CREATING A GLOBAL CHAMPION

IAA ANALYST AND INVESTOR PRESENTATION| 20-SEP-2018

TRATON GROUP

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To the extent available and unless denoted otherwise, the industry and market data contained in this presentation has been derived from official or third party sources and all market and market share data that is not labelled otherwise, has been derived from data published by IHS Markit Ltd. for heavy duty truck (>15t) and (unless denoted otherwise) relates to calendar year 2017. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While TRATON believes that each of these publications, studies and surveys has been prepared by a reputable source, TRATON has not independently verified the data contained therein. In addition, certain of the industry and market data contained in this presentation are derived from TRATON's internal research and estimates based on the knowledge and experience of its management in the markets in which it operates. TRATON believes that such research and estimates are reasonable and reliable, but their underlying methodology and assumptions have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this presentation.

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TODAY'S PRESENTERS

TRATON GROUP

Andreas Renschler

CEO of TRATON and Board Member of Volkswagen AG

Appointed CEO of Volkswagen Truck & Bus in 2015

30 years of experience in automotive and truck industry

Joined Volkswagen in 2015

Member of the Volkswagen Management Board responsible for Commercial Vehicles and Power Engineering

Previously member of the Daimler Management Board responsible for Daimler Trucks

Christian Schulz

CFO of TRATON

Appointed CFO of Volkswagen Truck & Bus in 2018

19 years of experience in automotive and truck industry

Joined VW Truck & Bus in 2017

Previously head of business development at VW Truck & Bus, director of controlling operations for Mercedes-Benz Passenger Cars and product/ production controlling for Mitsubishi Fuso

TOPICS FOR TODAY

TRATON GROUP

Where we come from

Status Global Champion Strategy and Alliances

Way forward

SINCE WE MET AT THE LAST IAA IN 2016, WE HAVE DELIVERED ON OUR STRATEGIC GOALS

TRATON GROUP

New legal entity

SE

On the way to become Capital Market Ready

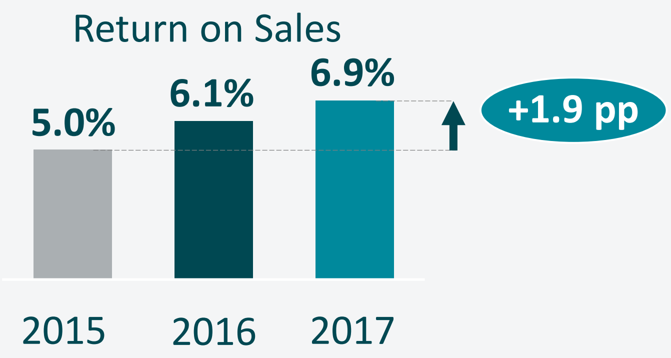
Collaboration among brands fully on track

