



Combination of MAN and Scania is the best way to protect and create employment in Sweden and Germany

Munich, 23 November, 2006

- **No production job cuts resulting from this combination**
- **MAN will not support an industrial governance focused on cross-subsidies**

Following certain public discussions in Sweden about risks to Swedish jobs, MAN would like to clarify its industrial position regarding the proposed combination with Scania. This has also been communicated directly to Scania union officials.

Håkan Samuelsson CEO of MAN AG:

"There will be no production jobs lost as a result of this combination. We have initiated the combination because we believe that a pooling of two strong groups with similar values, but separate identities is the best way to safeguard our common future and secure employment in Sweden and Germany. Under my leadership no business unit will subsidize another. That means that there will be no discrimination of Swedish employees in favour of Germans or vice versa."

MAN has always communicated throughout this process that, as part of the proposed dual brand concept, Scania and MAN will be run as separate operating entities. Scania will still be run by Scania management who will continue to be responsible for their own sales, production and performance in the marketplace. Within a combined group each business unit will also be expected to achieve and to take steps to continue to achieve best in class performance. This challenge will apply equally to Scania and MAN and will in no way be limited by present German agreements.

By being part of the same group Scania and MAN will both benefit from scale advantages, particularly in sourcing and purchasing, spare parts distribution, customer finance and service networks and through the exchange of best practice in production and other key areas. In a combination Scania will also be able to extend its product range into a range of light and medium trucks based on MAN technology. Both businesses will also be able to grow faster and better target new growth markets than either could achieve standalone. Accordingly, it is the intention to have more people working in Sweden and in Germany in five years time.

Håkan Samuelsson CEO of MAN AG:

"Everyone sees the logic and merit of this combination. It is essential if we want to remain competitive in the market and keep growing. Fighting alone in future will not be a strategy which will work for either of us and is not in the best interest of our people. We all have the responsibility to make this happen."

MAN Aktiengesellschaft
Landsberger Str. 110
D-80339 Munich
Germany

Corporate Communications
Wieland Schmitz

Media Relations
Andreas Lampersbach

Phone: +49. 89. 36098 - 111
public.relations@ag.man.de
www.man-group.com

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