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INVESTOR RELATIONS CONFERENCE CALL FOR FISCAL YEAR 2020

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The percentage figures shown may be subject to rounding differences. Due to different proportions and scaling in graphs, data shown in different graphs is not comparable.

AGENDA

01. 2020 at Glance

02. Outlook 2021

03. Back up

a. TRATON GROUP Highlights

b. Segment Industrial Business

c. Segment Financial Services

d. Appendix

2020 – A YEAR OF TWO FACES



Extremely challenging first half with a dramatic drop in demand with negative consequences for sales units and production volumes due to COVID-19 pandemic, especially in the second quarter



Strong recovery in the second half, especially incoming orders continuously improving since May



Disciplined cash and cost management, including strict working capital management to safeguard liquidity



Further progress made on our way to create a Global Champion



Speeding up of electrification and autonomous driving by strengthening our technology partnerships

DESPITE THE CHALLENGES, 2020 WAS A YEAR WITH MANY SUCCESSES FOR TRATON



FY
2020

- Incoming orders: -5% to 216,251 units
- Unit sales: -21% to 190,180 units
- Sales revenue: -16% to €22,580 mn
- Adjusted operating result: €135 mn, adjusted RoS 0.6%
- Net cash flow Industrial Business: €676 mn¹
- Net liquidity Industrial Business: €27 mn²



2020



2021

- New MAN Truck Generation introduced
- First-time solid investment grade ratings assigned to TRATON SE by Moody's and Standard & Poor's
- Debut syndicated revolving credit facility signed by TRATON SE
- Scania introduces first electric truck range
- TRATON and TuSimple global partnership for autonomous trucks
- TRATON and Hino start e-mobility joint venture
- TRATON reached binding merger agreement to acquire Navistar
- VWCO presents the new family of heavy-duty trucks
- MAN Truck & Bus key issues paper to realign the company agreed



¹ FY 2019 reported net cash flow of €2,711 mn; adjusted net cash flow of €518 mn before the sale of Power Engineering (€1,978 mn), parts of the RMMV Joint Venture (€101 mn incl. dividend) and repayment for amounts and interest resulting from security deposits provided in Brazil (€114 mn)). ² Mainly due to the net cash outflow of €-1.4 bn resulting primarily from the end of the domination and profit and loss transfer agreement (DPLTA) with Volkswagen AG for the fiscal year 2019. Note: Delta FY 2020 vs. FY 2019

SECOND HALF OF 2020 WITH STRONG RECOVERY...



Noticeable market recovery, though business activities still significantly impacted by the COVID-19 pandemic



Incoming orders: +47% vs. H1 2020



Unit sales: +45% vs. H1 2020



Net cash flow in Industrial Business: €1,023 mn
(€+1,370 mn vs. H1 2020)

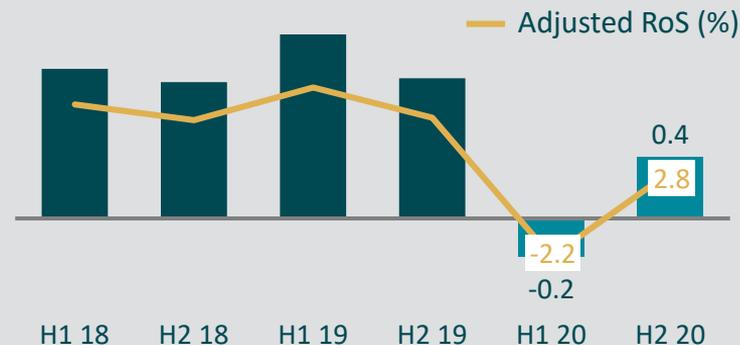


Capital expenditure TRATON GROUP¹ and primary R&D in Industrial Business: clearly reduced in FY 2020

SALES REVENUE (€ bn)



ADJUSTED OPERATING RESULT (€ bn)



¹ Capital expenditures in property, plant, and equipment and in intangible assets (including capitalized development costs)

...IN ALMOST ALL AREAS



	H2 2020	H1 2020	+/-
Trucks and buses (units)			
Incoming orders	58,667	34,273	71%
Unit sales	41,648	30,437	37%
of which trucks ¹	39,244	27,655	42%
of which buses	2,404	2,782	-14%

Financial KPIs (€ million)

Sales revenue	6,252	5,269	19%
Operating result	527	221	306
Operating result (adjusted)	581	221	359
Operating RoS (in %)	8.4	4.2	4.2 pp
Operating RoS (adjusted) (in %)	9.3	4.2	5.1 pp

- Incoming orders and unit sales severely improved
- Favorable portfolio and cost savings



	H2 2020	H1 2020	+/-
Incoming orders	46,729	38,192	22%
Unit sales	50,011	31,662	58%
of which trucks ¹	46,802	29,531	58%
of which buses	3,209	2,131	51%

Sales revenue	5,580	4,079	37%
Operating result	-166	-387	221
Operating result (adjusted)	-166	-387	221
Operating RoS (in %)	-3.0	-9.5	6.5 pp
Operating RoS (adjusted) (in %)	-3.0	-9.5	6.5 pp

- Unit sales and sales revenue severely up
- Improved result, but negative factors weigh on



Caminhões
Ônibus

	H2 2020	H1 2020	+/-
Incoming orders	23,630	15,175	56%
Unit sales	21,087	15,887	33%
of which trucks ¹	17,702	13,540	31%
of which buses	3,385	2,347	44%

Sales revenue	623	612	2%
Operating result	-5	-10	5
Operating result (adjusted)	-5	-10	5
Operating RoS (in %)	-0.8	-1.7	0.9 pp
Operating RoS (adjusted) (in %)	-0.8	-1.7	0.9 pp

- Higher unit sales, but negative currency effects weigh on sales revenue
- Improved product position

AGENDA

01. 2020 at Glance

02. Outlook 2021

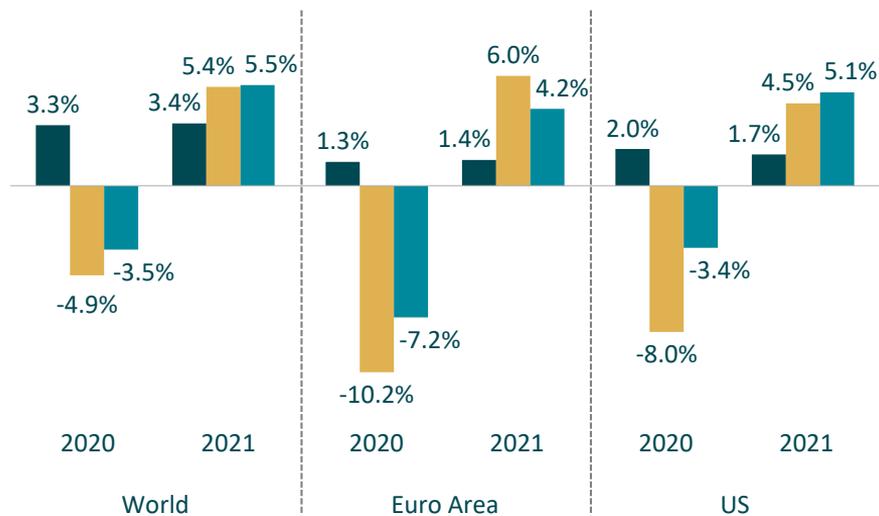
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BUSINESS CLIMATE IS BRIGHTENING, BUT STILL FRAGILE

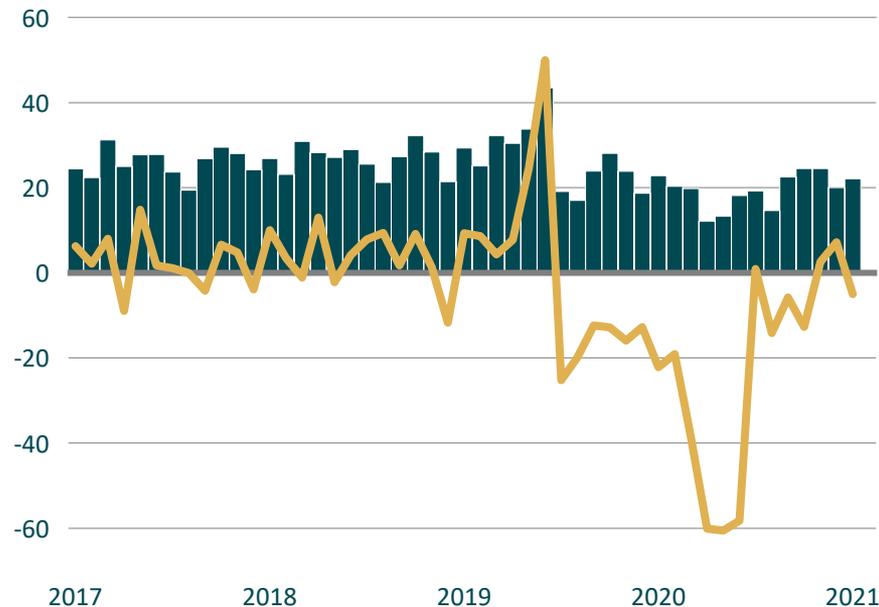
Growth in 2021 expected, but fragile environment

Global growth¹ collapsed in 2020. Recovery expected in 2021, but less buoyant in EU than initially expected. US powering ahead.



