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3M 2020 RESULTS

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TRATON
GROUP



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Unless otherwise stated, all amounts are shown in million of EUR. Please note that rounding differences may arise when adding or subtracting the individual items together. The percentage figures may also be subject to rounding differences because these are calculated based on whole numbers in the year-on-year or quarterly comparisons. Due to different proportions and scaling in graphs, data shown in different graphs are not comparable.

CONTENTS

- Current Situation
- TRATON GROUP Highlights
- Segment Industrial Business
- Segment Financial Services
- Status Update
- Appendix

CURRENT SITUATION – BUSINESS CLIMATE

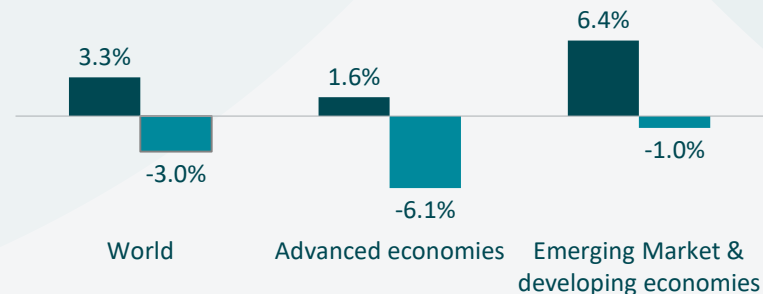
» An unprecedented situation because of the impact of the corona pandemic and government requirements

- Significant decline in demand and supply chain interruptions.
- Substantial part of production capacities closed or idling.
- Companies focusing on liquidity.

» Global economic outlook for 2020¹ significantly deteriorated; contraction is expected to be much worse than during the 2008/2009 financial crisis

GDP forecast for 2020

■ Jan 20
■ Apr 20



» Commercial vehicle market forecasts 2020 sharply lowered and come on top of already low expectations; huge bandwidth² displays high uncertainty:

- For the EU27+3 region most institutes foresee a decline of the truck market (MDT/HDT) between -20% to -50%.
- For Brazil institutes foresee a decline of the truck market (MDT/HDT) between -15% to -25%.

¹ IMF World Economic Outlook April 2020 ² Includes estimates from IHS, McKinsey, BCG and others

CURRENT SITUATION – OUR REACTION / OUR PRIORITIES

» Countermeasures

- Implementation of emergency plan with strong focus on employee health & safety.
- Temporary production stops in all plants worldwide.
- Administrative employees working from home wherever possible.
- Temporary short-time work (“Kurzarbeit”).
- Service and replacement-parts centers remained in operation.
- Important innovation projects are being continued.
- Coordination with suppliers to prepare supply chain for restart.
- Focus on safeguarding liquidity.

» Next steps: gradual safe restart of production

- Scania Vehicles & Services – first production ramp-up in Sweden, Netherlands, France & Brazil since end of April.
- MAN Truck & Bus – factories have gradually resumed operations on April 27.
- VWCO – factories have gradually resumed operations from April 27 onwards.
- Restarting administrative functions depending on COVID-19 development and regulation in the respective countries.

CURRENT SITUATION – FINANCIAL RESILIENCE

SOUND BALANCE SHEET POSITION

(Industrial Business, as of March 31, 2020)

- » Equity ratio: solidly at 37%
- » Gearing¹: currently at only 1%
- » Net debt/adjusted EBITDA²: at 0.1x after the end of the DPLTA with Volkswagen AG, €1.4 bn were transferred in February 2020

SOLID LIQUIDITY POSITION

(Industrial Business, as of April 30, 2020)

- » Strict cash and cost management
- » Unrestricted cash³ totaling more than €2.0 bn
- » Credit lines totaling more than €5.5 bn
- » Re-prioritize of investments and R&D expenditure

Note: Net debt as of March 31, 2020 amounted to €162 mn, mainly due to the cash outflow of €1,404 mn resulting from the end of the domination and profit and loss transfer agreement (DPLTA) with Volkswagen AG for the fiscal year 2019

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)

³ Fully available and accessible cash. Additional cash may be located in countries with certain cash transfer limitations, however, is not necessarily “trapped” given such cash is locally used in operations