SCANIA MAN Caminhões Ônibus

New corporate identity

TRATON GROUP

Significant performance improvement



Successful creation and implementation of strategic alliances

NAVISTAR 中国重汽 SINOTRUK HINO

TRATON GROUP

TRANSPORTATION

TRAFFIC

TRADITION

ONLINE

TRACTOR

TRATON GROUP

ALWAYS-ON

TRUCK

AUTONOMOUS

TRADE

TRACTION

TONNAGE

TRANSFORMATION

Better transportation makes a better world

TRATON AT A GLANCE – LEADING GLOBAL BRANDS AND PARTNERSHIPS

TRATON GROUP

TRATON GROUP

Fully consolidated

SCANIA

MAN

Caminhões Ônibus

Successful collaboration

Associates

25% + 1 share

CNHTC 中国重汽 SINOTRUK

c. 17%

NAVISTAR

Path to Global Champion

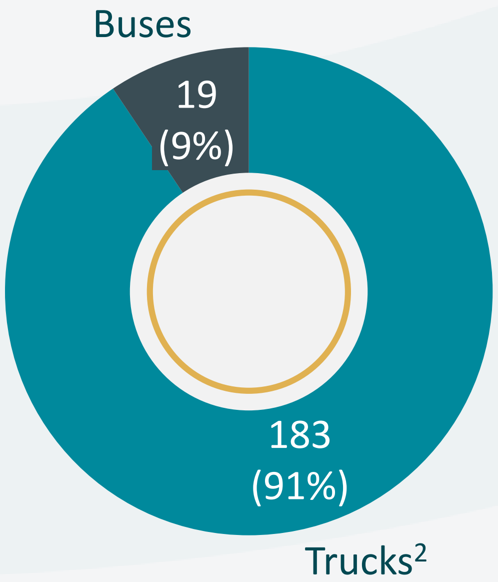
Strategic partner

HINO

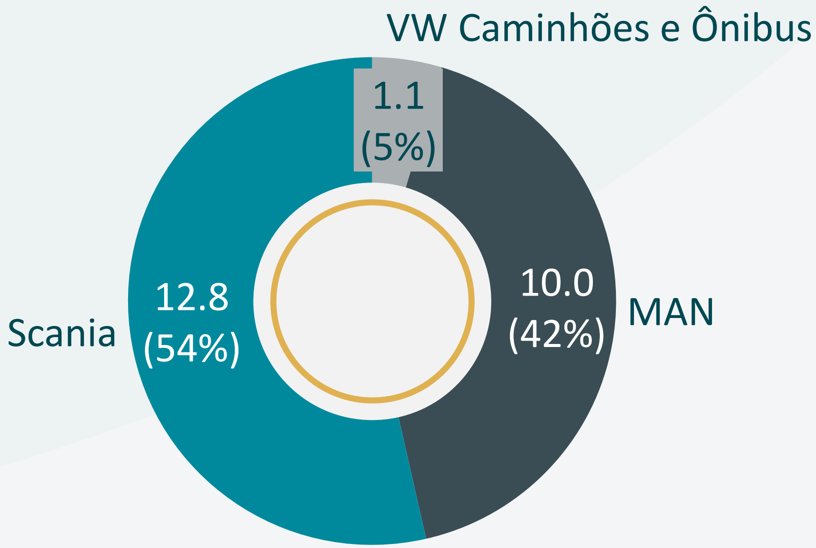
Win-win partnership structure

TRATON AT A GLANCE – SNAPSHOT 2017

TRATON sales volume[1] (k): 205



TRATON revenue by brand (€bn): 23.9



TRATON financials 2017

€ 23.9bn Revenues

€ 1.7bn Operating profit

6.9% Return on Sales

Note: Trucks >6t, Volkswagen Caminhões e Ônibus trucks ≥ 5t; figures are financially rounded.
1 TRATON commercial vehicles total figures (incl. c. 2k units of MAN TGE vans). 2 Excl. MAN TGE vans.

Relates to % of total TRATON sales volume in 2017 (excl. associates and strategic partners)

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TRATON AT A GLANCE – UNIQUE GLOBAL TRUCK AND BUS PLATFORM WITH FOCUS ON HEAVY DUTY TRUCKS

		TRATON			Associates		Strategic partner
		SCANIA	MAN	Caminhões Ônibus	中国重汽 SINOTRUK	NAVISTAR	HINO
Home base		**Europe and Brazil**	**Europe**	**Brazil**	**China**	**North America**	**Japan**
Sales volume (k)[1]	Trucks	82	81[3]	21	264[4]	58	n/a
	Buses	8	6	5	0	11	n/a
	Total	**91**	**88**	**26**	**264**	**69**	**184[5]**

Heavy duty trucks 80%

Medium/ Light duty trucks[2] 11%

Bus and Coach 9%

Note: Trucks >6t, Volkswagen Caminhões e Ônibus trucks ≥ 5t; all figures as reported by VW AG, Scania AB and MAN SE, apart from Volkswagen Caminhões e Ônibus, for which the source is company information; pictures denote presence in respective area; figures are financially rounded.

1 Sales volume per fiscal year (Scania, MAN, VW CO, and Sinotruk year-end 31 December 2017; Navistar year-end October 2017 and HINO year-end March 2018). 2 Incl. ca. 2k MAN TGE vans. 3 Excl. c. 2k MAN TGE vans.

4 Incl. c. 108k in LDT volume. 5 Sales volume split not disclosed; excl. Toyota sales volume.

TRATON AT A GLANCE – UNIQUE POSITIONING OF BRANDS

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TRATON
Creating a global champion

SCANIA	MAN	Caminhões Ônibus
Driving the shift towards a sustainable transport system	Simplifying business by being the most reliable business partner	Less you don’t want more you don’t need

Premium customer-focused **innovation leader** for **sustainable** transport solutions

Reliable business partner with **value package** and **full-line** offering

Best **value for money** and **tailor-made** products

TRATON – CREATING A GLOBAL CHAMPION

1 GLOBAL CHAMPION

Our leading brands and alliances provide scale for our unique platform, enabling global expansion and positioning us for best in class profitability

2 GROWTH

Customer value focused product and service offering and expansion in key geographies

3 PROFITABILITY AND SYNERGIES

Unique earnings potential with concrete path to profitability improvement driven by enhanced brand performance and tangible synergy upside