GDP forecasts for 2020/2021 as of ■ Jan 2020 ■ Jun 2020 ■ Jan 2021

Truck registrations (> 16t) in Europe improving²



■ Monthly European truck registrations (k units) — YoY change (in %)

YET THE POSITIVE TREND CONTINUED IN THE FOURTH QUARTER OF 2020

INCOMING ORDERS & UNIT SALES (k units)



INCOMING ORDERS & UNIT SALES (YoY change, %)



POSITIVE TRUCK MARKET OUTLOOK, DEPENDING HEAVILY ON COVID-19 DEVELOPMENT

TRUCK MARKET EXPECTATIONS (> 6t, k units)



TRATON OUTLOOK 2021 – RECOVERY AFTER STRONG DECLINE

	FY 2019	FY 2020	FY 2021 Outlook ¹
Unit sales	242.2 k +4%	190.2 k -21%	Sharp increase
Group sales revenue	€26.9 bn +4%	€22.6 bn -16%	Substantial increase
Operating return on sales & operating result²	7.0% €1.9 bn	0.4% €81 mn	5.0 – 6.0%
Cash conversion rate³ (Industrial Business)	179%	n/a ⁴	25 – 35%

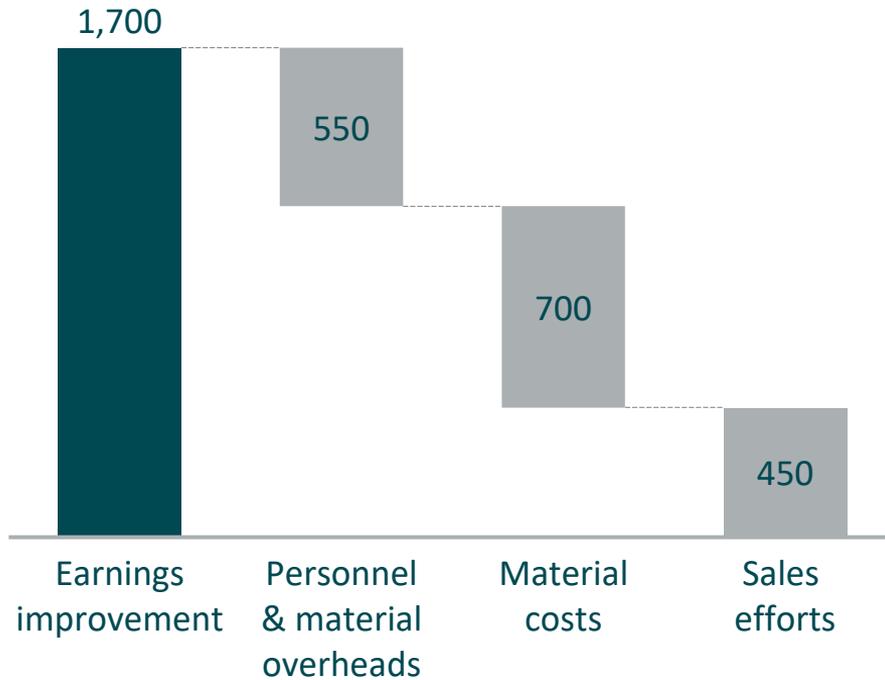
¹ Before expenses from the MAN Truck & Bus restructuring program and effects from the planned acquisition of Navistar International Corporation. ² FY 2019: adjusted RoS 7.0%, adjusted operating result €1.9 bn; FY 2020: adjusted operating RoS 0.6%, adjusted operating result €135 mn ³ Calculated as the ratio of net cash flow to profit after tax; cash conversion rate in FY 2019 was positively affected by the proceeds of approximately €2.0 bn from the disposal of the Power Engineering business. ⁴ In FY 2020, the negative earnings after tax did not result in any meaningful cash conversion rate.

2021 REMAINS CHALLENGING, BUT RECOVERY EXPECTED



MAN T&B MEASURES TO IMPROVE EARNINGS

Overview by item (€ mn)



Key Issues Paper to realign MAN T&B agreed

- Strong focus on future technologies.
- Repositioning of the production and development network.
- Reduction of ~3,500 jobs across all areas in Germany by the end of 2022.
- Steyr site in Austria (~2,200 employees) is being discussed.
- In total, the restructuring measures are currently expected to incur cost in a high triple-digit million Euro amount.

Ensuring sustainable uplift in RoS and cash flows

NAVISTAR NEXT STEPS – CLOSING OF PLANNED ACQUISITION & SUBSEQUENT INTEGRATION

Signing and announcement of binding merger agreement on November 7, 2020



On March 2, 2021 Navistar shareholders approved TRATON's proposal to acquire Navistar



Regulatory approvals expected in first half 2021



Closing expected mid-2021



OUR BRANDS FOCUS ON E-MOBILITY LEADERSHIP

SINCE 2020

Common modular **electric powertrain toolkit**, used in the first series produced all-electric city buses from Scania and MAN.

BY 2025

Electrified vehicles will account for around **10%** of Scania's total vehicle sales volumes in Europe. Half of MAN's new buses will run on alternative drives.

BY 2030

Electrified vehicles will account for **50%** of Scania's total vehicle sales volumes. At least **60%** of MAN's delivery trucks and **40%** of long-haul trucks will be emission-free.



TRATON INCREASES R&D INVESTMENT IN E-MOBILITY TO €1.6 BILLION

TRATON invests
€1.6 billion in R&D for
e-mobility from 2021 to 2025

All brands are shifting budgets from
conventional drives to e-mobility

Share of product development¹ for
e-mobility will be doubled
until 2025

Less than 20% of
product development budget for
conventional drivetrains in **2025**



¹ Product development budget comprises the share of primary R&D costs, that could be assigned to specific product projects or product project roadmaps before start of production. Product development budget does not include efforts for general base research or R&D support after start of production (i.e. for quality assurance or product cost optimization during the lifecycle).

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GROUP – SEGMENT HIGHLIGHTS Q4/FY 2020

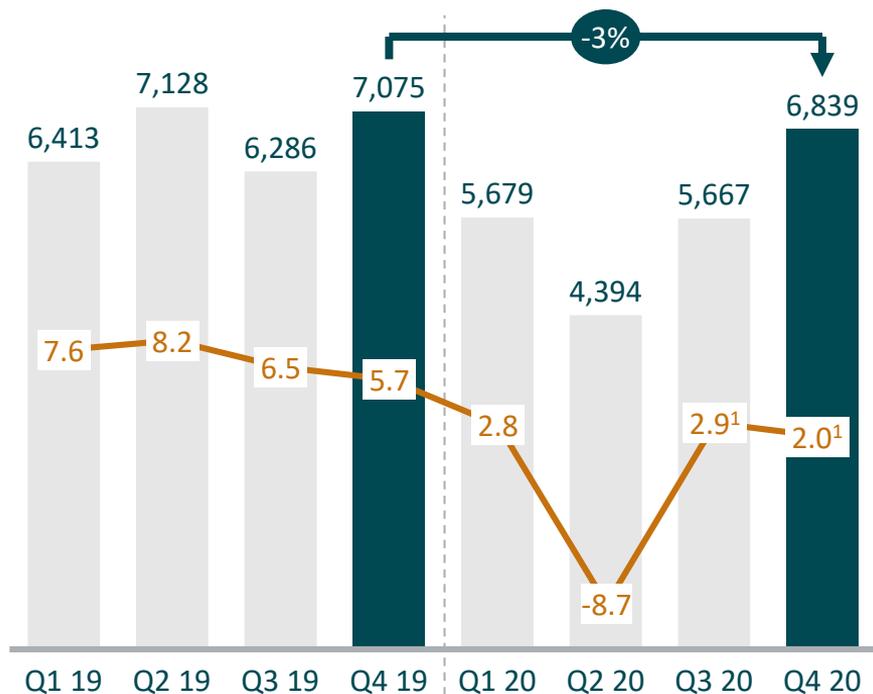
Industrial Business (IB)					Financial Services (FS)				
	Q4 2020	YoY	FY 2020	YoY		Q4 2020	YoY	FY 2020	YoY
Incoming orders (units)	70,318	+22%	216,251	-5%	Net portfolio ² (€ bn)			9.5	-4%
Unit sales (units)	62,520	-1%	190,180	-21%	Penetration rate (%)	38	-3.9 pp	40	-1.5 pp
Book-to-bill (units)	1.12	+21 bp	1.14	+20 bp	Sales revenue (€ mn)	208	-3%	820	-3%
Sales revenue (€ mn)	6,736	-3%	22,156	-16%	Operating result (€ mn)	25	€-13 mn	107	€-35 mn
Operating result (€ mn)	114	€-250 mn	-26	€-1,768 mn	Profit after tax (€ mn)	22	€-14 mn	75	€-36 mn
Return on sales (%)	1.7	-3.5 pp	-0.1	-6.7 pp					
Adjusted operating result (€ mn)	118	€-246 mn	28	€-1,701 mn					
Adjusted return on sales (%)	1.8	-3.5 pp	0.1	-6.4 pp					
Profit after tax (€ mn)	42	€-334 mn	-170	€-1,688 mn					
Net cash flow (€ mn) ¹	824	€+435 mn	676	€-2,036 mn					

- After key figures especially in the second quarter were heavily negatively influenced by the uncertainties and impacts from COVID-19 pandemic, a noticeable recovery was evident in the second half of 2020.
- Positive operating result in the Industrial Business of €239 mn in H2 2020 compared to a negative result in H1 2020 of €-265 mn.
- Positive net cash flow in Q4 2020 of €824 mn in the Industrial Business supported by the release of funds tied up in working capital, despite the substantial drop in operating result.

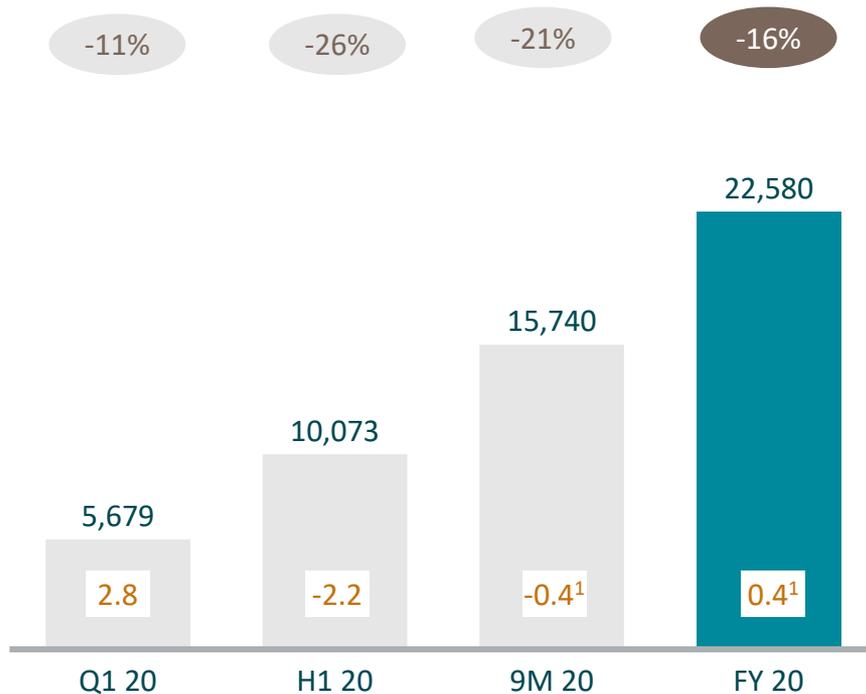
GROUP – SALES REVENUE AND RETURN ON SALES