CURRENT SITUATION – ECONOMIC RECOVERY FROM COVID-19 CRISIS LIKELY TO BE DETERMINED BY A COMBINATION OF FACTORS

Major drivers expected to influence recovery



Economic policy



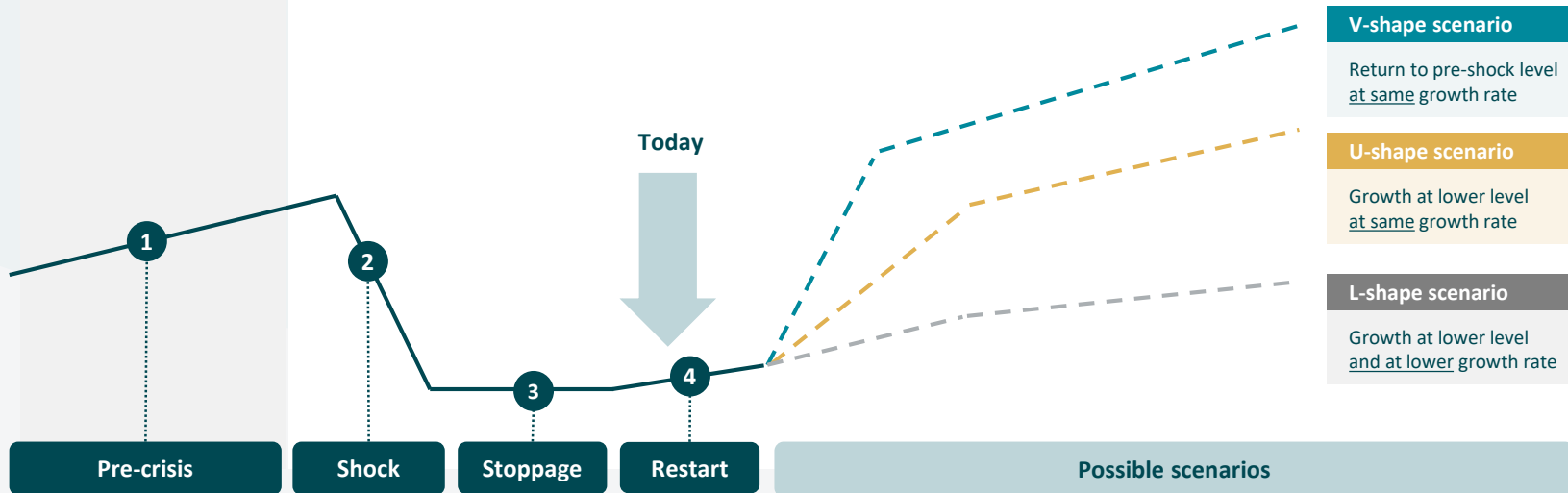
Health and safety measures



Supply disruption



Demand disruption



TRATON GROUP HIGHLIGHTS



New MAN TGX



Q1
2020

- First impacts of the COVID-19 pandemic visible.
- Unit sales down by -20% to 45,990 units.
- Sales revenue decreased by -11% to €5,679 mn.
- Operating profit declined by -67% to €161 mn¹.
- Return on sales 2.8% (-479bpt).
- Profit after tax declined by -75% to €96 mn².
- Net cash flow Industrial Business at €-167 mn.
- Net liquidity Industrial Business at €-162 mn³.



2020

- TRATON proposes to acquire all outstanding common shares of the US commercial vehicle manufacturer Navistar.
- New MAN Truck Generation introduced.
- TRATON seeking to execute a squeeze-out of the non-controlling shareholders of MAN SE in accordance with merger law.
- MAN Truck & Bus heading towards a fundamental realignment.
- Postponement of Annual General Meeting.



¹ In Q1 2020 and Q1 2019 the operating profit corresponded to the adjusted operating profit ² Profit from continuing operations -75% to €96 mn ³ Net debt mainly due to the cash outflow of €1,404 mn resulting from the end of the domination and profit and loss transfer agreement (DPLTA) with Volkswagen AG for the fiscal year 2019. Note: Delta Q1 2020 vs. Q1 2019

GROUP – SEGMENT HIGHLIGHTS Q1 2020

Industrial Business (IB)

	Q1 20	Y-o-Y
Incoming orders (units)	54,161	-16%
Unit sales (units)	45,990	-20%
Book-to-bill (units)	1.18	+5bpt
Sales revenue (€mn)	5,564	-12%
Operating profit (€mn)	135	-70%
Return on sales (%)	2.4	-482bpt
Profit after tax (€mn)	77	-78%
Net cash flow (€mn) ¹	-167	-€1,770 mn

Financial Services (FS)

	Q1 20	Y-o-Y
Net portfolio ² (€bn)	9.4	+3%
Penetration rate (%)	39	-93bpt
Sales revenue (€mn)	216	+6%
Operating profit (€mn)	26	-21%
Profit after tax (€mn)	18	-28%