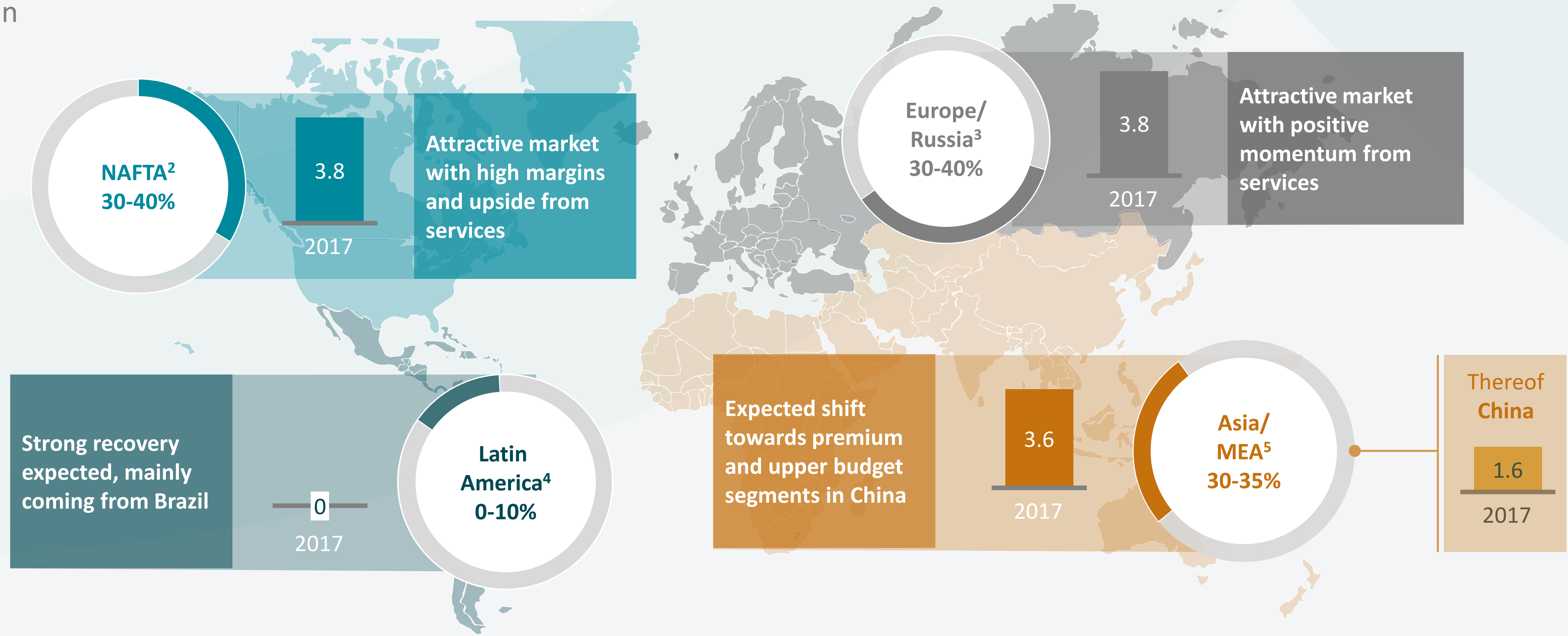
4 EXECUTION

Strong team with industry-leading track record executing our global champion strategy

Share of global profit pool 2017[1]

TRUCK PROFIT POOLS ARE SPREAD GLOBALLY WITH FURTHER LONG-TERM UPSIDE POTENTIAL

In €bn



1 Profit pool (EBIT) of truck industry >6 tons (2017). 2 Incl. CA, MX, US. 3 Incl. AT, BE, DK, FI, FR, DE, GR, IE, IT, NL, NO, PT, ES, SE, CH, UK, BG, HR, CZ, EE, HU, LV, LT, PL, RO, SK, SI, BY, KZ, RU, UA, UZ.
4 Incl. BO, CL, CO, EC, PE, VE, BS, BB, BZ, BM, CR, CU, DO, SV, GT, HT, HN, JM, AN, NI, PA, TT, AR, BR, PY, UY, other Caribbean countries. 5 Incl. TR, CN, HK, TW, JP, KR, ZA, SA, ID, MY, PH, SG, TH, VT, IN, PK, AU, NZ.

Source: McKinsey

: **TRATON truck market share in 2017** (>15t)

Core markets of TRATON brands

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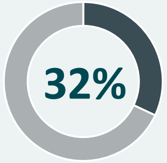
TRATON WITH #1 TRUCK MARKET POSITIONS IN EUROPE AND LATAM



Europe[1]

- Market leader with 32% market share
- Market leader in Germany with 37% market share

LatAm[2]

- Market leader with 30% market share
- Market leader in Brazil with 39% market share

Note: Smaller presences in additional countries not highlighted (TRATON active in 124 countries worldwide, incl. bus activities).
1 EU28 member states excl. Cyprus, Luxembourg and Malta (no data available from IHS) + Norway and Switzerland.
2 Incl. Argentina, Brazil, Bolivia, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela; excl. Mexico (part of NAFTA); market share in Brazil of 39% (market leader).