SALES REVENUE (€ mn)

Return on sales (%)



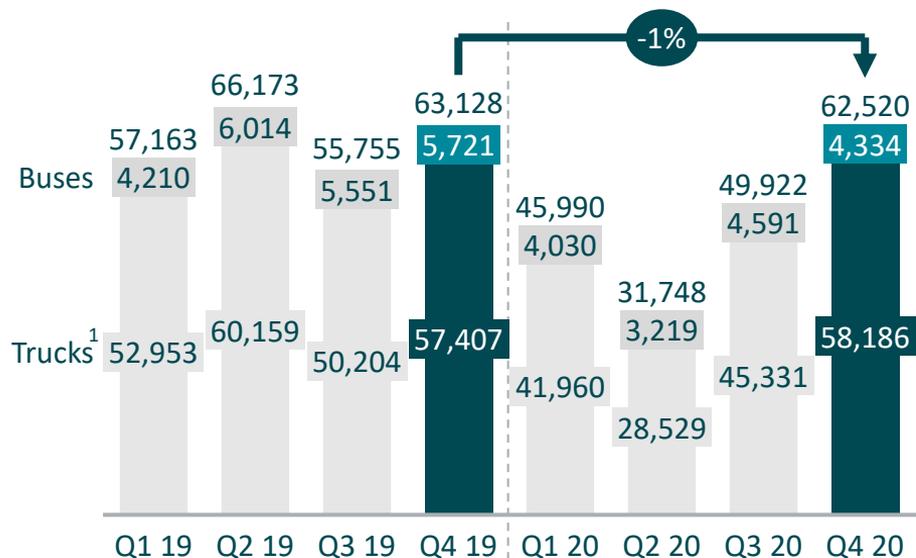
Growth YoY (%)



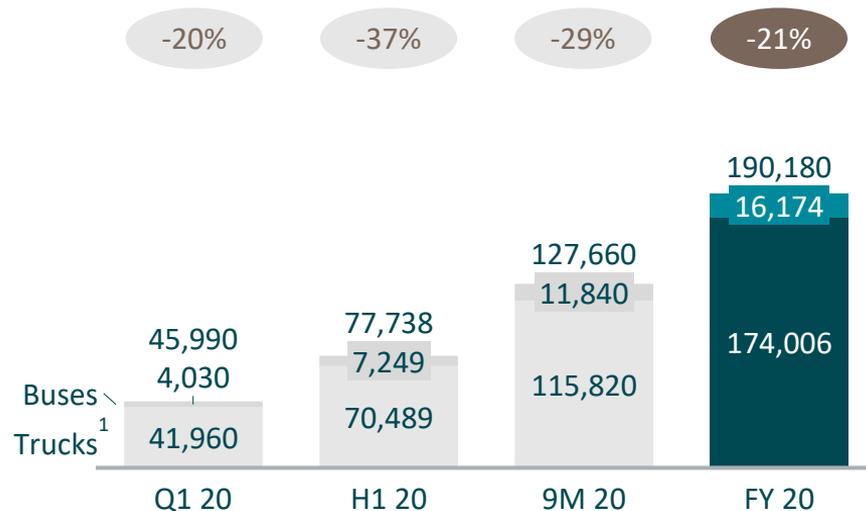
¹ Operating result in FY 2020 contained costs that were primarily incurred in connection with the reorganization of production facilities at Scania V&S of €54 mn (Q3 2020: €50 mn, Q4 2020: €4 mn); adjusted RoS Q3 2020: 3.7%/Q4 2020: 2.1%/9M 2020: -0.1%/FY 2020 0.6%.
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GROUP – UNIT SALES DEVELOPMENT

Unit Sales (units)



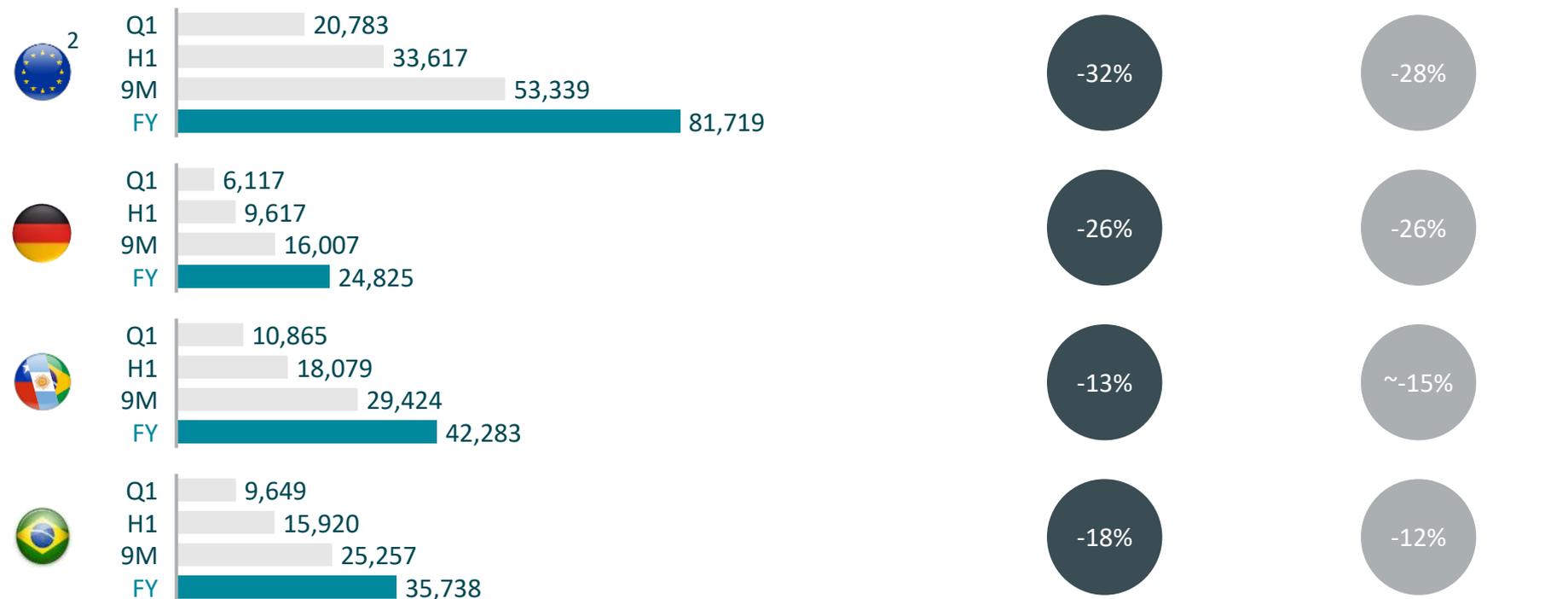
Growth YoY (%)



- Economic downturn already expected for 2020 was amplified by the uncertainty due to the COVID-19 pandemic, especially in Q2 2020. However, a noticeable recovery was evident in H2 2020.
- All core regions and products with significantly higher unit sales compared to first half.
- In Q4 2020 trucks unit sales ex MAN TGE nearly unchanged YoY (-1%), buses unit sales down by -24% YoY.

GROUP – UNIT SALES GROWTH IN CORE MARKETS

Truck unit sales in core markets¹; 2020 (units)



1 Excluding MAN TGE vans. 2 EU27+3 region (defined as the EU27 countries with the exception of Malta, plus the United Kingdom, Norway, and Switzerland). 3 Information shown might include estimates or preliminary data; for EU27+3 and Germany data collected from ACEA provisional new registrations figures as at January 26, 2021, trucks > 16t; for Brazil data collected from ANFAVEA trucks > 6t as at January 8, 2021; South America own estimates.

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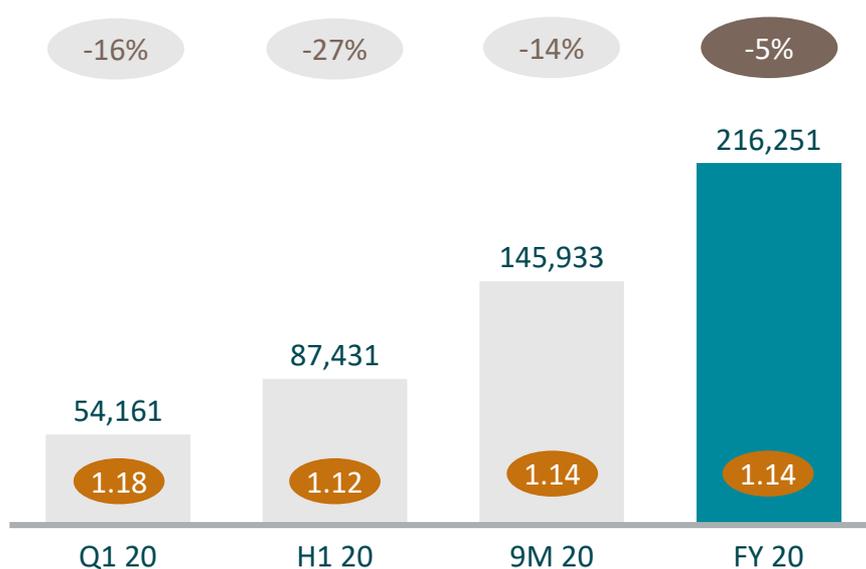
INDUSTRIAL BUSINESS – INCOMING ORDERS

INCOMING ORDERS (units)

Book-to-bill¹ (ratio in units)



Growth YoY (%)

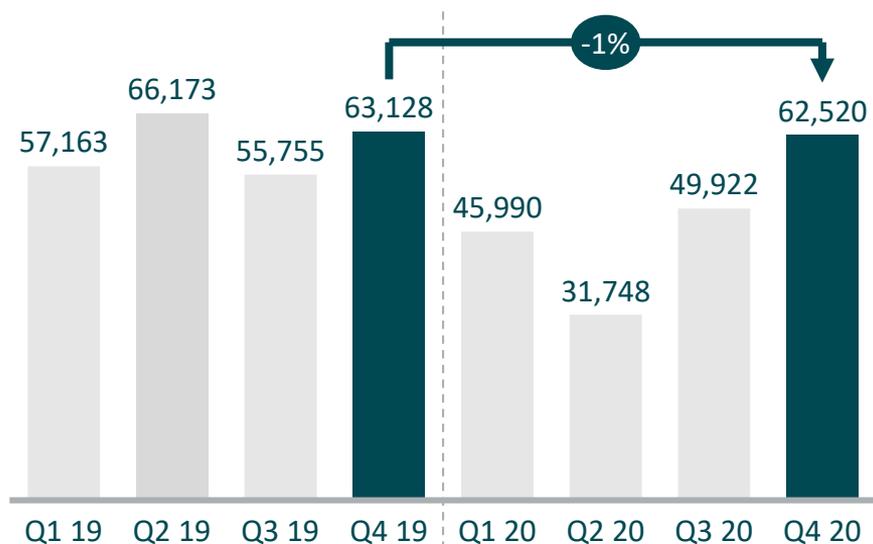


- Weaker demand already expected for 2020 was exacerbated by the impact of COVID-19 pandemic, particularly in Q2 2020.
- The recovery was reflected most clearly in incoming orders, Q3 2020 and Q4 2020 were even above prior-year quarters.
- Truck business strongly recovered across all regions.