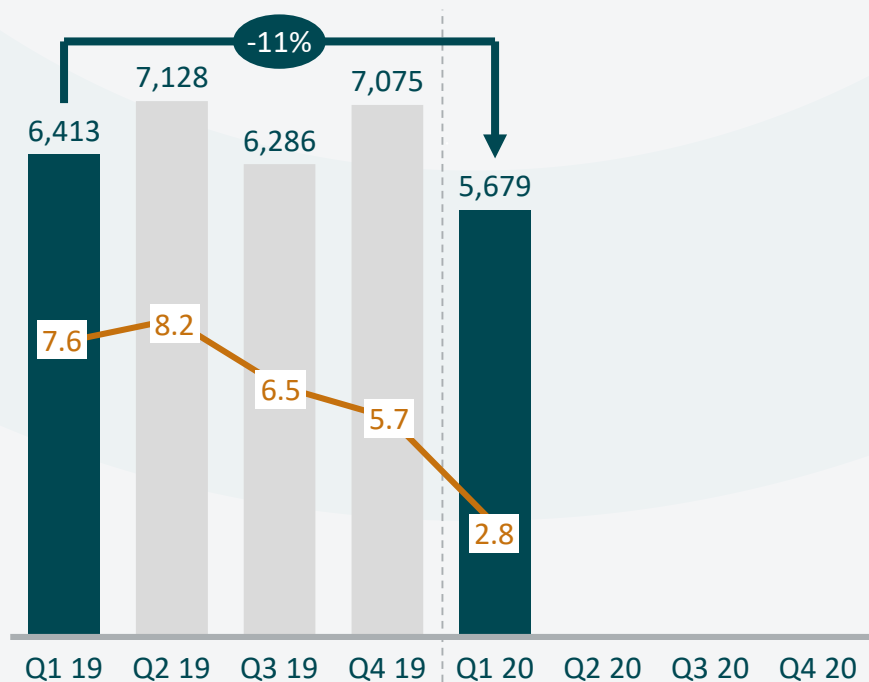
- First two months on track despite a weak European truck market.
- Key figures in March negatively influenced by the uncertainties and impacts resulting from COVID-19 pandemic; March represents seasonally the strongest month in Q1.
- Negative net cash flow (before the sale of Power Engineering) improved Y-o-Y by €208 mn in the Industrial Business despite the decline in operating income.

¹ Reported cash flow of €1,602 mn in Q1 2019, adjusted net cash flow of €-376 mn in Q1 2019 before the sale of Power Engineering (€1,978 mn) ² Reflecting closing balances, as of March 31, 2020
Note: Delta Q1 2020 vs. Q1 2019

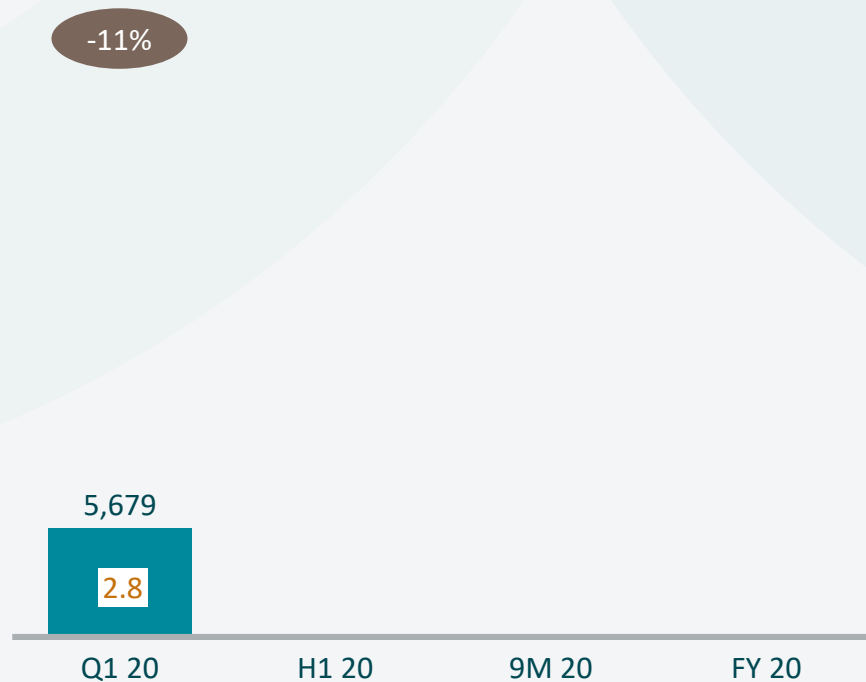
GROUP – SALES REVENUE AND RETURN ON SALES

SALES REVENUE (€mn)

Return on sales¹ (%)