Truck market share in 2017 (>15t)

Core markets of TRATON brands   Core markets of alliances

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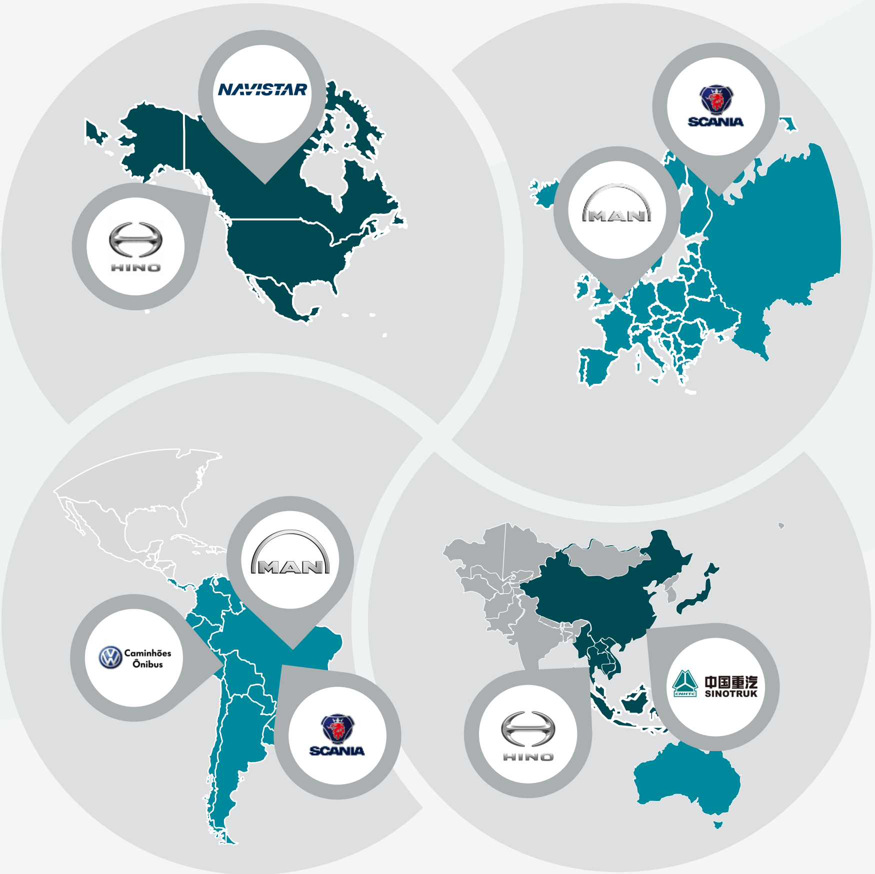
EXPANDING GLOBALLY THROUGH ALLIANCE PARTNERS TO ADDRESS ALL MAJOR PROFIT POOLS



Alliance Partners

Associates

12%[1]

NAVISTAR

North America

- Signing of strategic alliance in 2016
- Technology cooperation well on track with first SoPs expected until 2020/2021
- Procurement joint venture very successful with significant synergies achieved and visible further potential

17%[2]

中国重汽 SINOTRUK

China

- Established partnership with Sinotruk since 2009
- Agreed to establish joint venture to localize MAN heavy duty truck in China as well as to evaluate an expansion of the technology and procurement cooperation

Strategic partner

28%[3]

HINO

Japan and South East Asia

- Cooperation agreement signed in 2018 on future logistics and transportation, technology and procurement
- Agreed to cooperate in e-mobility and signed procurement joint venture LOI to leverage global purchasing synergies

1 Market share of Navistar in North America (Canada and USA). 2 Market share of CNHTC in China (incl. Hong Kong). 3 Market share of Hino in Japan and South East Asia (Indonesia, Australia, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan, Thailand, Vietnam).