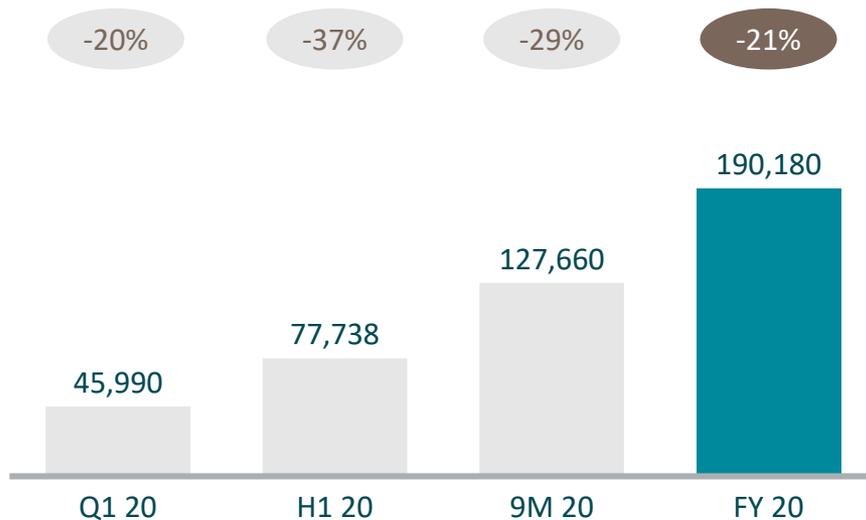
¹ Book-to-bill is defined as the ratio of trucks and buses incoming orders to trucks and buses units delivered.

INDUSTRIAL BUSINESS – UNIT SALES

UNIT SALES (units)



Growth YoY (%)

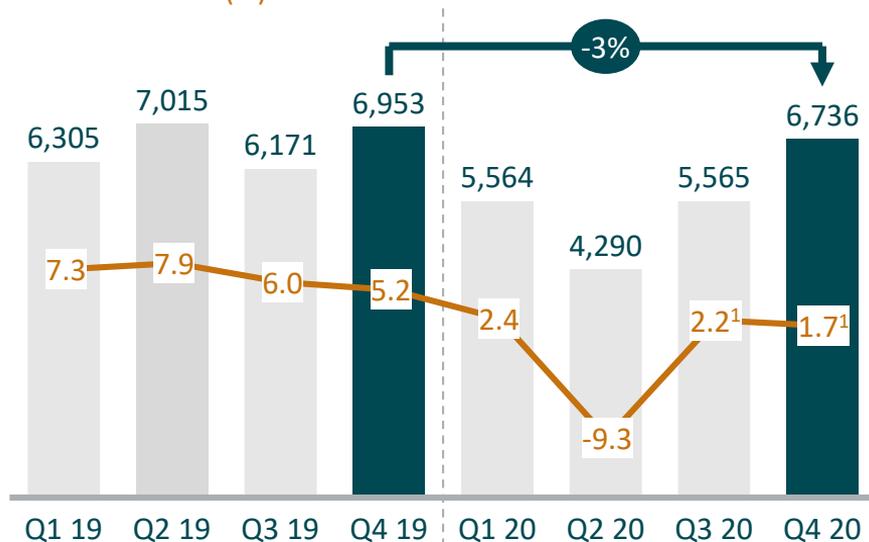


- The expected decline in truck business in the EU27+3 in 2020 was further exacerbated by the impacts of COVID-19 pandemic, particularly in Q2 2020. Truck unit sales ex MAN TGE in Q4 2020 nearly unchanged YoY (-1%), noticeable recovery in all countries in the region in H2 2020. Brazil also returned to growth in H2 2020, with Q4 2020 up +3% YoY.
- Bus unit sales decreased by -24% in Q4 2020 YoY, but recovered in H2 2020 vs. H1 2020.

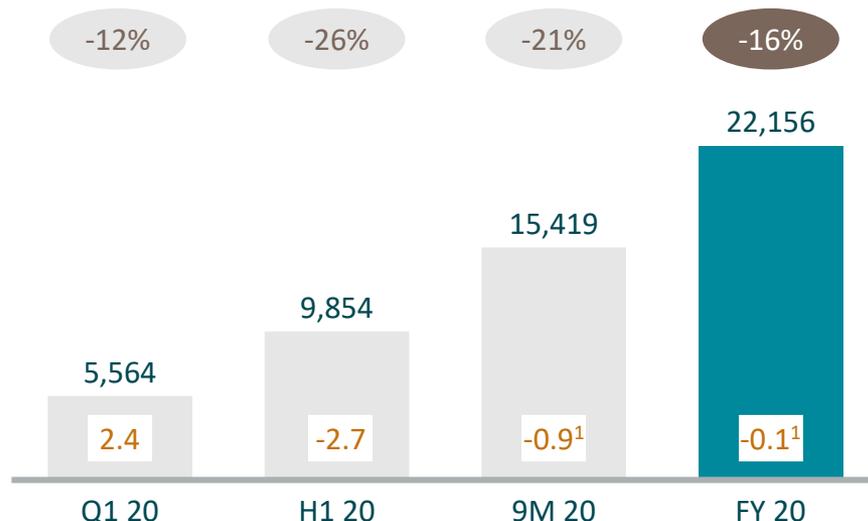
INDUSTRIAL BUSINESS – SALES REVENUE AND RETURN ON SALES

SALES REVENUE (€ mn)

Return on sales (%)



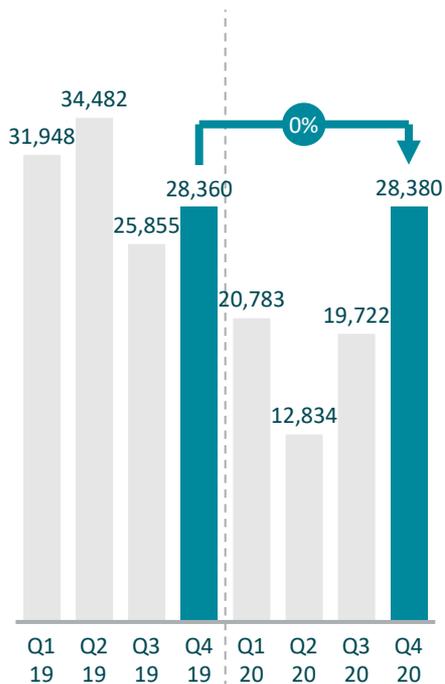
Growth YoY (%)



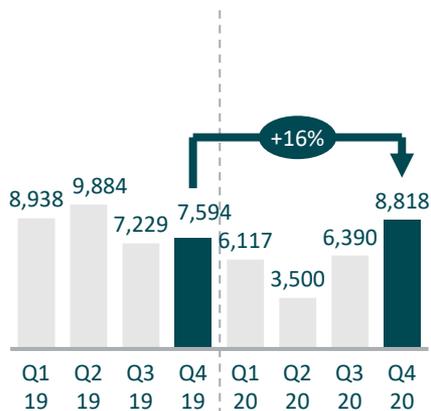
- Decline in sales revenue resulted primarily from the new vehicle business (-23% YoY), following the decline in truck and bus unit sales, although H2 2020 did see a significant recovery. After-sales recorded a relatively small decline of -6% YoY in FY 2020 (share of 21%).
- Positive return on sales in H2 2020, clearly above previous half-year due to positive unit sales and sales revenue development, supported by cost savings measures.

INDUSTRIAL BUSINESS – REGIONAL TRUCK UNIT SALES DEVELOPMENT¹

EU27+3² (units)



Germany (units)



South America (units)



Brazil (units)



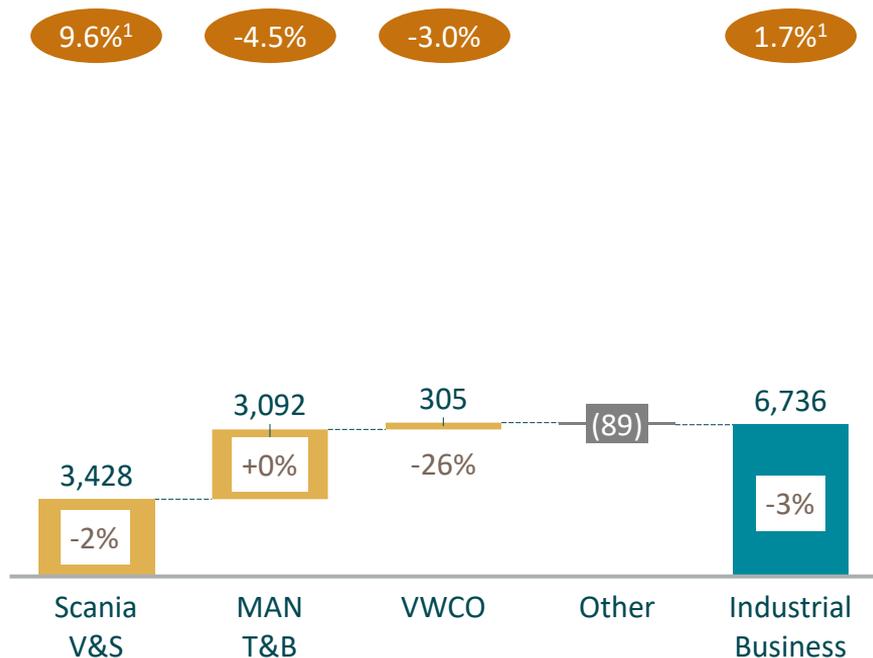
¹ Excluding MAN TGE vans. ² In connection with the exit of United Kingdom on January 31, 2020, the region "EU28+2" has been referred to as region "EU27+3" since 2020 (defined as the EU27 countries with the exception of Malta, plus the United Kingdom, Norway, and Switzerland).

