and Comfort

7.1 Volkswagen Aktiengesellschaft, having its registered office in Wolfsburg, as the sole shareholder of Truck & Bus GmbH, without joining this Agreement as a party, has issued a Letter of Affiliation and Comfort (Organisation- und Patronatsverkündigung) which is attached as an Annex to this Agreement for information purposes. In this letter, Volkswagen Aktiengesellschaft confirms that it does not intend to terminate the domination and profit and loss transfer agreement between Volkswagen Aktiengesellschaft and Truck & Bus GmbH. Moreover, Volkswagen Aktiengesellschaft has undertaken in the Letter of Affiliation and Comfort to inform MAN in a timely fashion of any termination of the domination and profit and loss transfer agreement existing between Volkswagen Aktiengesellschaft and Truck & Bus GmbH so that MAN and any shareholders of MAN who have claims against Truck & Bus GmbH under this Agreement are in a position to assert their claim for security to be provided pursuant to section 303 AktG in a timely fashion. Furthermore, Volkswagen Aktiengesellschaft has undertaken to ensure that Truck & Bus GmbH will inform MAN without undue delay of any material deterioration in the assets or financial situation of Truck & Bus GmbH, and to waive the defense of requiring that a complaint be filed first against the principal obligor (Einrede der Vorausklage) for the benefit of MAN and the shareholders of MAN who have claims against Truck & Bus GmbH under this Agreement in the event that Volkswagen Aktiengesellschaft will provide security with a surety (Bürgschaft) pursuant to section 303 para. 3 AktG.

7.2 In addition, Volkswagen Aktiengesellschaft undertakes in the Letter of Affiliation and Comfort that it will ensure that Truck & Bus GmbH is managed and financially equipped in such a way that Truck & Bus GmbH is able to fulfill its liabilities under Clause 5 of this Agreement in a timely fashion.
8 Final Provisions

8.1 The applicable law is German law.

8.2 If any provision of this Agreement is or becomes invalid, or if this Agreement does not contain a necessary provision, the validity of the remaining provisions of this Agreement shall not be affected. In place of the invalid provision, or in order to remedy an omission in this Agreement, a legally permissible provision will be deemed to have been agreed which corresponds as far as possible to what the Parties intended or would have intended in accordance with the intent and purpose of this Agreement if they had been aware of the invalidity of the relevant provision or the omission.

Truck & Bus GmbH
Wolfsburg, 26 April 2013

Dr. h.c. Leif Östling
Managing Director

Hans Dieter Pötsch
Managing Director

MAN SE
Munich, 26 April 2013

Dr. Georg Pachta-Reyhofen
Chairman of the Executive Board

Jochen Schumm
Member of the Executive Board

Annex: Letter of Affiliation and Comfort of Volkswagen Aktiengesellschaft
Letter of Affiliation and Comfort (Organschafts- und Patronatserklärung)

Truck & Bus GmbH, Wolfsburg, registered in the commercial register at the Local Court (Amtsgericht) Braunschweig under company number HRB 100261, intends to enter into a domination and profit and loss transfer agreement (Beherrschungs- und Gewinnabführungsvertrag) with MAN SE, Munich, registered in the commercial register at the Local Court Munich under company number HRB 179426, with MAN as the controlled company ("MAN-DPLTA"). It is intended that, among other things, a compensation within the meaning of section 305 German Stock Corporations Act (Aktiengesetz) ("AktG") will be agreed for the benefit of the outside shareholders of MAN under the MAN-DPLTA (Clause 5 MAN-DPLTA). Volkswagen Aktiengesellschaft hereby makes the following declarations without joining the MAN-DPLTA as a party:

1. Volkswagen Aktiengesellschaft confirms that all shares in Truck & Bus GmbH are held by Volkswagen Aktiengesellschaft. Volkswagen Aktiengesellschaft has contributed all of its shares in MAN SE, as well as a cash amount of EUR 3.25 billion, to Truck & Bus GmbH. The current equity capitalisation of Truck & Bus GmbH includes a stated capital of EUR 10 million and capital reserves in the amount of EUR 12,319 million. There are no losses carried forward. Volkswagen Aktiengesellschaft has validly concluded a domination and profit and loss transfer agreement with Truck & Bus GmbH which contains an obligation of Volkswagen Aktiengesellschaft to assume any losses and which agreement is actually being performed by the parties. Volkswagen Aktiengesellschaft does not intend to terminate the domination and profit and loss transfer agreement between Volkswagen Aktiengesellschaft and Truck & Bus GmbH. We undertake to inform MAN SE in a timely fashion of any termination of such domination and profit and loss transfer agreement so that MAN SE and the current and former shareholders of MAN SE who have claims against Truck & Bus GmbH under the MAN-DPLTA are in a position to assert their claims for security to be provided pursuant to section 303 AktG in a timely fashion.