LEADING ALLIANCE OF HEAVY DUTY BRANDS AS BASIS FOR EXPANSION AND SYNERGY REALIZATION

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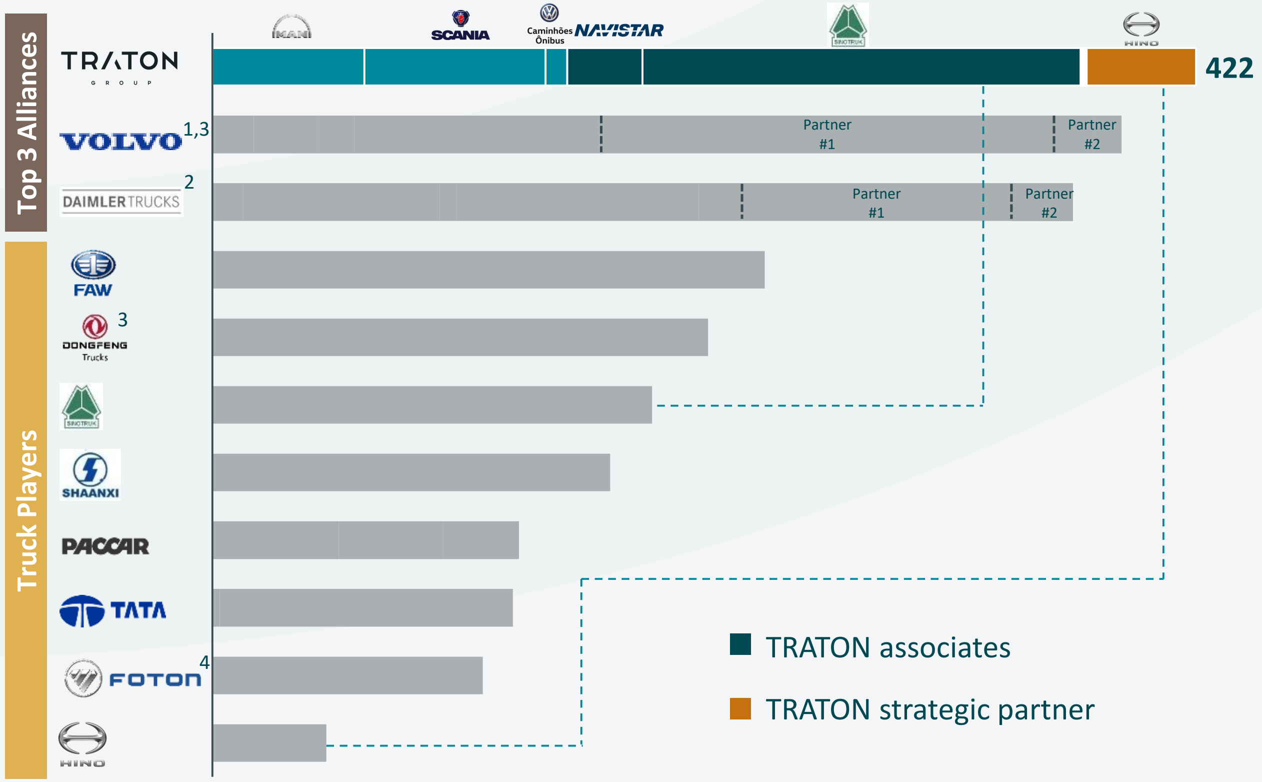
Potential heavy duty platform reach of top OEMs incl. associates and strategic partners

Sales volumes 2017, 1,000 units



Leverage technologies and expertise through global brands

Combination of brands and alliances into a global heavy duty champion

- Economies of scale through industry leading volumes incl. alliance partners
- Leading powertrain technology
- Broad customer oriented sales and service network

Note: Truck volumes (>15t) including selected strategic alliances.
1 Incl. partnerships with Dongfeng (45% ownership) and Eicher. 2 Incl. partnerships with Foton (50% ownership) and Kamaz. 3 Dongfeng incl. Dongfeng-Volvo JV sales volume. 4 Foton incl. Foton-Daimler JV sales volume.

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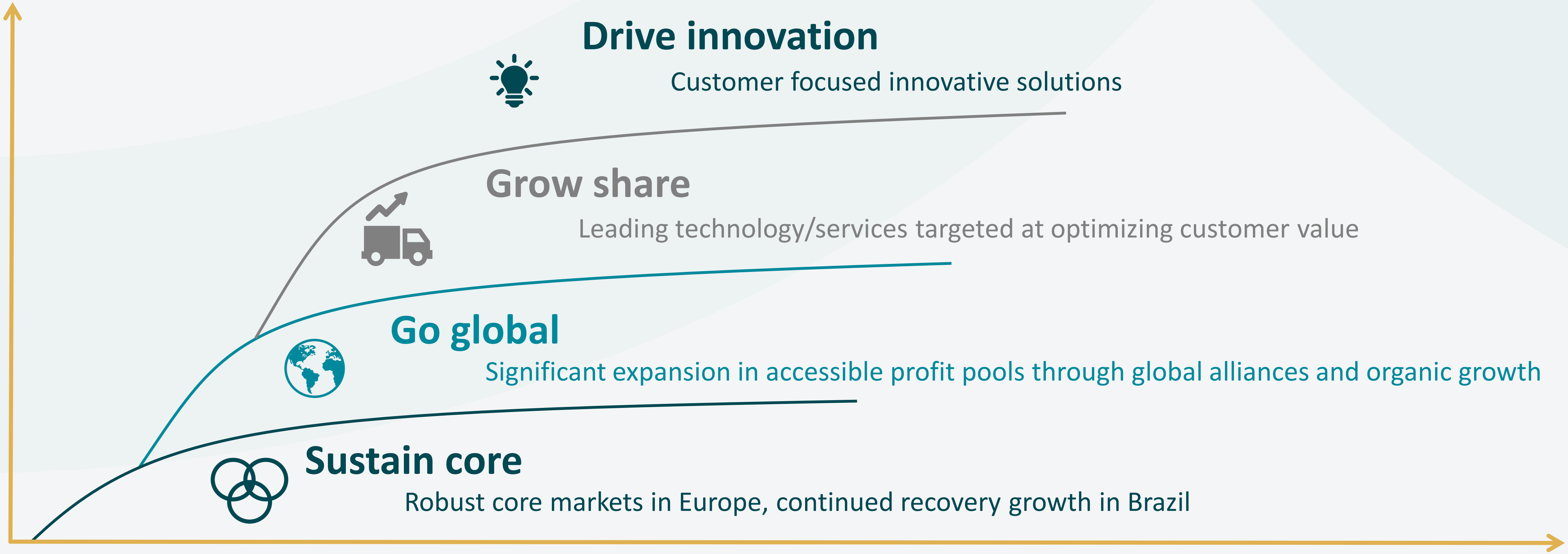
TRATON WITH MULTIPLE LAYERS OF GROWTH