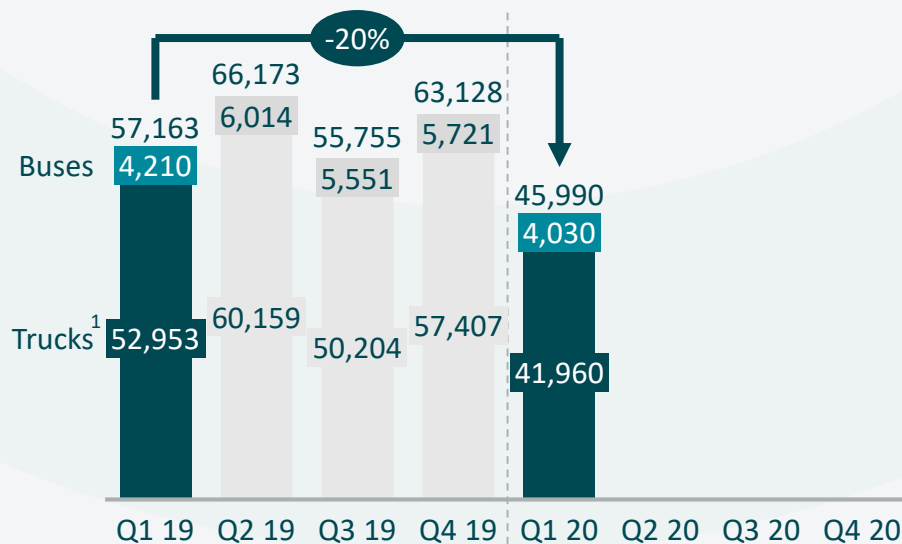
Growth Y-o-Y (%)



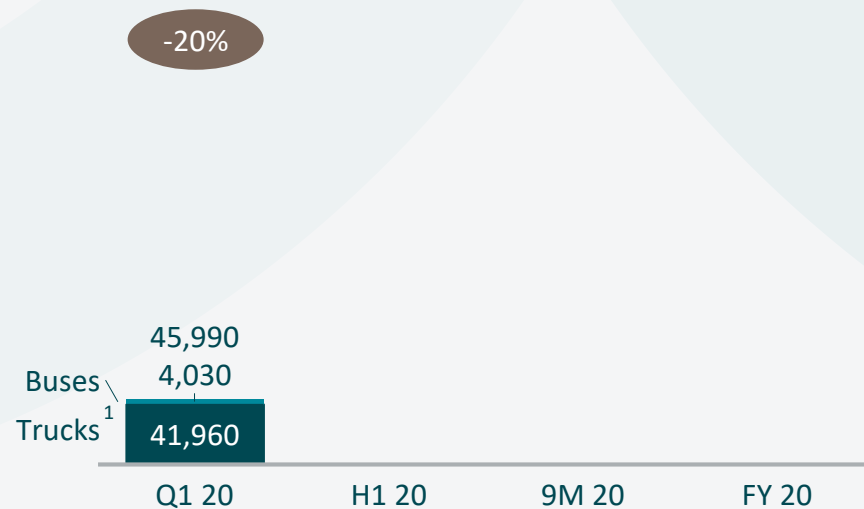
¹ Calculated as the ratio of operating profit to sales revenue

GROUP – UNIT SALES DEVELOPMENT

UNIT SALES (units)



Growth Y-o-Y (%)



- TRATON sustains its leading position in the truck segment in the EU27+3 region and Brazil.
- European truck market developed according to expectations in the first two months of 2020, but decline accelerated significantly in the second half of March. Growth in Brazil slowed significantly as COVID-19 pandemic started to spread in March.
- Trucks unit sales down by -21% in Q1 2020, trucks unit sales ex MAN TGE -23%.

¹ Including MAN TGE vans (units in 2019: Q1 3,122 / Q2 4,144 / Q3 2,845 / Q4 4,677, units in 2020: Q1 3,428)

GROUP – UNIT SALES GROWTH IN CORE MARKETS

Truck unit sales in core markets¹; 2020 (units)

Growth Q1 (Y-o-Y)