2. Volkswagen Aktiengesellschaft undertakes to ensure that Truck & Bus GmbH will inform MAN SE without undue delay, regardless of whether it has received a request for such information from MAN SE, of any anticipated or actual material deterioration in the assets or financial position of Truck & Bus GmbH, and in particular of the occurrence of any reason for opening insolvency proceedings within the meaning of sections 17 to 19 of the German Insolvency Code (Insolvenzordnung). Volkswagen Aktiengesellschaft furthermore undertakes, for the benefit of MAN SE and the current and former shareholders of MAN SE who have claims against Truck & Bus GmbH under the MAN-DPLTA, to waive the defense that a complaint must be filed first against the principal obligor (Einrede der Vorausklage) in the event of providing security with a surety (Bürgschaft) pursuant to section 303 para. 3 AktG.
3. Volkswagen Aktiengesellschaft undertakes to ensure that Truck & Bus GmbH is managed and financially equipped in such a way that Truck & Bus GmbH is able to fulfill its obligations under Clause 5 MAN-DPLTA in a timely fashion.

This Letter of Affiliation and Comfort is subject to the law of the Federal Republic of Germany.

Wolfsburg, 26 April 2013.
Volkswagen Aktiengesellschaft

____________________________________  ______________________________________
Hans Dieter Pötsch                             Dr. Jörg Boche
General Engagement Terms
for
Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften
[German Public Auditors and Public Audit Firms]
as of January 1, 2002

This is an English translation of the German text, which is the sole authoritative version.

1. Scope
(1) These engagement terms are applicable to contracts between Wirtschaftsprüfer [German Public Auditors] or Wirtschaftsprüfungsgesellschaften [German Public Audit Firms] (hereinafter collectively referred to as the "Wirtschaftsprüfer") and their clients for audits, consulting and other engagements to the extent that something else has not been expressly agreed to in writing or is not compulsory due to legal requirements.

(2) If, in an individual case, as an exception contractual relations have also been established between the Wirtschaftsprüfer and persons other than the client, the provisions of No. 9 below also apply to such third parties.

2. Scope and performance of the engagement
(1) Subject of the Wirtschaftsprüfer's engagement is the performance of agreed services — not a particular economic result. The engagement is performed in accordance with the Grundsätze ordnungsmäßiger Berufsausübung [Standards of Proper Professional Conduct]. The Wirtschaftsprüfer is entitled to use qualified persons to conduct the engagement.

(2) The application of foreign law requires — except for financial attestation engagements — an express written agreement.

(3) The engagement does not extend — to the extent it is not directed thereto — to an examination of the issue of whether the requirements of tax law or special regulations, such as, for example, laws on price controls, laws limiting competition and Bewährungsricht [laws controlling certain aspects of specific business operations] were observed; the same applies to the determination as to whether subsidies, allowances or other benefits may be claimed. The performance of an engagement encompasses auditing procedures aimed at the detection of the falsification of books and records and other irregularities only if during the conduct of audits grounds therefor arise or if this has been expressly agreed to in writing.

(4) If the legal position changes subsequent to the issuance of the final professional statement, the Wirtschaftsprüfer is not obliged to inform the client of changes or any consequences resulting therefrom.

3. The client’s duty to inform
(1) The client must ensure that the Wirtschaftsprüfer — even without his special request — is provided, on a timely basis, with all supporting documents and records required for and is informed of all events and circumstances which may be significant to the performance of the engagement. This also applies to those supporting documents and records, events and circumstances which first become known during the Wirtschaftsprüfer's work.

(2) Upon the Wirtschaftsprüfer's request, the client must confirm in a written statement drafted by the Wirtschaftsprüfer that the supporting documents and records and the information and explanations provided are complete.