Addressable market volume | Additional market volume

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SUSTAIN CORE AND GO GLOBAL – STRONG CORE MARKETS AND INCREASING EXPOSURE TO GLOBAL MARKETS FORM THE BASIS FOR FUTURE TOPLINE GROWTH

Sustain core

Market volume truck sales >6t (2017), k Units		Long-term market outlook
Europe[1]	~370	Stable volumes; services with positive impact on profits
LatAm[2]	~100	Strong recovery expected post Brazil market downturn
Russia	~80	Continued strong growth momentum accompanied by margin increase

Other[3] *Successful global (export) business of premium trucks out of European / Brazilian home base*

Go global

Market volume truck sales >6t (2017), k Units		Long-term market outlook
NAFTA	~470	Stable volumes with high margins expected to sustain
China	~1,300	Premium and upper budget segment expected to grow
S.E. Asia[4] & Japan	~330	Heterogenous markets with mixed growth outlook

1 EU28+2 region (EU member states (excl. Cyprus, Malta, and Luxembourg (no IHS data available) + Norway, and Switzerland). 2 Incl. Argentina, Brazil, Bolivia, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela; Excl. Mexico (part of NAFTA); 39% HDT market share in Brazil. 3 Incl. e.g. Australia, China, Russia, SEA, South Africa, South Korea. 4 Australia, Indonesia, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan, Thailand, Vietnam.

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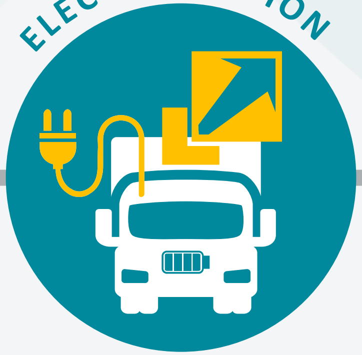
DRIVE INNOVATION – TRATON HAS AN ANSWER TO ALL DISRUPTIVE DEVELOPMENTS AND AN ACTIVE ROLE IN SHAPING THE FUTURE

AUTONOMOUS DRIVING

CONNECTIVITY

ELECTRIFICATION



Selected examples

Autonomous pilot in mining and harbor logistics

DB SCHENKER **Platooning pilot** with DB Schenker

450k **Connected vehicles on the road** globally across TRATON brands

RIO **Connectivity environment** offering **digital platform globally** to the **transport and logistics ecosystem**

Introduction of CitE

e-Delivery (SoP in 2020) – first clean energy partnership for delivery of ~1,600 electric trucks (by 2023)

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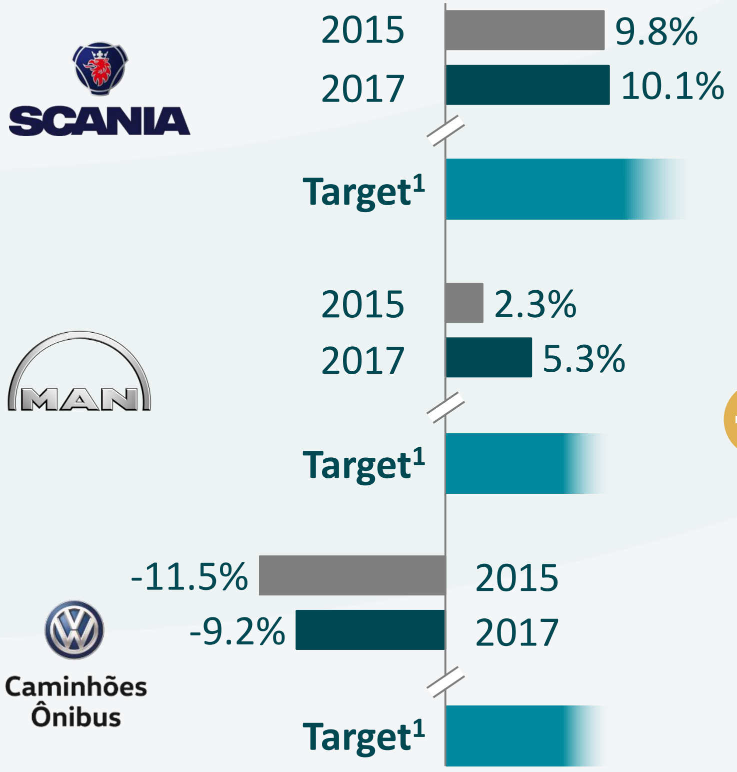
TRATON WITH STRONG TRACK RECORD OF PERFORMANCE IMPROVEMENT ACROSS BRANDS AND FURTHER POTENTIAL TO BE REALIZED