Market growth³

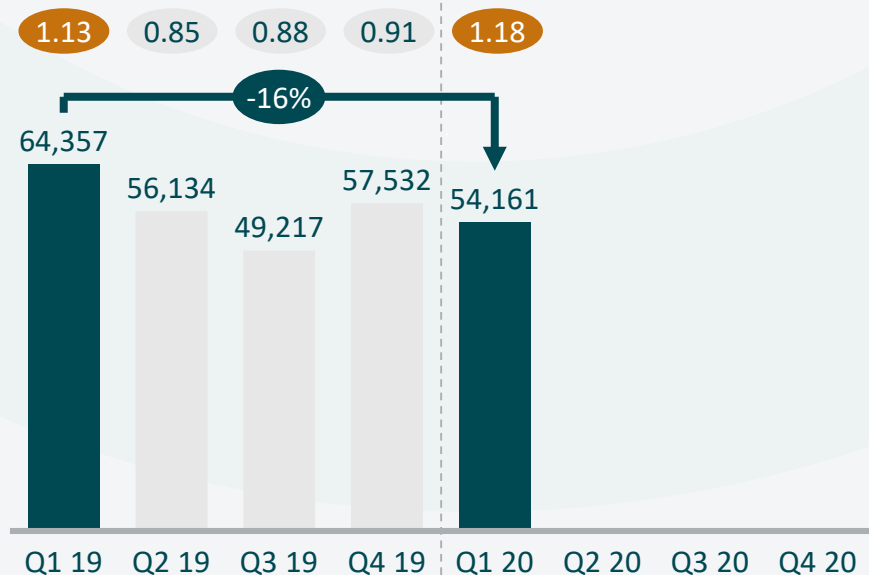


¹ Excluding MAN TGE vans ² EU27+3 region (defined as the EU27 countries with the exception of Malta, plus the United Kingdom, Norway, and Switzerland) ³ Information shown might include estimates or preliminary data; for EU27+3 and Germany data collected from ACEA provisional new registrations figures as at April 24, 2020, trucks > 16t; for Brazil data collected from ANFAVEA trucks > 6t as at April 06, 2020; South America own estimates

INDUSTRIAL BUSINESS – INCOMING ORDERS

INCOMING ORDERS (units)

Book-to-bill¹ (ratio in units)



Growth Y-o-Y (%)

-16%

54,161

1.18

Q1 19 Q2 19 Q3 19 Q4 19 Q1 20 Q2 20 Q3 20 Q4 20 Q1 20 H1 20 9M 20 FY 20

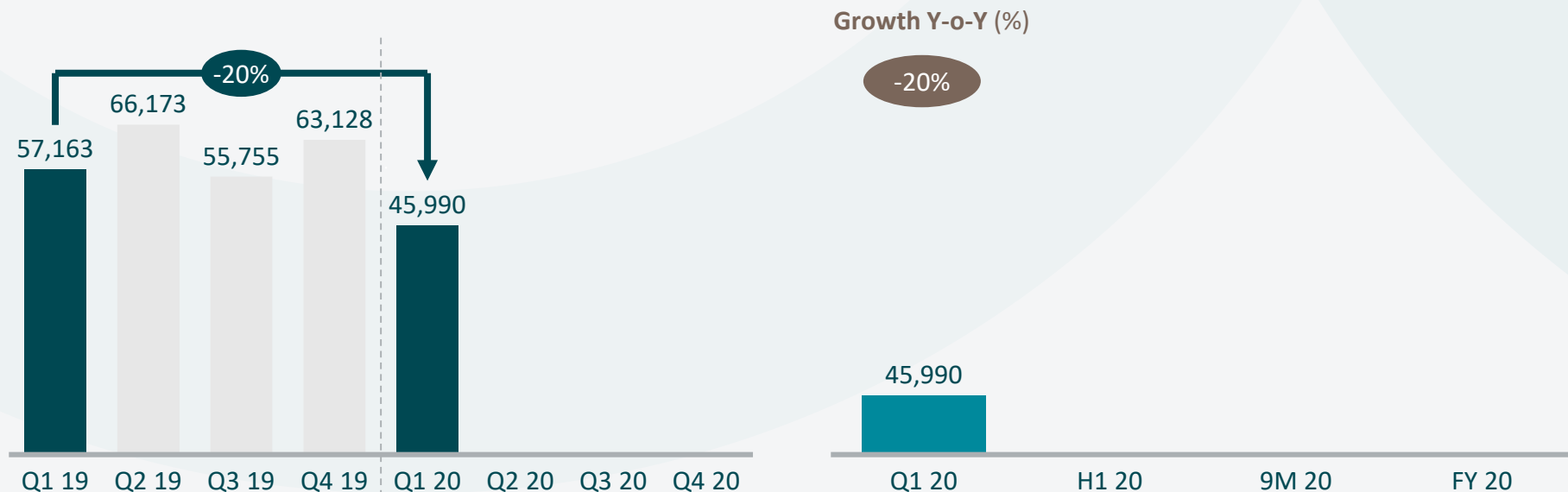


- Incoming orders declined but remained on relatively stable footing in Q1. March incoming orders in HDT down about 20% from February. However, incoming orders in April contracted significantly.
- Order backlog should last for several months when operations restart properly.

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

INDUSTRIAL BUSINESS – UNIT SALES

UNIT SALES (units)