4. Ensuring independence
The client guarantees to refrain from everything which may endanger the independence of the Wirtschaftsprüfer's staff. This particularly applies to offers of employment and offers to undertake engagements on one's own account.

5. Reporting and verbal information
If the Wirtschaftsprüfer is required to present the results of his work in writing, oral presentation is authoritative. For audit engagements the long-form report should be submitted in writing to the extent that nothing else has been agreed to. Verbal statements and information provided by the Wirtschaftsprüfer's staff beyond the engagement agreed to are never binding.

6. Protection of the Wirtschaftsprüfer's Intellectual property
The client guarantees that expert opinions, organizational charts, drafts, sketches, schedules and calculations — especially quantity and cost computations — prepared by the Wirtschaftsprüfer within the scope of the engagement will be used only for his own purposes.

7. Transmission of the Wirtschaftsprüfer's professional statement
(1) The transmission of a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) to a third party requires the Wirtschaftsprüfer's written consent to the extent that the permission to transmit to a certain third party does not result from the engagement terms. The Wirtschaftsprüfer is liable (within the limits of No. 9) towards third parties only if the prerequisites of the first sentence are given.

(2) The use of the Wirtschaftsprüfer's professional statements for promotional purposes is not permitted; an infringement entitles the Wirtschaftsprüfer to immediately cancel all engagements not yet conducted for the client.

8. Correction of deficiencies
(1) Where there are deficiencies, the client is entitled to subsequent fulfillment of the contract. The client may demand a reduction in fees or the cancellation of the contract only for the failure to sufficiently fulfill the contract, if the engagement was awarded by a person carrying on a commercial business as part of that commercial business, a government-owned legal person under public law or a special government-owned fund under public law, the client may demand the cancellation of the contract only if the services rendered are of no interest to him due to the failure to sufficiently fulfill the contract. No. 9 applies to the extent that claims for damages extend beyond this.

(2) The client must assert his claim for the correction of deficiencies in writing within the delay. Claims pursuant to the first paragraph not arising from an intentional tort cease to be enforceable one year after the commencement of the statutory time limit for enforcement.

(3) Obvious deficiencies, such as typographical and arithmetical errors and formelle Mängel [deficiencies associated with technicalities] contained in a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) may be corrected — and also be applicable versus third parties — by the Wirtschaftsprüfer at any time. Errors which may call into question the conclusions contained in the Wirtschaftsprüfer's professional statements entitle the Wirtschaftsprüfer to withdraw — also versus third parties — such statements. In the cases noted the Wirtschaftsprüfer should first hear the client, if possible.

9. Liability
(1) The liability limitation of § 363 (2) [paragraph 2] HGB [Handelsgesetzbuch; German Commercial Code] applies to statutory audits required by law.

(2) Liability for negligence: An individual case of damages if neither No. 1 is applicable nor a regulation exists in an individual case, pursuant to § 54a (1) no. 2 WPO [Wirtschaftsprüferordnung; Law regulating the Profession of Wirtschaftsprüfer] the liability of the Wirtschaftsprüfer for claims of compensatory damages of any kind — except for damages resulting from injury to life, body or health — for an individual case of damages resulting from negligence is limited to € 4 million; this also applies if liability to a person other than the client should be established. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty without taking into account whether the damages occurred in one year or in a number of successive years. In this case multiple acts or omissions of acts based on a similar source of error or on a source of error of an equivalent nature are deemed to be a uniform breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the Wirtschaftsprüfer is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(3) Preclusive deadlines:
A compensatory damages claim may only be lodged within a preclusive deadline of one year of the right claimant having become aware of the damage and of the event giving rise to the claim — at the very latest, however, within 5 years subsequent to the event giving rise to the claim. The claim expires if legal action is not taken within a six month deadline subsequent to the written refusal of acceptance of the indemnity and the client was informed of this consequence.

The right to assert the bar of the preclusive deadline remains unaffected. Sentences 1 to 3 also apply to legally required audits with statutory liability limits.
10. Supplementary provisions for audit engagements

(1) A subsequent amendment or abridgment of the financial statements or management report, audited by a Wirtschaftsprüfer and accompanied by an auditor’s report requires the written consent of the Wirtschaftsprüfer even if these documents are not published. If the Wirtschaftsprüfer has not issued an auditor’s report, a reference to the audit conducted by the Wirtschaftsprüfer in the management report or elsewhere specified for the general public is permitted only with the Wirtschaftsprüfer’s written consent and using the wording authorized by him.