INDUSTRIAL BUSINESS – SALES REVENUE BY BRAND AND RETURN ON SALES

SALES REVENUE Q4 2020 (€ mn)

Growth rate (%)

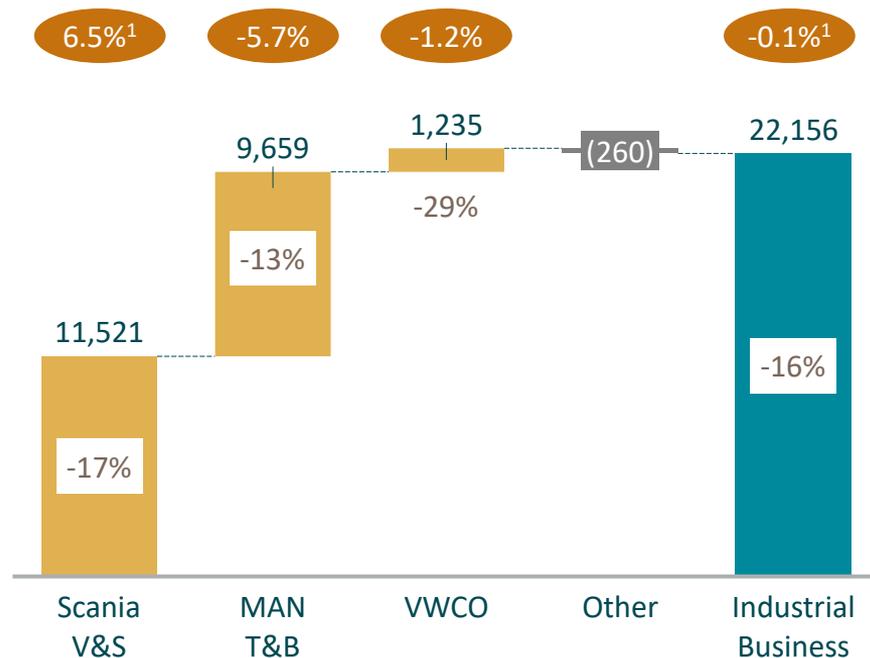
Return on sales (%)



SALES REVENUE FY 2020 (€ mn)

Growth rate (%)

Return on sales (%)



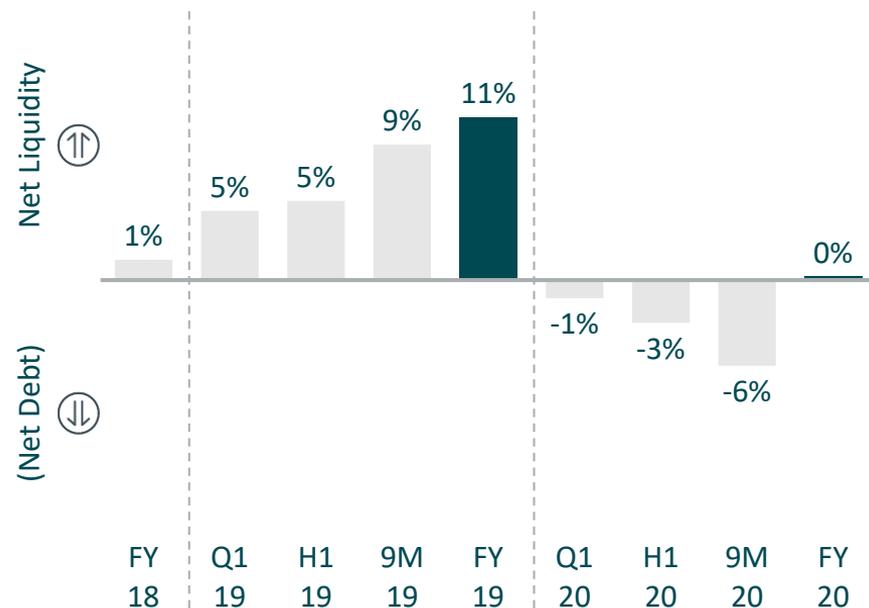
Note: Figures shown as at Q4 2020/FY 2020; percentage change calculated YoY, Q4 2020 vs. Q4 2019/FY 2020 vs. FY 2019.

¹ Operating result in FY 2020 contained costs that were primarily incurred in connection with the reorganization of production facilities at Scania V&S of €54 mn (Q3 2020: €50 mn, Q4 2020: €4 mn); adjusted RoS Scania V&S Q4 2020: 9.7%/FY 2020 7.5%, adjusted RoS Industrial Business Q4 2020: 1.8%/FY 2020 0.1%.

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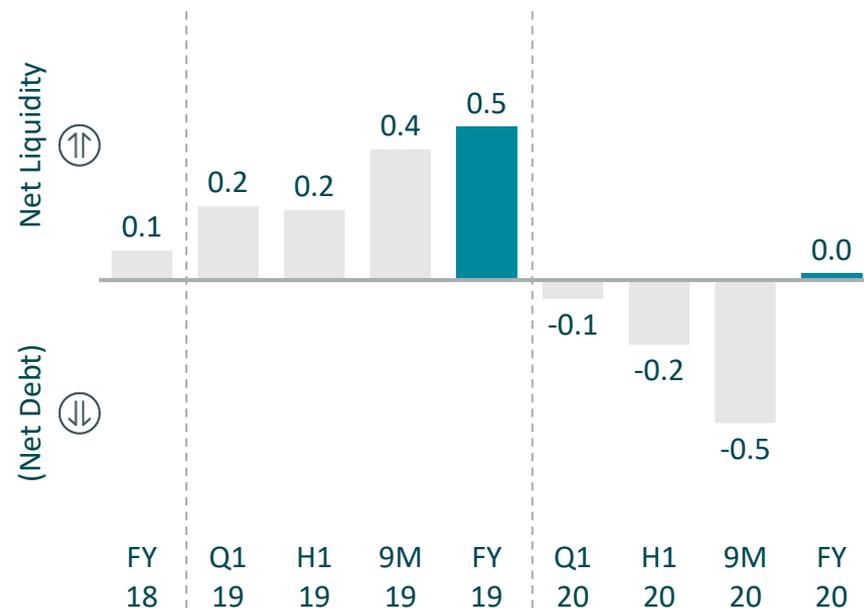
INDUSTRIAL BUSINESS – LEVERAGE RATIOS

GEARING RATIO¹ (in %)



NET DEBT/ADJUSTED EBITDA² (x)

Net liquidity as of December 31, 2020 amounted to €27 mn, mainly due to the net cash outflow of €-1.4 bn resulting primarily from the end of the domination and profit and loss transfer agreement (DPLTA) with Volkswagen AG for the fiscal year 2019.

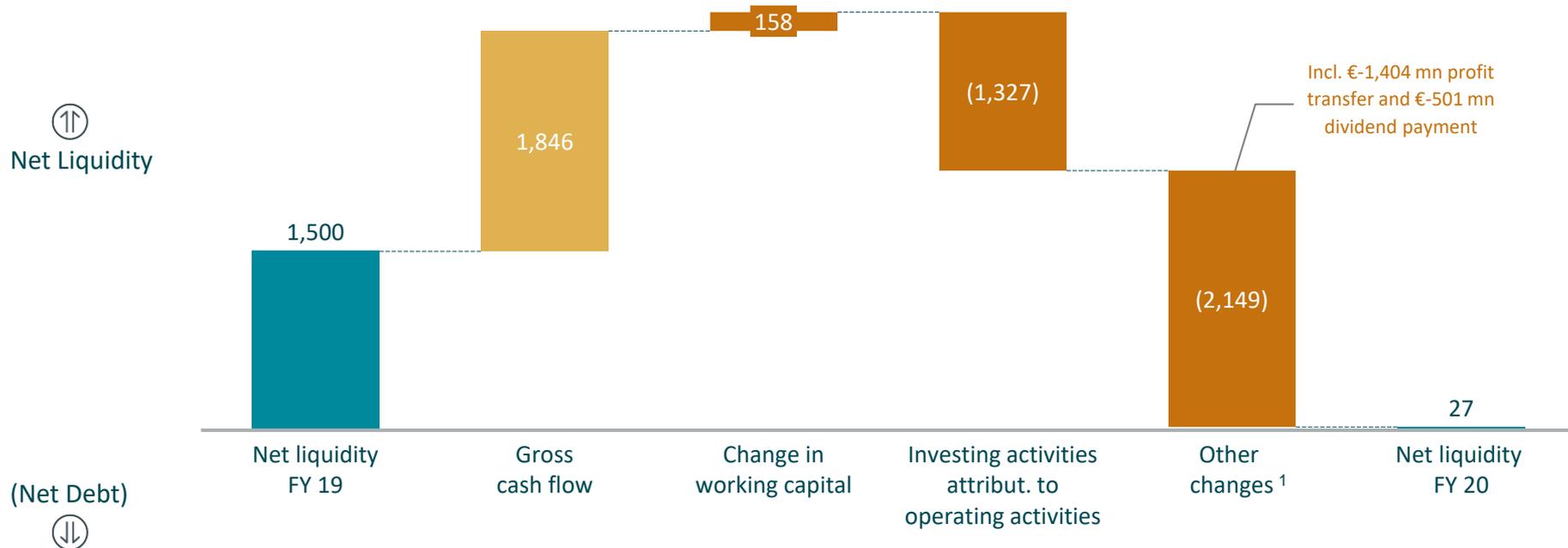


Note: Industrial Business net liquidity/net financial debt per FY 2018: €227 mn, Q1 2019: €604 mn, H1 2019: €689 mn, 9M 2019: €1,207 mn, FY 2019: €1,500 mn, Q1 2020: €-162 mn, H1 2020: €-376 mn, 9M 2020: €-727 mn, FY 2020: €27 mn.