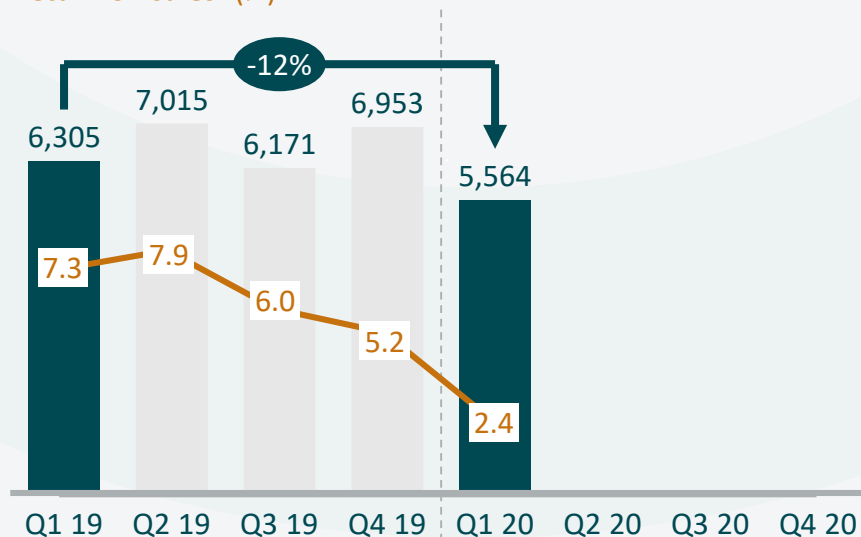


- European truck market developed according to expectations in the first two months of 2020, but decline accelerated significantly in the second half of March. Growth in Brazil slowed significantly as COVID-19 pandemic started to spread in March. Russia and South Africa saw also a decline in truck sales. Q1 saw continued growth of MAN TGE unit sales.
- Bus sales decreased by -4%, particular in the EU27+3 region, Mexico and South Africa. Positive development in Brazil.

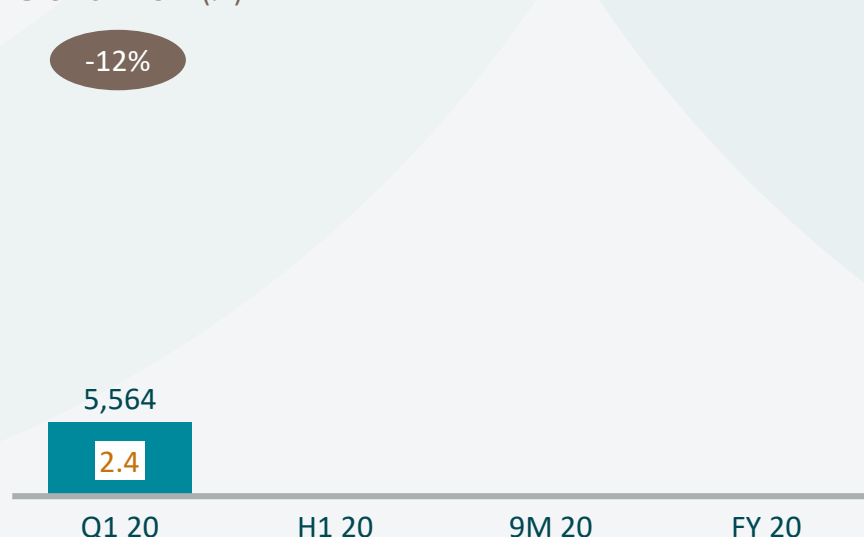
INDUSTRIAL BUSINESS – SALES REVENUE AND RETURN ON SALES

SALES REVENUE (€mn)

Return on sales¹ (%)



Growth Y-o-Y (%)



- Sales revenue less down than unit sales largely due to better product mix. After-sales grew slightly in Q1 (share at 23%).
- Return on sales impacted by declined sales revenue, additional costs due to the rollout of the new truck generation of MAN Truck & Bus and an increasingly difficult used vehicle business. In addition measures taken in connection with the COVID-19 pandemic - in particular the closings of plants - had a negative impact on sales revenue.