(2) If the Wirtschaftsprüfer revokes the auditor’s report, it may no longer be used. If the client has already made use of the auditor’s report, he must announce its revocation upon the Wirtschaftsprüfer’s request.

(3) The client has a right to 5 copies of the long-form report. Additional copies will be charged for separately.

11. Supplementary provisions for assistance with tax matters

(1) When advising on an individual tax issue as well as when furnishing continuous tax advice, the Wirtschaftsprüfer is entitled to assume that the facts provided by the client – especially numerical disclosures – are correct and complete, this also applies to bookkeeping engagements. Nevertheless, he is obliged to inform the client of any errors he has discovered.

(2) The tax consulting engagement does not encompass procedures required to meet deadlines, unless the Wirtschaftsprüfer has explicitly accepted the engagement for this. In this event the client must provide the Wirtschaftsprüfer, on a timely basis, all supporting documents and records – especially tax assessments – material to meeting the deadlines, so that the Wirtschaftsprüfer has an appropriate time period available to work therewith.

(3) In the absence of other written agreements, continuous tax advice encompasses the following work during the contract period:

a) preparation of annual tax returns for income tax, corporation tax and business tax, as well as net worth tax returns on the basis of the annual financial statements and other schedules and evidence required for tax purposes to be submitted by the client

b) examination of tax assessments in relation to the taxes mentioned in (a)

c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)

d) participation in tax audits and evaluation of the results of tax audits with respect to the taxes mentioned in (a)

e) participation in Einspruchs- and Beschwerdeverfahren [appeals and complaint procedures] with respect to the taxes mentioned in (a).

In the above-mentioned work the Wirtschaftsprüfer may publish material and legal decisions and administrative interpretations into account.

(4) If the Wirtschaftsprüfer receives a fixed fee for continuous tax advice, in the absence of other written agreements the work mentioned under paragraph 3 (d) and (e) will be charged separately.

(5) Services with respect to special individual issues for income tax, corporate tax, business tax, valuation procedures for property and net worth taxation, and net worth tax as well as all issues in relation to sales tax, wages tax, other taxes and dues require a special engagement. This also applies to:

a) the treatment of nonoccurring tax matters, e.g. in the field of estate tax, capital transactions tax, real estate acquisition tax

b) participation and representation in proceedings before tax and administrative courts and in criminal proceedings with respect to taxes, and

c) the granting of advice and work with respect to expert opinions in connection with conversions of legal form, mergers, capital increases and reductions, financial reorganizations, admission and retirement of partners or shareholders, sale of a business, liquidations and the like.

(6) To the extent that the annual sales tax return is accepted as additional work, this does not include the review of any special accounting irregularities nor of the issue as to whether all potential sales tax reductions have been claimed. No guarantee is assumed for the completeness of the supporting documents and records to validate the deduction of the input tax credit.

12. Confidentiality towards third parties and data security

(1) Pursuant to the law the Wirtschaftsprüfer is obliged to keep all facts that he comes to know in connection with his work as confidential, irrespective of whether these concerns the client himself or his business associations, unless the client releases him from this obligation.

(2) The Wirtschaftsprüfer may only release long-form reports, expert opinions and other written statements on the results of his work to third parties with the consent of his client.

(3) The Wirtschaftsprüfer is entitled – within the purposes stipulated by the client – to process personal data entrusted to him or allow them to be processed by third parties.

13. Default of acceptance and lack of cooperation on the part of the client

If the client defaults in accepting the services offered by the Wirtschaftsprüfer or if the client does not provide the assistance incumbent on him pursuant to No. 3 or otherwise, the Wirtschaftsprüfer is entitled to cancel the contract immediately. The Wirtschaftsprüfer’s right to compensation for additional expenses as well as for damages caused by the default or the lack of assistance is not affected, even if the Wirtschaftsprüfer does not exercise his right to cancel.

14. Remuneration

(1) In addition to his claims for fees or remuneration, the Wirtschaftsprüfer is entitled to reimbursement of his outlays: sales tax will be billed separately. He may claim appropriate advances for remuneration and reimbursement of outlays and make the rendering of his services dependent upon the complete satisfaction of his claims. Multiple clients awarding engagements are jointly and severally liable.