Brand performance, Return on Sales



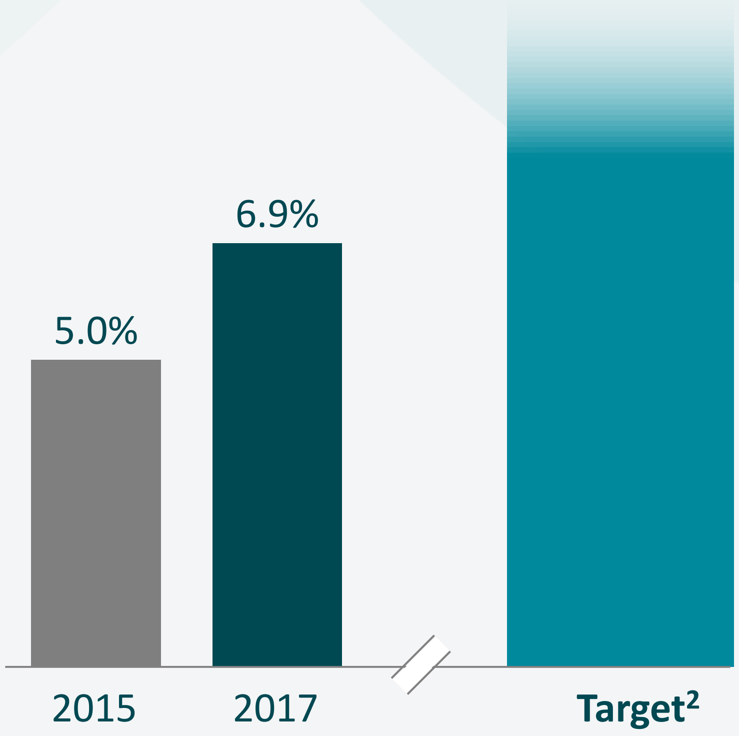
Stand-alone upside

Tangible synergies

1. Joint powertrain
2. New technologies
3. Modularization and components
4. Purchasing (incl. lead buying)
5. Production footprint and logistics

Additional levers through alliances

TRATON: Attractive margin upside



Benchmark profitability

1 Return on Sales we want to achieve over the cycle. 2 Return on Sales we want to achieve over the cycle, incl. holding costs and consolidation effects.

STAND-ALONE UPSIDE: RECENT BRAND PERFORMANCE PROGRAMS ARE WELL UNDERWAY OR HAVE BEEN SUCCESSFULLY COMPLETED

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FOCUS & AMBITION

Improvement and sustaining of operational performance in both **top- and bottom line**

- Improved dealer performance, increased sales of high-margin vehicles
- Reduced OPEX and decreased production costs due to intensified continuous improvement work

PACE2017

Completion of the program has created a **sound basis** for further **profitability-focused initiatives**

- Restructured production networks and reduced material cost by comprehensive product cost optimization
- Improved after-sales business (e.g. captive retail business, pricing of spare parts)

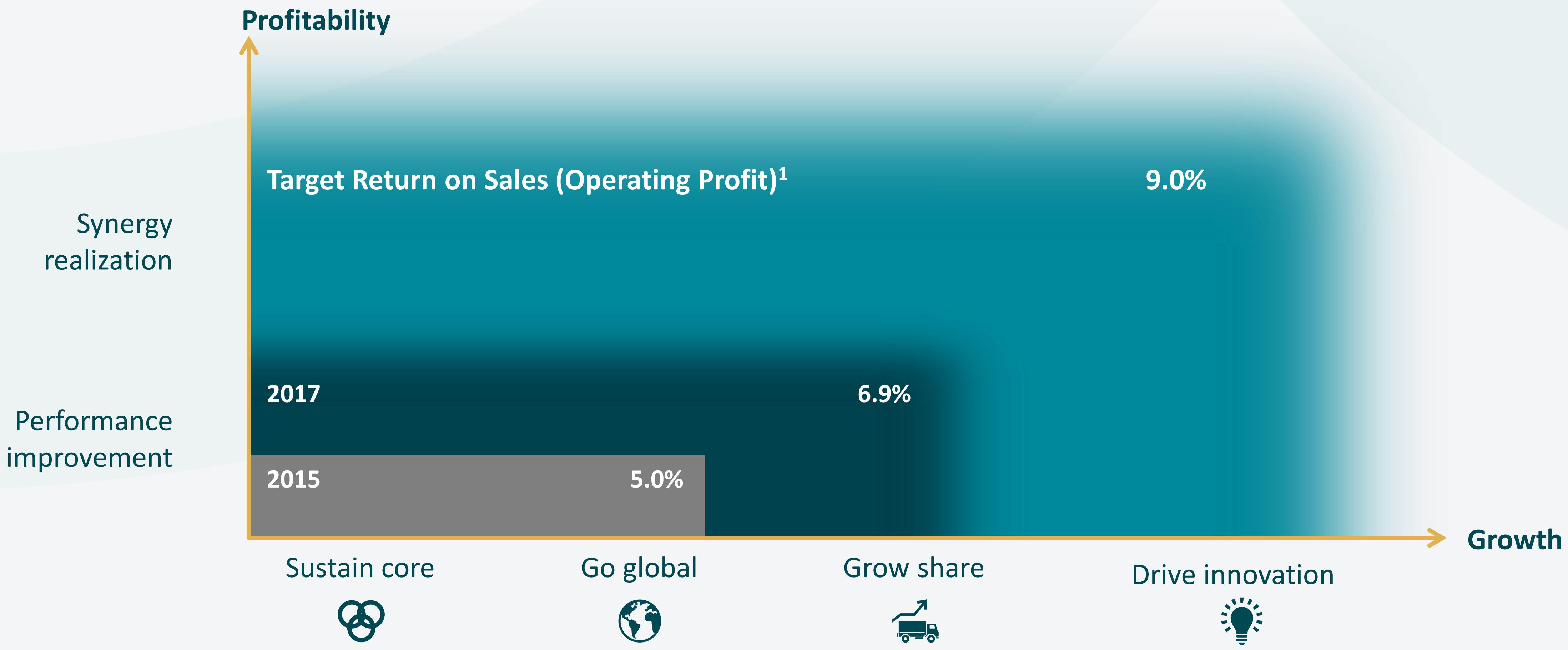
Follow-up initiatives currently being implemented