1 For Industrial Business: calculated as net liquidity/net financial debt divided by book value of equity. 2 For Industrial Business: calculated as net liquidity/net financial debt divided by last twelve month adjusted EBITDA (actual quarter + last 3 quarters).

INDUSTRIAL BUSINESS – NET LIQUIDITY

NET LIQUIDITY/NET FINANCIAL DEBT BRIDGE (€ mn)



¹ Thereof €-1,404 mn for the profit transfer for fiscal year 2019 to Volkswagen AG, €-501 mn dividend payments, €+54 mn capital contribution by Volkswagen.
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INDUSTRIAL BUSINESS – FINANCIAL RESILIENCE

SOUND BALANCE SHEET POSITION

(Industrial Business; as of December 31, 2020)

- Equity ratio: solidly at 36%
- Gearing¹: currently at only 0%
- Net debt/adjusted EBITDA²: at 0.0x after the end of the DPLTA with Volkswagen AG, €-1.4 bn were transferred in February 2020 and dividend payment in September 2020

SOUND LIQUIDITY POSITION

(Industrial Business; as of December 31, 2020)

- Strict cash and cost management
- Net Cash Flow of €676 mn in FY 2020
- Cash and cash equivalents of €1.6 bn
- Undrawn credit lines totaling €7.3 bn
- TRATON put in place its debut syndicated revolving credit facility with a volume of €3.75 bn in Q3 2020
- Reprioritizing of our capital expenditures and our research and development projects

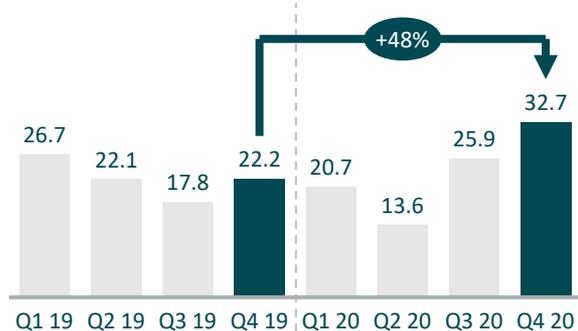
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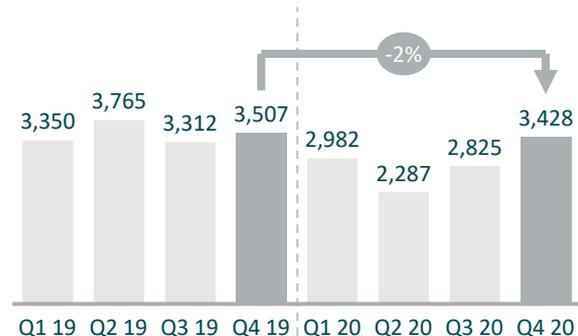
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SCANIA VEHICLES & SERVICES – KEY FIGURES PER QUARTER

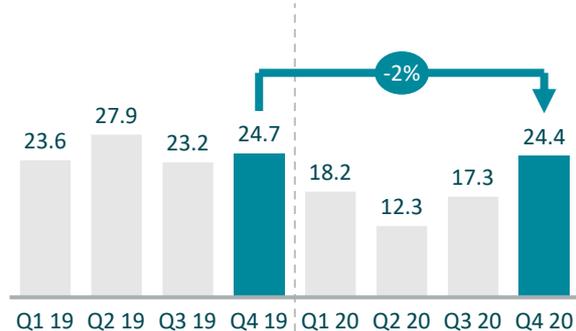
Incoming orders (k units)



Sales revenue (€ mn)



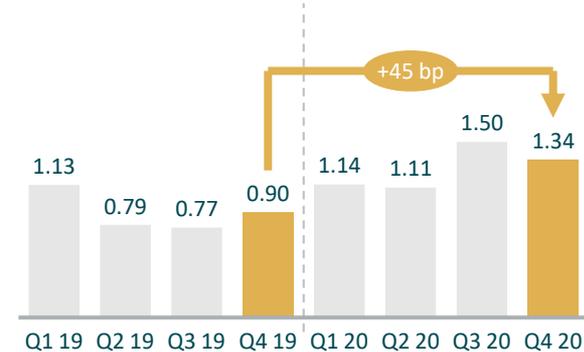
Unit sales (k units)



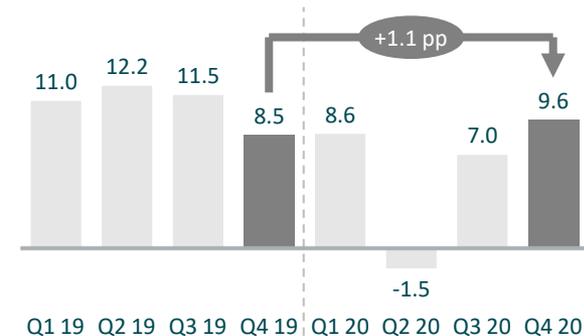
Operating result² (€ mn)



Book-to-bill¹ (ratio in units)



Return on sales² (%)



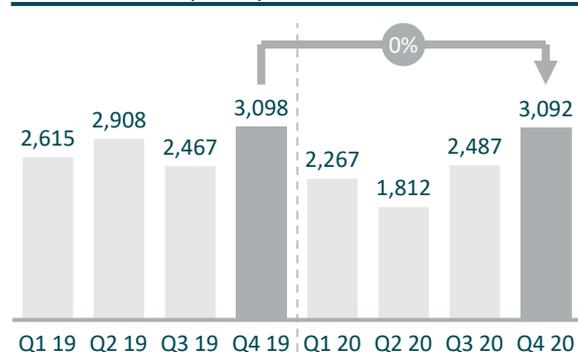
¹ Book-to-bill is defined as the ratio of trucks and bus units ordered to trucks and bus units delivered. ² Operating result in FY 2020 contained costs that were primarily incurred in connection with the reorganization of production facilities at Scania V&S of €54 mn (Q3 2020: €50 mn, Q4 2020: €4 mn); adjusted RoS Q3 2020: 8.7%/Q4 2020: 9.7%.

MAN TRUCK & BUS – KEY FIGURES PER QUARTER

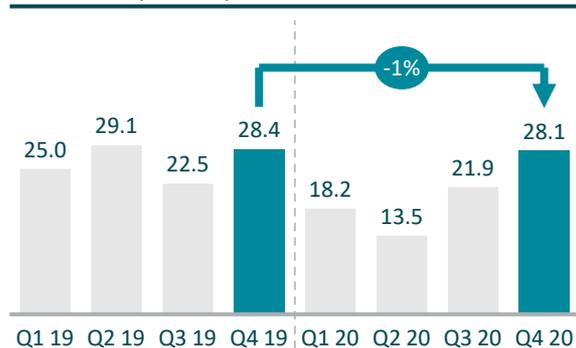
Incoming orders (k units)



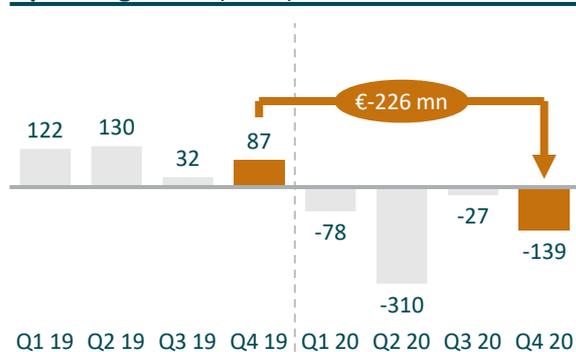
Sales revenue (€ mn)



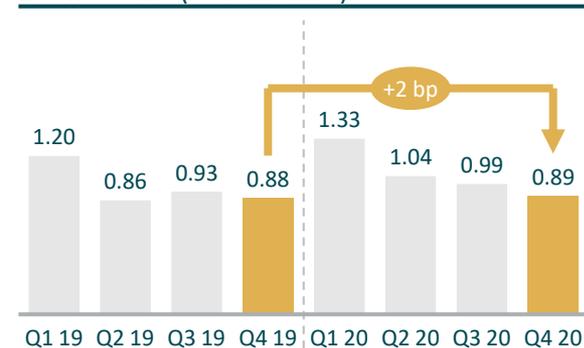
Unit sales (k units)



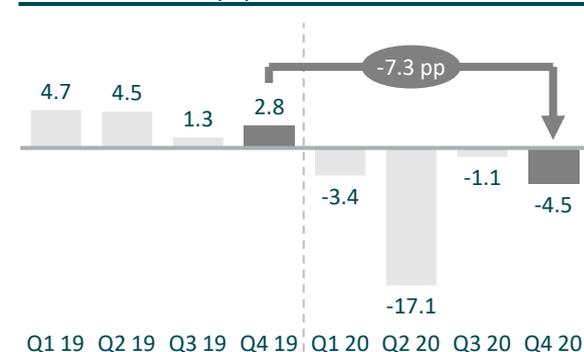
Operating result (€ mn)



Book-to-bill¹ (ratio in units)

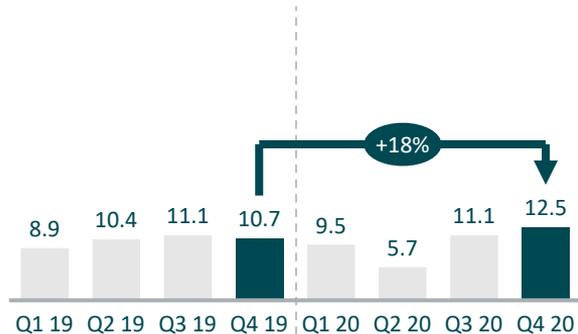


Return on sales (%)

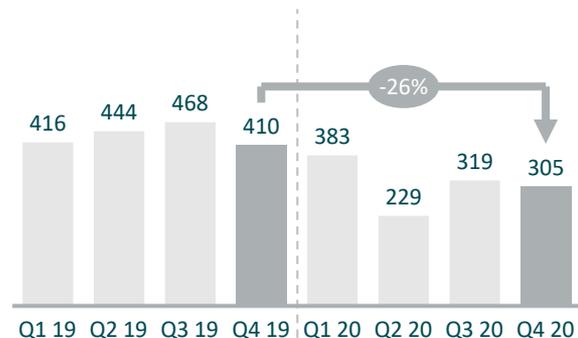


VOLKSWAGEN CAMINHÕES E ÔNIBUS – KEY FIGURES PER QUARTER

Incoming orders (k units)



Sales revenue (€ mn)



Unit sales (k units)



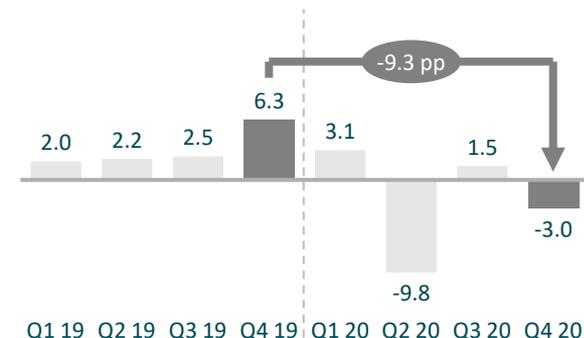
Operating result² (€ mn)



Book-to-bill¹ (ratio in units)



Return on sales² (%)



¹ Book-to-bill is defined as the ratio of trucks and bus units ordered to trucks and bus units delivered. ² Q2 2019 includes an adjustment of €-13 mn from the reversal of a restructuring provision.