(2) Any set off against the Wirtschaftsprüfer’s claims for remuneration and reimbursement of outlays is permitted only for undisputed claims or claims determined to be legally valid.

15. Retention and return of supporting documentation and records

(1) The Wirtschaftsprüfer retains, for ten years, the supporting documents and records in connection with the completion of the engagement – that had been provided to him and that he has prepared himself – as well as the correspondence with respect to the engagement.

(2) After the settlement of his claims arising from the engagement, the Wirtschaftsprüfer, upon the request of the client, must return all supporting documents and records obtained from him or for him by reason of his work on the engagement. This does not, however, apply to correspondence exchanged between the Wirtschaftsprüfer and his client and to any documents of which the client already has the original or a copy. The Wirtschaftsprüfer may prepare and retain copies or photocopies of supporting documents and records which he returns to the client.

16. Applicable law

Only German law applies to the engagement, its conduct and any claims arising therefrom.
Allgemeine Auftragsbedingungen
für Wirtschaftsprüfer und Wirtschaftsprüfungsgerichtsgesellschaften
vom 1. Januar 2002

1. Geltungsbereich

(1) Die Auftragsbedingungen gelten für die Verträge zwischen Wirtschaftsprüfern oder Wirtschaftsprüfungsgerichtsgesellschaften (im nachstehenden zusammenfassend „Wirtschaftsprüfer“ genannt) und ihren Auftraggebern über Prüfungen, Beratungen und sonstige Aufträge, soweit nicht etwas anderes ausdrücklich schriftlich vereinbart oder gesetzlich zwingend vorgeschrieben ist.

(2) Werden im Einzelfall ausnahmsweise vertragliche Beziehungen auch zwischen dem Wirtschaftsprüfer und anderen Personen als dem Auftraggeber begründet, so gelten auch gegenüber solchen Dritten die Bestimmungen der nachstehenden Nr. 9.

2. Umfang und Ausführung des Auftrages


(2) Die Berücksichtigung ausländischen Rechts bedarf – außer bei betriebs-

wirtschaftlichen Prüfungen – der ausdrücklichen schriftlichen Vereinbarung.

(3) Der Auftrag erstreckt sich, soweit er nicht darauf gerichtet ist, nicht auf die Prüfung der Frage, ob die Vorschriften des Steuerrechts oder Sondenvor-
schriften, wie z. B. die Vorschriften des Preis-, Wettbewerbsbeschränkungs-
und Bewirtschaftungsrechts beachtet sind; das gleiche gilt für die Feststellung, ob Subventionen, Zulagen oder sonstige Vergünstigungen in Anspruch genommen werden können. Die Ausführung eines Auftrages umfaßt nur dann Prüfungshandlungen, die gezielt auf die Aufdeckung von Buchfälschungen und sonstigen Unregelmäßigkeiten gerichtet sind, wenn sich bei der Durch-

führung von Prüfungen dazu ein Anlaß ergibt oder dies ausdrücklich schriftlich vereinbart ist.

(4) Ändert sich die Rechtslage nach Angabe der abschließenden beruflichen Äußerung, so ist der Wirtschaftsprüfer nicht verpflichtet, dem Auftraggeber auf Änderungen oder sich daraus ergebende Folgerungen hinzuweisen.

3. Aufklärungspflicht des Auftraggebers

(1) Der Auftraggeber hat dafür zu sorgen, daß dem Wirtschaftsprüfer auch ohne dessen besondere Aufforderung alle für die Ausführung des Auftrages notwendigen Unterlagen rechtzeitig vorgelegt werden und ihm von allen Vorge-

gängen und Umständen Kenntnis gegeben wird, die für die Ausführung des Auftrages von Bedeutung sein können. Dies gilt auch für die Unterlagen, Vorgänge und Umstände, die erst während der Tätigkeit des Wirtschafts-

prüfers bekannt werden.

(2) Auf Verlangen des Wirtschaftsprüfers hat der Auftraggeber die Vollstän-
digkeit der vorgelegten Unterlagen und der gegebenen Auskünfte und Erkäu-

nerungen in einer vom Wirtschaftsprüfer formulierten schriftlichen Erklärung zu bestätigen.