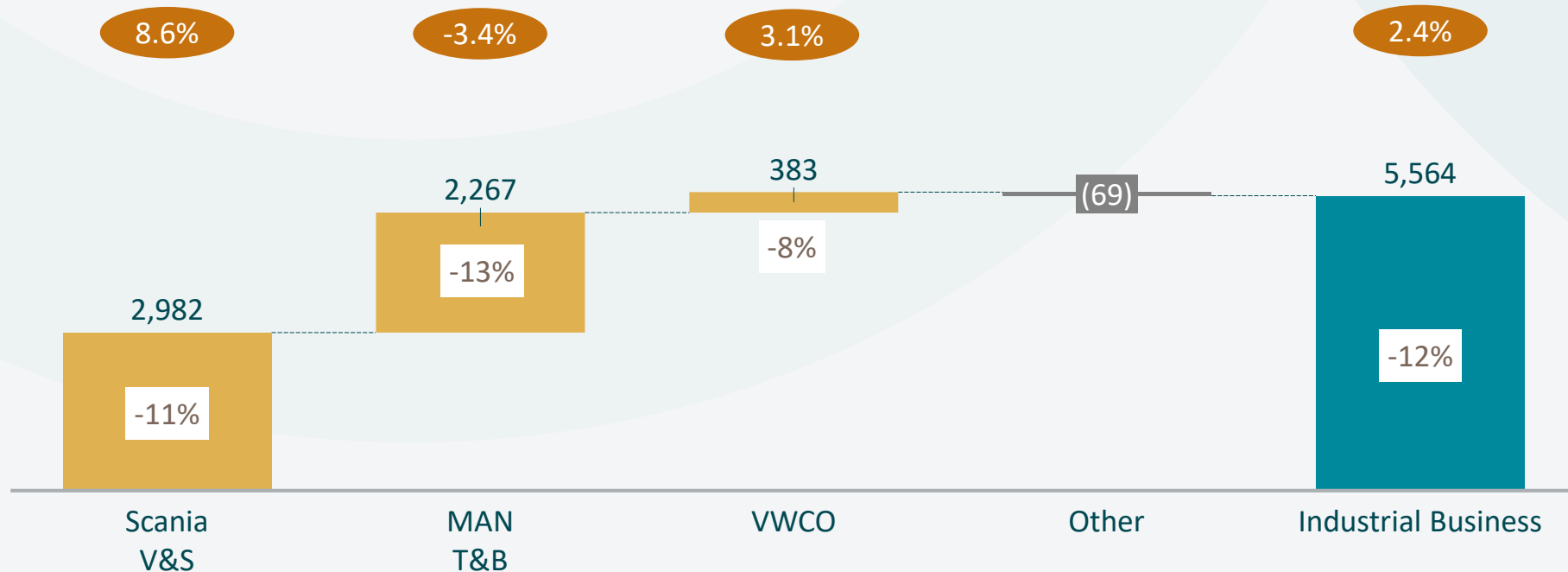
¹ Calculated as the ratio of operating profit to sales revenue

INDUSTRIAL BUSINESS – SALES REVENUE BY BRAND AND RETURN ON SALES

SALES REVENUE Q1 2020 (€mn)

Growth rate (%)

Return on sales¹ (%)

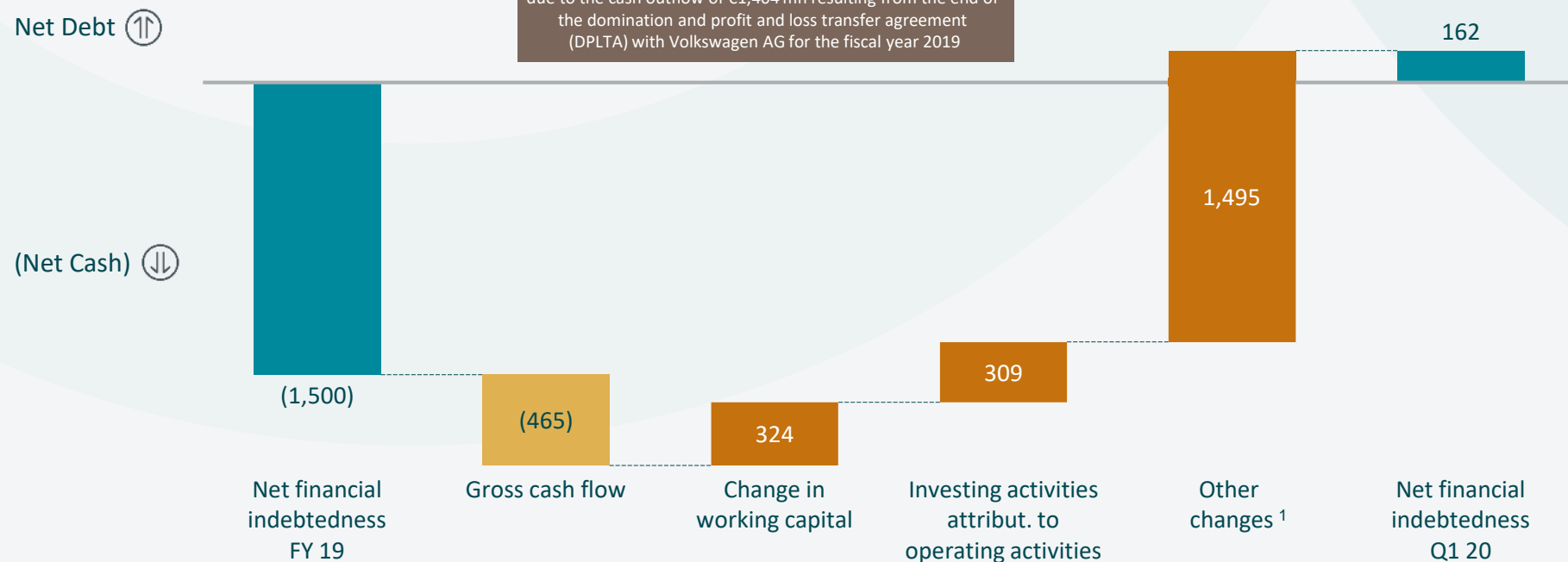


¹ Calculated as the ratio of operating profit to sales revenue

Note: Figures shown as at Q1 2020; percentage change calculated Y-o-Y, Q1 2020 vs. Q1 2019