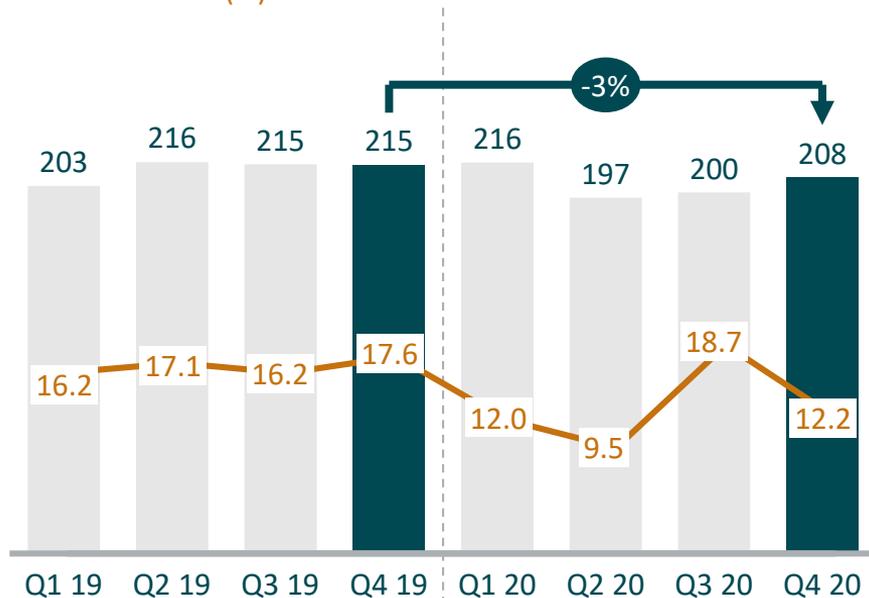
AGENDA

-
01. 2020 at Glance
 02. Outlook 2021
 03. Back up
 - a. TRATON GROUP Highlights
 - b. Segment Industrial Business
 - c. Segment Financial Services
 - d. Appendix

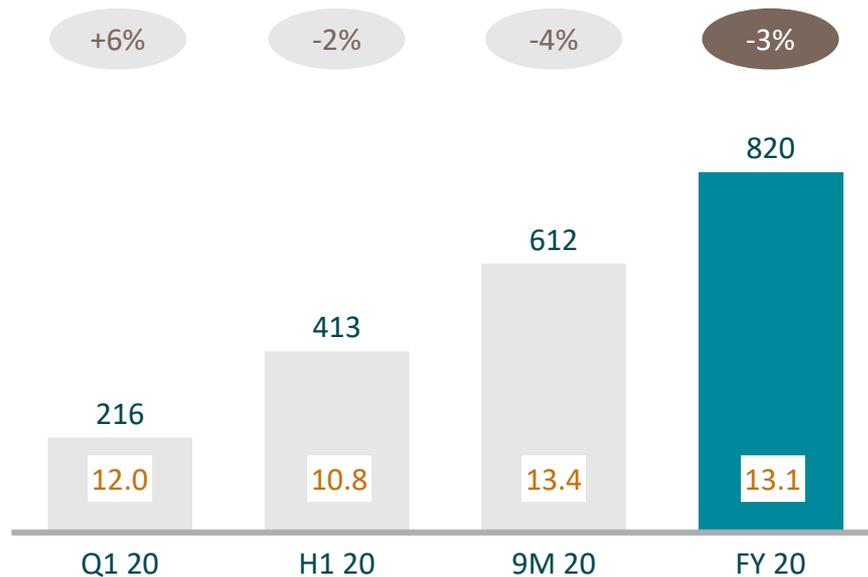
FINANCIAL SERVICES – SALES REVENUE AND RETURN ON SALES

SALES REVENUE (€ mn)

Return on sales (%)



Growth YoY (%)

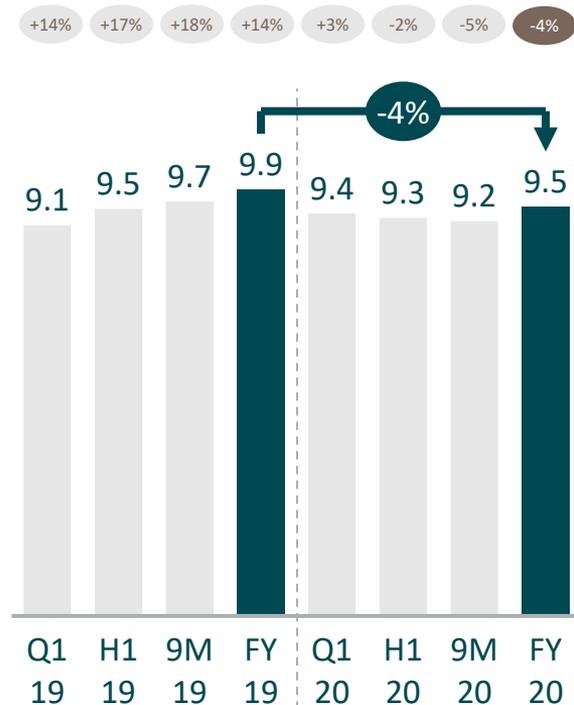


- Operating result declined by -25% to €107 mn in FY 2020, attributable to higher bad debt allowances, lower margins, and negative exchange rate effects. Positive effects from a larger average portfolio.

FINANCIAL SERVICES – NET PORTFOLIO AND PENETRATION RATE

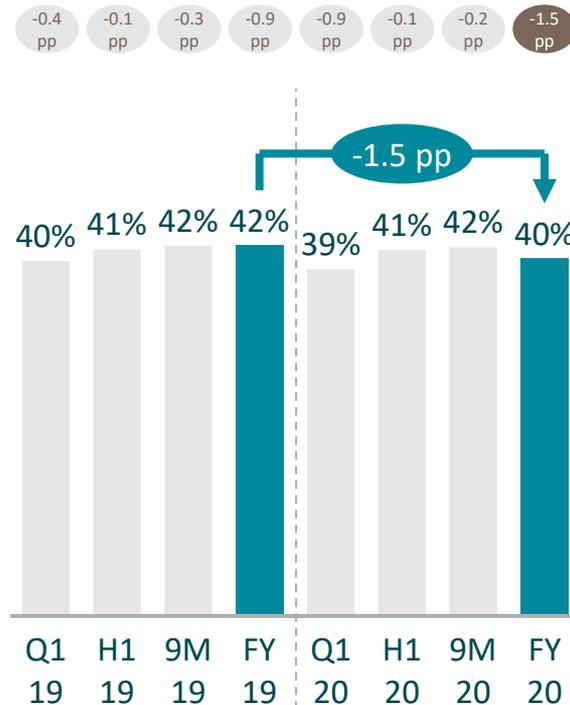
NET PORTFOLIO¹ (€ bn)

Growth YoY (%)



PENETRATION RATE² (%)

Growth YoY (pp)



COMMENTARY

- By the end of December 2020 customer finance portfolio amounted to €9.5 bn (-4% compared to year end 2019), resulting from lower financing activities due to the reduced unit sales and negative currency effects.
- Penetration rate on new trucks stood at 40% in FY 2020 in those markets where Financial Services operates.
- Book value of equity decreased slightly compared to year end to €961 mn (FY 2019: €971 mn).

AGENDA

-
01. 2020 at Glance
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GROUP – OVERVIEW BY QUARTER

SALES REVENUE BY PRODUCT GROUP

€ million	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Change Q4 2020 v. Q4 2019
TRATON GROUP	6,839	5,667	4,394	5,679	7,075	-235
Industrial Business	6,736	5,565	4,290	5,564	6,953	-217
New Vehicles	4,372	3,331	2,393	3,290	4,601	-229
After Sales ¹	1,228	1,163	1,033	1,268	1,260	-31
Others	1,136	1,072	865	1,006	1,092	44
Financial Services	208	200	197	216	215	-7
Consolidation/Others	-104	-98	-93	-101	-93	-11

¹ Incl. spare parts and workshop services

CONDENSED TRATON GROUP INCOME STATEMENT

€ million	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Change Q4 2020 v. Q4 2019
Sales revenue	6,839	5,667	4,394	5,679	7,075	-235
Cost of sales	-5,777	-4,708	-3,978	-4,659	-5,792	16
Gross profit	1,063	960	416	1,020	1,282	-219
Distribution expenses	-611	-532	-510	-594	-670	59
Administrative expenses	-231	-222	-185	-238	-238	7
Other operating result	-82	-44	-103	-27	27	-109
Operating result	139	162	-382	161	401	-262
Operating return on sales (in %)	2.0	2.9	-8.7	2.8	5.7	-3.6 pp
Financial result	-40	25	-71	-30	-22	-17
Earnings before tax	100	187	-453	131	379	-279
Income taxes	-65	-56	68	-35	-53	-13
Earnings after tax	35	131	-385	96	327	-292