4. Sicherung der Unabhängigkeit

Der Auftraggeber steht dafür ein, daß alles unterlassen wird, was die Unab-

abhängigkeit der Mitarbeiter des Wirtschaftsprüfers gefährden könnte. Dies gilt insbesondere für Angebote auf Anstellung und für Angebote, Aufträge auf eigene Rechnung zu übernehmen.

5. Berichterstattung und mündliche Auskünfte

Hat der Wirtschaftsprüfer die Ergebnisse seiner Tätigkeit schriftlich dazu-

stellen, so ist nur die schriftliche Darstellung maßgebend. Bei Prüfungsauf-

trägen wird der Bericht, soweit nichts anderes vereinbart ist, schriftlich erstattet. Mündliche Auskünfte und Auskünfte von Mitarbeitern des Wirt-

schaftsprüfers außerhalb des erteilten Auftrages sind stets unverbindlich.

6. Schutz des geistigen Eigentums des Wirtschaftsprüfers

Der Auftraggeber steht dafür ein, daß die im Rahmen des Auftrages vom Wirt-

schaftsprüfer getätigten Gutachten, Organisationspläne, Entwürfe, Zeich-

nungen, Arbeitszeugnisse und Berechnungen, insbesondere Massen- und Kos-

tenberechnungen, nur für seine eigenen Zwecke verwendet werden.

7. Weitergabe einer beruflichen Äußerung des Wirtschaftsprüfers

(1) Die Weitergabe beruflicher Äußerungen des Wirtschaftsprüfers (Berichte, Gutachten und dgl.) an einen Dritten bedarf der schriftlichen Zustimmung des Wirtschaftsprüfers, soweit sich nicht bereits aus dem Auftrageinhalt die Ein-

willigung zur Weitergabe an einen bestimmten Dritten ergibt.

Gegenüber einem Dritten haftet der Wirtschaftsprüfer (im Rahmen von Nr. 9) nur, wenn die Voraussetzungen des Satzes 1 gegeben sind.

(2) Die Verwendung beruflicher Äußerungen des Wirtschaftsprüfers zu Werbezwecken ist unzulässig; ein Verstoß berechtigt den Wirtschaftsprüfer zur fristlosen Kündigung aller nach noch nicht durchgeführten Aufträge des Auf-

traggebers.

8. Mängelbeseitigung

(1) Bei etwaigen Mängeln hat der Auftraggeber Anspruch auf Nacherfüllung durch den Wirtschaftsprüfer. Nur bei Fehlschlägen der Nacherfüllung kann er auch Heraussetzung der Vergütung oder Rückgängigmachung des Vertrages verlangen; ist der Auftrag von einem Kaufmann im Rahmen seines Handels-

gewerbes, einer juristischen Person des öffentlichen Rechts oder von einem öffentlich-rechtlichen Sondervermögen erteilt worden, so kann der Auftrag-

geber die Rückgängigmachung des Vertrages nur verlangen, wenn die erbrachte Leistung wegen Fehlschlags der Nacherfüllung für ihn ohne Interesse ist. Soweit darüber hinaus Schadenersatzansprüche bestehen, gilt Nr. 9.

(2) Der Anspruch auf Beseitigung von Mängeln muß vom Auftraggeber unver-

züglich schriftlich geltend gemacht werden. Ansprüche nach Abs. 1, die nicht auf einer vorsätzlichen Handlung beruhen, verjähren nach Ablauf eines Jahres ab dem gesetzlichen Verjährungsbeginn.

(3) Offenbare Unrichtigkeiten, wie z. B. Schreibfehler, Rechenfehler und formelle Mängel, die in einer beruflichen Äußerung (Bericht, Gutachten und dgl.) des Wirtschaftsprüfers enthalten sind, können jederzeit von dem Wirt-

schaftsprüfer auch Dritten gegen die gleichen Anforderungen, die er geeignet ist, in der beruflichen Äußerung des Wirtschaftsprüfers enthaltene Ergebnisse in Frage zu stellen, berechtigen diesen, die Äußerung auch Dritten gegenüber zurückzunehmen. In den vorgenannten Fällen ist der Auftraggeber vom Wirtschaftsprüfer nurlichter vorher zu hören.

9. Haftung

(1) Für gesetzlich vorgeschriebene Prüfungen gilt die Haftungsbeschränkung des § 323 Abs. 2 HGB.