TURNAROUND PLAN

Improvement across **all cost levers** to align to new market capacity

- Adapted organization to market capacity
- Improved sales efficiency

SIGNIFICANT PROFITABILITY UPSIDE DRIVEN BY PERFORMANCE IMPROVEMENT PROGRAMS AND ONGOING SYNERGY REALIZATION



1 Return on Sales we want to achieve over the cycle, incl. holding company costs and consolidation effects.

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TANGIBLE SYNERGIES: KEY PROFITABILITY DRIVER – JOINT POWERTRAIN PLATFORM AND COMPONENTS AS ONE KEY LEVER TO REALIZE SYNERGIES

MAN

SCANIA

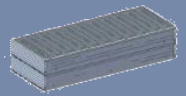
Caminhões Ônibus

NAVISTAR

CBE – new 13l engine

Expected to be installed in **>50% of alliance's HD trucks**[1] per year from 2025 onwards

E-drives / batteries

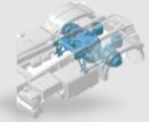


Leveraging **joint e-drive across brands and VW Group** battery cells as an option

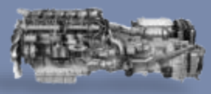
Common after-treatment

GW transmission

Common axle project



GZ transmission



In use by **~38,000 MAN** trucks to date

Legend

Key technology contributor

1 Per year from 2025 onwards, incl. Navistar and excl. Sinotruk and Hino.

WE CONTINUE TO DELIVER ON OUR STRATEGY

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2015

VOLKSWAGEN TRUCK & BUS

Inception of **VW Truck & Bus GmbH**

SCANIA MAN Caminhões Ônibus

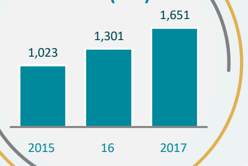
Collaboration among brands fully on track with first **significant synergies achieved** and tangible potential currently being explored

Powertrain platform as key lever: CBE engine to be installed **in >50% of HD trucks** of alliance[1]

NAVISTAR 中国重汽 SINOTRUK HINO

Successful creation and implementation of **strategic alliances** enabling exposure to all major profit pools

Navistar cooperation a major success with technology cooperation on track and **significant purchasing synergies** realized



Significant **performance improvement**

Group increased RoS from **5.0% to 6.9%** between 2015 and 2017

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New corporate identity successfully launched and to be broadly com-municated at IAA

Significant progress on the way to become **Capital Market Ready**

TRATON AG registered and **conversion into SE** fully on track

Today

HINO Solera 中国重汽 SINOTRUK

Hino: Agreed to cooperate in **e-mobility** and signed **procurement JV LOI**

Solera: Set up **strategic partnership** incl. fleet management, driver services and digital sales

Sinotruk: Agreed to establish **JV to localize MAN heavy duty truck in China**

1 Per year from 2025 onwards, incl. Navistar and excl. Sinotruk and Hino.

TRATON EXECUTIVE MANAGEMENT TEAM WITH STRONG TRACK RECORD AND LONGSTANDING INDUSTRY EXPERIENCE

Andreas Renschler
CEO

Christian Schulz
CFO

Henrik Henriksson
CEO Scania

Joachim Drees
CEO MAN

Antonio Roberto Cortes
CEO VWCO

Anders Nielsen
CTO

Carsten Intra
CHRO

Dirk Große-Loheide
CPO