GROUP – CONDENSED INCOME STATEMENT

€ million	TRATON GROUP		Industrial Business		Financial Services		Others/ reconciliation	
	2020	2019	2020	2019	2020	2019	2020	2019
Sales revenue	22,580	26,901	22,156	26,444	820	849	-396	-392
Cost of sales	-19,121	-21,618	-18,997	-21,462	-519	-547	395	391
Gross profit	3,459	5,284	3,158	4,983	302	302	-1	-1
Distribution expenses	-2,247	-2,480	-2,125	-2,356	-123	-126	1	1
Administrative expenses	-876	-973	-876	-973	-	-	-	-
Other operating result	-255	53	-184	88	-71	-34	0	-1
Operating result	81	1,884	-26	1,741	107	142	0	0
Operating return on sales (in %)	0.4	7.0	-0.1	6.6	13.1	16.8	-	-
Financial result	-115	81	-86	140	0	8	-30	-67
Earnings before tax	-34	1,965	-112	1,881	107	151	-29	-67
Income taxes	-89	-401	-58	-361	-32	-40	1	-1
Earnings from discontinued operations, net of tax	-	-2	-	-2	-	-	-	-
Earnings after tax	-124	1,561	-170	1,518	75	111	-28	-67

GROUP – CONDENSED STATEMENT OF CASH FLOW

€ million	TRATON GROUP		Industrial Business		Financial Services		Others/reconciliation	
	2020	2019	2020	2019	2020	2019	2020	2019
Cash and cash equivalents as of 01/01	1,913	2,997	1,853	2,945	60	53	0	-
Gross cash flow ¹	1,972	3,460	1,846	3,384	540	498	-413	-422
Change in working capital	15	-2,373	158	-1,276	-528	-1,480	385	383
Net cash provided by/used in operating activities	1,987	1,088	2,003	2,108	12	-982	-28	-38
Net cash provided by/used in investing activities attributable to operating activities	-1,293	634	-1,327	603	-1	-3	35	33
Change in marketable securities, investment deposits, and loans	1,078	-2,994	1,189	-2,268	0	90	-111	-816
Net cash provided by/used in investing activities	-215	-2,360	-138	-1,665	-1	87	-76	-782
Net cash provided by/used in financing activities	-1,873	183	-1,983	-1,540	7	902	103	820
Effect of exchange rate changes on cash and cash equivalents	-98	6	-94	5	-5	0	1	0
Change in cash and cash equivalents	-198	-1,085	-212	-1,092	14	7	0	0
Cash and cash equivalents as of 12/31	1,714	1,913	1,641	1,853	73	60	0	0
Gross cash flow	1,972	3,460	1,846	3,384	540	498	-413	-422
Change in working capital	15	-2,373	158	-1,276	-528	-1,480	385	383
Net cash provided by/used in investing activities attributable to operating activities	-1,293	634	-1,327	603	-1	-3	35	33
Net cash flow	694	1,721	676	2,711	11	-985	7	-5

¹ Gross cash flow is calculated as the sum of earnings before tax and income tax payments, adjusted by depreciation and amortization of, and impairment losses on, intangible assets, property, plant, and equipment, investment property, capitalized development costs, products leased out (net of impairment reversals), impairment losses on equity investments (net of impairment reversals), changes in pension obligations, earnings on disposal of noncurrent assets and equity investments, share of earnings of equity-method investments, and other noncash expenses/income.

GROUP – NET LIQUIDITY

€ million	TRATON GROUP		Industrial Business	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Cash and cash equivalents	1,714	1,913	1,641	1,853
Marketable securities, investment deposits, and loans	2,114	3,195	2,114	3,288
Gross liquidity	3,828	5,108	3,755	5,141
Total third-party borrowings	-12,298	-12,497	-3,728	-3,641
Net liquidity/net financial debt	-8,470	-7,390	27	1,500

NET LIQUIDITY, INDUSTRIAL BUSINESS

€ million	12/31/2020	09/30/2020	06/30/2020	03/31/2020	12/31/2019	Change 12/31/2020 v. 12/31/2019
Cash and cash equivalents	1,641	2,124	2,488	1,551	1,853	-212
Marketable securities, investment deposits, and loans to affiliated companies	2,114	1,114	2,014	1,794	3,288	-1,174
Gross liquidity	3,755	3,238	4,502	3,345	5,141	-1,386
Total third-party borrowings	-3,728	-3,965	-4,878	-3,507	-3,641	-87
Net liquidity/net financial debt	27	-727	-376	-162	1,500	-1,473

GROUP – CONDENSED BALANCE SHEET

€ million	TRATON GROUP		Industrial Business		Financial Services		Others/reconciliation	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019
Intangible assets	6,766	6,755	6,762	6,750	4	4	-	-
Property, plant, and equipment	6,908	6,789	6,897	6,778	22	25	-11	-13
Assets leased out	6,496	7,119	6,489	7,115	752	826	-745	-821
Equity-method investments	1,380	1,365	1,380	1,365	-	-	-	-
Other equity investments	72	34	460	386	0	0	-388	-352
Income tax receivables	115	167	93	141	27	26	-5	-
Deferred tax assets	1,231	970	1,192	935	56	48	-18	-13
Financial services receivables	7,741	7,991	7	10	7,733	7,981	0	0
Inventories	4,325	4,943	4,325	4,943	-	-	-	-
Trade receivables	1,906	2,144	1,947	2,216	47	34	-88	-106
Other assets	2,008	1,816	1,864	1,727	1,228	1,320	-1,085	-1,231
Marketable securities and investment deposits	2,105	3,178	2,105	3,178	-	-	-	-
Cash and cash equivalents	1,714	1,913	1,641	1,853	73	60	0	0
Total assets	42,767	45,183	35,164	37,396	9,943	10,324	-2,339	-2,536
Equity	13,169	14,134	12,599	13,365	961	971	-391	-201
Financial liabilities	12,298	12,497	3,728	3,641	8,581	8,998	-11	-141
Provisions for pensions and other post-employment benefits	1,828	1,769	1,817	1,759	11	10	-	-
Income tax payables	117	278	103	265	20	13	-5	-
Deferred tax liabilities	767	787	721	733	60	63	-15	-9
Income tax provisions	128	51	123	47	4	4	-	-
Other provisions	2,280	2,094	2,277	2,092	3	3	-	-
Other liabilities	9,411	11,101	11,041	13,042	199	138	-1,830	-2,079
Trade payables	2,769	2,472	2,753	2,453	104	125	-88	-106
Total equity and liabilities	42,767	45,183	35,164	37,396	9,943	10,324	-2,339	-2,536

GROUP – ADJUSTMENTS

Adjustments (€ million)	2016	2017	2018	2019	2020
OPERATING RESULT	727	1,512	1,513	1,884	81
Expense for antitrust proceedings (Scania)	403				
Release of restructuring provisions at MAN T&B		-50			
Expenses in relation to India market exit at MAN T&B			137		
Recognition and release of restructuring provisions at VWCO	58			-13	
Expenses in connection with the realignment of production facilities Scania V&S					54
OPERATING RESULT (ADJUSTED)	1,188	1,462	1,650	1,871	135

GROUP – SUMMARY OF EXPECTED DEVELOPMENT

	Actual 2020	Forecast 2021 ¹
TRATON GROUP		
Unit sales	190,180	sharp increase
Sales revenue (€ million)	22,580	substantial increase
Operating return on sales (in %)	0.6	5.0–6.0
Industrial Business		
Sales revenue (€ million)	22,156	substantial increase
Operating return on sales (in %)	0.1	4.5–5.5
Return on investment (in %)	–0.1	6.5–7.5
Cash conversion rate (in %) ²	n/a	25–35
Capex (€ million)	992	considerable increase
Primary research and development costs (€ million)	1,165	substantial increase
Financial Services		
Sales revenue (€ million)	820	moderate increase
Operating return on sales (in %)	13.1	13.5–17.5

¹ Before expenses from the MAN Truck & Bus restructuring program and effects from the planned acquisition of Navistar International Corporation

² In the year under review, the negative earnings after tax did not result in any meaningful cash conversion rate.

INDUSTRIAL BUSINESS & FINANCIAL BUSINESS – AT A GLANCE

	2020	2019	Change
Industrial Business			
Sales revenue (€ million)	22,156	26,444	-16%
Operating result (€ million)	-26	1,741	-1,768
Operating result (adjusted) (€ million)	28	1,729	-1,701
Operating return on sales (in %)	-0.1	6.6	-6.7 pp
Operating return on sales (adjusted) (in %)	0.1	6.5	-6.4 pp
Return on investment (in %)	-0.1	9.7	-9.8 pp
Adjusted EBITDA (€ million)	1,300	3,022	-57%
Primary R&D costs (€ million)	1,165	1,376	-15%
Capex (€ million)	992	993	0%
Net cash flow (€ million)	676	2,711	-2,036
Cash conversion rate (in %)	n/a	179	n/a
Net liquidity/net financial debt (€ million) ²	27	1,500	-1,473
Financial Services			
Sales revenue (€ million)	820	849	-3%
Operating result (€ million)	107	142	-35
Net portfolio (€ million) ²	9,520	9,936	-416

² As of December 31, 2020, and December 31, 2019

TRATON SHARE



SHARE DATA

ISIN (International Securities Identification Number)	DE000TRAT0N7
WKN (German Security Identification number)	TRATON
Common code	196390065
Stock exchange	Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) & Nasdaq Stockholm (börsen)
Market segment	Regulated market (Prime Standard) of Frankfurt Stock Exchange & Large Cap segment of Nasdaq Stockholm
Bloomberg ticker	8TRA GY/8TRA SS
Reuters ticker	8TRA.DE/8TRA.ST
Shares outstanding	500.000.000
Type of share	Bearer shares / common shares
Free Float	10.28%

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FINANCIAL CALENDAR (EXPECTED DATES¹)



Event/Publication of

March 22, 2021

Annual Media Conference for fiscal year 2020

May 10, 2021

3M 2021 Interim Statement

July 30, 2021

2021 Half-Year Financial Report

October 29, 2021

9M 2021 Interim Statement



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¹ The latest information can be found on our website: traton.com/financialcalendar
 March 22, 2021 / Investor Relations / Conference Call for fiscal year 2020

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