(2) Haftung bei Fahrlässigkeit, Einzelner Schadensfall

Falls weder Abs. 1 eingetroffen noch eine Regelung im Einzelfall besteht, ist die Haftung des Wirtschaftsprüfers für Schadensersatzansprüche jeder Art, mit Ausnahme von Schäden aus der Verletzung von Leben, Körper und Gesundheit, bei einem fahrlässig verursachten einzelnen Schadensfall gem. § 54a Abs. 1 Nr. 2 WPO auf 4 Mio. € beschränkt; dies gilt auch dann, wenn eine Haftung gegenüber einer anderen Person als dem Auftraggeber begrün-

det sein sollte. Ein einzelner Schadensfall ist auch bezüglich eines aus mehreren Pflichtverletzungen stammenden einheitlichen Schadens gegeben. Der einzelne Schadensfall umfaßt sämtliche Folgen einer Pflichtverletzung ohne Rückblick darauf, ob Schäden in einem oder in mehreren aufein-
anderfolgenden Jahren entstanden sind. Dadurch wird mehrfach auf gleicher oder gleichartiger Fehlernachbehandlung beruhendes Tun oder Unterlassen als einheitliche Pflichtverletzung, wenn die betreffenden Angelegenheiten mit-

einander in rechtlichem oder wirtschaftlichem Zusammenhang stehen. In diesem Fall kann der Wirtschaftsprüfer nur bis zur Höhe von 5 Mio. € in Anspruch genommen werden. Die Begrenzung auf das fünf- fache der Min-
destversicherungssumme gilt nicht bei gesetzlich vorgeschriebenen Pflicht-

prüfungen.

(3) Ausschußfristen


Die Sätze 1 bis 3 gelten auch bei gesetzlich vorgeschriebenen Prüfungen mit gesetzlicher Haftungsbeschränkung.
10. Ergänzende Bestimmungen für Prüfungsaufträge


(2) Widerruf der Bestätigungsvermerk nicht mehr verwendet werden. Hat der Auftraggeber den Bestätigungsvermerk nicht weiterverwendet, hat der Auftraggeber den Auftraggeber den Widerruf bekannt gegeben.

(3) Der Auftraggeber hat Anspruch auf fünf Berichtsausfertigungen. Weitere Ausfertigungen werden besonders in Rechnung gestellt.

11. Ergänzende Bestimmungen für Hilfeleistung in Steuersachen

(1) Der Wirtschaftsprüfer ist berechtigt, sowohl bei der Beratung in steuerlichen Einzelfragen als auch im Falle der Dauerschulden die vom Auftraggeber genannten Tatsachen, insbesondere Zahlenangaben, als richtig und vollständig zugrunde zu legen; dies gilt auch für Buchführungsaufträge. Er hat jedoch den Auftraggeber auf die festgestellten Unrichtigkeiten hinzuweisen.

(2) Der Steuerberatungsauftrag umfaßt die zu der Wahrung von Fristen erforderlichen Handlungen, es sei denn, der Wirtschaftsprüfer hierzu ausdrücklich den Auftrag übernommen hat. In diesem Falle hat der Auftraggeber dem Wirtschaftsprüfer alle für die Wahrung von Fristen erforderlichen Unterlagen, insbesondere Steuerveranlagungen, sowie Steuerversicherungen, so rechtzeitig vorzulegen, daß der Wirtschaftsprüfer eine angemessene Bearbeitungszeit zur Verfügung steht.

(3) Mangels einer anderenwilligen schriftlichen Vereinbarung umfaßt die laufende Steuerberatung folgende, in die Vertragssprüfer genommene Tätigkeiten:

a) Ausarbeitung der Jahressteuererklärungen für die Einkommensteuer, Körperschaftsteuer und Gewerbesteuer sowie der Vermögenssteuererklärungen und zwar auf der Grund der vom Auftraggeber vorzulegenden Jahresabschlüsse und sonstiger, für die Besteuering erforderlicher Unterlagen und Nachweise.

b) Nachprüfung von Steuerbescheiden zu den unter a) genannten Steuern.

c) Verhandlungen mit den Finanzbehörden im Zusammenhang mit den unter a) und b) genannten Erklärungen und Bescheiden.

d) Mitwirkung bei Betriebsprüfungen und Auswertung der Ergebnisse von Betriebsprüfungen hinsichtlich der unter a) genannten Steuern.

e) Mitwirkung in Einspruch- und Beschwerdeverfahren hinsichtlich der unter a) genannten Steuern.

