

IR release

TRATON GROUP increases revenue, operating profit, and margin in the first half of 2024

- ▶ **Incoming orders in the first half of 2024 on a level with the previous year at 125,400 vehicles**
- ▶ **Unit sales down 5% year-on-year to 160,100 vehicles**
- ▶ **Group's sales revenue up 2% to €23.4 billion**
- ▶ **Adjusted operating result 7% higher at €2.1 billion**
- ▶ **Adjusted operating return on sales increased to 9.1%**

Munich, July 26, 2024 – The TRATON GROUP increased its sales revenue by 2% to €23.4 billion (H1 2023: €22.9 billion) in the first half of 2024 as market conditions continued to normalize in Europe. This development is primarily attributable to a positive market and product mix and to good unit price realization in the TRATON Operations business area. TRATON Financial Services contributed to the Group's sales revenue growth with an increased portfolio volume and higher interest income. Adjusted operating result was 7% higher at €2.1 billion (H1 2023: €2.0 billion), and adjusted operating return on sales improved to 9.1% (H1 2023: 8.6%) – thanks to an improved cost structure in TRATON Operations, in addition to the growth in sales revenue.

Incoming orders remained on a level with the prior-year period at 125,400 (H1 2023: 125,300) vehicles. As already reported, unit sales declined by 5% to 160,100 (H1 2023: 168,100) vehicles in the first half of the year. This meant that incoming orders were lower than unit sales, resulting in a book-to-bill ratio of 0.8 (H1 2023: 0.7), which shows that the order book continued to normalize.

Performance of the TRATON GROUP brands

Scania increased its adjusted operating return on sales by 1.1 percentage points to 14.5% (H1 2023: 13.4%). This increase was mainly driven by the very strong growth in the new vehicles business in South America, as well as a positive price and product mix and lower product costs. Scania also improved its margins in the vehicle services business.

MAN recorded an adjusted operating return on sales of 8.2% (H1 2023: 6.8%), a 1.4 percentage point improvement. A positive operating performance in both the bus business and the vehicle services business offset the volume-driven negative effect that the truck business had on adjusted operating result. The realignment program completed at the end of 2023 also had a positive impact on the cost structure.

Lower unit sales at Navistar as a result of a fire at the plant of a mirror supplier led to a reduced adjusted operating result, as did the delayed ramp-up of the new school bus model. However, the backlog in deliveries is expected to be largely cleared in the second half of 2024. The brand's

adjusted operating return on sales decreased accordingly by 2.3 percentage points to 3.9% (H1 2023: 6.2%) in the first half of 2024.

Volkswagen Truck & Bus (VWTB) managed to lift its adjusted operating return on sales by 2.5 percentage points to 11.8% (H1 2023: 9.3%) thanks to substantial growth in sales revenue and improved product positioning and unit price realization in Brazil.

Christian Levin, CEO of the TRATON GROUP: "The first half of this year demonstrated again what an asset the TRATON GROUP's global footprint is in times when market developments are so different. Even though we are seeing that customers are more cautious to buy vehicles, especially in Europe, and even though our Navistar brand had to deal with the consequences of a fire at the plant of one of its suppliers, we still managed to increase our operating result and our adjusted operating return on sales. This really proves how important it is to have diversified our portfolio. The transition to sustainable transportation is a key element of our strategy. We are driving this transition forward with new products, but we are also continuously stepping up our efforts when it comes to charging infrastructure, both along key transport routes as part of our Milence joint venture and through additional services offered by our brands. Scania recently founded Erinion, a company that will allow us to offer very attractive depot and destination charging options in the future. MAN has just entered into a partnership with E.ON to build charging stations at MAN dealerships. And Navistar is working together with its competitors as a member of the PACT coalition to accelerate the development of the necessary charging infrastructure. The figures and initiatives we have seen in the first half of this year show that the TRATON GROUP is strongly positioned to meet the challenges of the future. In summary, our wide global footprint is giving us stability, even when faced with regional market fluctuations. We are also creating new e-mobility services that are opening up additional fields of business, making us even more resilient. And our focus on electric mobility underlines our purpose: Transforming Transportation Together. For a sustainable world."

Dr. Michael Jackstein, CFO and CHRO of the TRATON GROUP: "Our sales revenue rose by 2% to €23.4 billion, and our adjusted operating return on sales came in at 9.1% in the first half of the year — showing clearly that our Group is performing well. Based on our business performance in the first half of 2024, we are confirming our forecast for full-year 2024. The TRATON GROUP also reached important milestones in the first half of 2024. In addition to our good financial performance, these also include TRATON being uplisted to the German MDAX stock market index, which we celebrated on June 24. In addition, we further diversified our funding sources at the end of May 2024, with our debut bonds in the Swiss market amounting to CHF 500 million. We also took the next steps on our journey to make TRATON Financial Services a global, captive entity. Our market entry in several European countries means we can now also offer our financial services to a growing number of MAN customers. Strengthening research and development across the Group as well as brand-specific development will give us additional momentum as we move forward. As part of this endeavor, we are merging significant parts of our brands' research and development departments into a cross-brand organization. This means that we are continuing to grow closer together as a Group, which also makes us a stronger player in our markets."

The TRATON GROUP's financial key performance indicators:

	H1 2024	H1 2023	Change
TRATON GROUP			
Incoming orders	125,416	125,258	0%
of which trucks	98,132	98,246	0%
of which buses	15,940	14,002	14%
of which MAN TGE vans	11,344	13,010	-13%
Unit sales	160,110	168,114	-5%
of which trucks	132,372	139,843	-5%
of which buses	13,020	14,848	-12%
of which MAN TGE vans	14,718	13,423	10%
Sales revenue (€ million)	23,387	22,854	2%
Operating result (€ million)	2,065	1,800	265
Operating result (adjusted) (€ million)	2,121	1,973	148
Operating return on sales (adjusted) (in %)	9.1	8.6	0.4 pp

	H1 2024	H1 2023	Change
TRATON Operations			
Sales revenue (€ million)	22,759	22,335	2%
Operating result (€ million)	2,281	2,025	256
Operating result (adjusted) (€ million)	2,338	2,097	240
Operating return on sales (adjusted) (in %)	10.3	9.4	0.9 pp
Net cash flow (€ million)	64	1,754	-1,690
TRATON Financial Services			
Sales revenue (€ million)	921	737	25%
Operating result (€ million)	109	57	52
Operating result (adjusted) (€ million)	109	158	-49
Operating return on sales (adjusted) (in %)	11.8	21.5	-9.7 pp
Return on equity (in %)	11.9	5.6	6.3 pp

Webcast for analysts and the press

A webcast to discuss the TRATON GROUP's results in the first half of 2024 will take place **at 10:00 a.m. on July 26** with the TRATON GROUP's CEO Christian Levin and its CFO and CHRO Dr. Michael Jackstein. The webcast will be in English. The presentation will be followed by a Q&A for analysts and then a second round of questions from journalists.

The event will be streamed here:

<https://www.webcast-eqs.com/register/traton-2024-H1/de>

A recording of the webcast will be available after the event.

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With its brands Scania, MAN, Navistar, and Volkswagen Truck & Bus, TRATON SE is the parent and holding company of the TRATON GROUP and one of the world's leading commercial vehicle manufacturers. The Group's product portfolio comprises trucks, buses, and light-duty commercial vehicles. "Transforming Transportation Together. For a sustainable world.": this intention underlines the Company's ambition to have a lasting and sustainable impact on the commercial vehicle business and on the Group's commercial growth.