Der Wirtschaftsprüfer berücksichtigt bei den vorgenannten Aufgaben die wesentliche veröffentlichte Rechtsprechung und Verwaltungsausführung.

(4) Erhält der Wirtschaftsprüfer eine laufende Steuerberatung ein Pauschalhonorar, so sind mangels anderweitiger schriftlicher Vereinbarungen die unter Abs. 3 d) und e) genannten Tätigkeiten gesondert zu honorieren.

(5) Die Bearbeitung besonderer Einzelfragen der Einkommensteuer, Körperschaftsteuer, Gewerbesteuer, Einheitsbewertung und Vermögenssteuer sowie aller Fragen der Umsatzsteuer, Lohnsteuer, sonstigen Steuern und Abgaben erfolgt auf Grund eines besonderen Auftrages. Dies gilt auch für:

a) die Bearbeitung einmal anfallender Steuerangelegenheiten, z.B. auf dem Gebiet der Erbschaftsteuer, Kapitalverkehrsteuer, Grunderwerbsteuer.

b) die Mitwirkung und Vertretung in Verfahren vor den Gerichten der Finanz- und der Verwaltungsgerichtsbarkeit sowie in Steuerstrafsachen und
c) die beratende und gutachtlche Tätigkeit im Zusammenhang mit Umwandlung, Verschmelzung, Kapitalerhöhung und -abschöpfung, Sanierung, Eintritt und Ausscheiden eines Gesellschafters, Besitzveränderung, Liquidation und dergleichen.

12. Schweigepflicht gegenüber Dritten, Datenschutz.

(1) Der Wirtschaftsprüfer ist nach Maßgabe der Gesetze verpflichtet, über alle Tatsachen, die ihm im Zusammenhang mit seiner Tätigkeit für den Auftraggeber bekannt worden sind, Stillschweigen zu bewahren, gleichviel, ob es sich dabei um den Auftraggeber selbst oder dessen Geschäftsverbindungen handelt, es sei denn, daß der Auftraggeber ihn von dieser Schweigepflicht entbindet.

(2) Der Wirtschaftsprüfer darf Berichte, Gutachten und sonstige schriftliche Äußerungen über die Ergebnisse seiner Tätigkeit Dritten nur mit Einwilligung des Auftraggebers anbieten.

(3) Der Wirtschaftsprüfer ist befugt, ihm anvertraute personenbezogene Daten im Rahmen der Zweckbestimmung des Auftraggebers zu verarbeiten oder durch Dritte verarbeiten zu lassen.

13. Annahmeverzugs- und unterlassene Mitwirkung des Auftraggebers

Kommt der Auftraggeber mit der Annahme der vom Wirtschaftsprüfer angebotenen Leistung in Verzug oder unterläßt der Auftraggeber eine ihm nach Nr. 3 oder sonstwie oblagende Mitwirkung, so ist der Wirtschaftsprüfer zur fristlosen Kündigung des Vertrages berechtigt. Unberührt bleibt der Anspruch des Wirtschaftsprüfers auf Erstattung der ihm durch den Verzug oder die unterlassene Mitwirkung des Auftraggebers entstandenen Mehrkostenwendenungen sowie des vernachlässigten Schadens, und zwar auch dann, wenn der Wirtschaftsprüfer von dem Kündigungsrecht keinen Gebrauch macht.

14. Vergütung

(1) Der Wirtschaftsprüfer hat neben seiner Gebühren- oder Honorarforderung Anspruch auf Erstattung seiner Auslagen; die Umsatzsteuer wird zusätzlich berechnet. Er kann angemessene Vorschüsse auf Vergütung und Auslagenersatz verlangen und die Auslieferung seiner Leistung von der vollen Betreibung seiner Ansprüche abhängig gemacht. Mehrere Auftraggeber haften als Gesamtschuldner.

(2) Eine Aufrechnung gegen Forderungen des Wirtschaftsprüfers auf Vergütung und Auslagenersatz ist nur mit unbestrittenen oder rechtssicher festgestellten Forderungen zulässig.

15. Aufbewahrung und Herausgabe von Unterlagen


16. Anzuwendendes Recht

Für den Auftrag, seine Durchführung und die sich hieraus ergebenden Ansprüche gilt nur das deutsche Recht.