INDUSTRIAL BUSINESS – INDEBTEDNESS

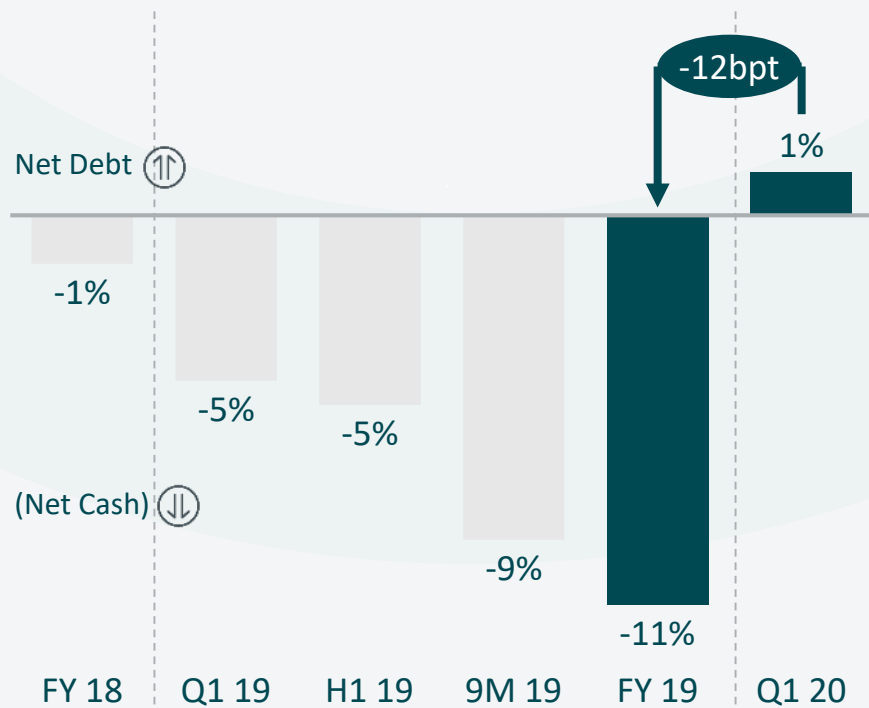
NET FINANCIAL INDEBTEDNESS [DEBT] / NET LIQUIDITY [CASH] BRIDGE (€mn)



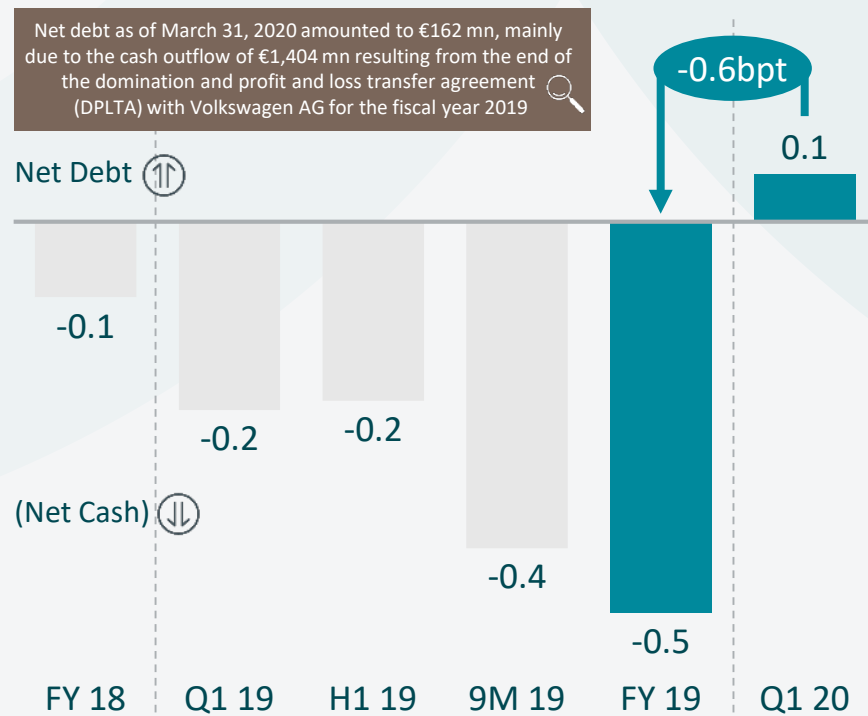
¹ Thereof cash outflow of €1,404 mn resulting from the end of the domination and profit and loss transfer agreement (DPLTA) with Volkswagen AG for the fiscal year 2019

INDUSTRIAL BUSINESS – LEVERAGE RATIOS

GEARING RATIO¹ (in %)



NET DEBT/ADJUSTED EBITDA² (x)



Note: Industrial Business net financial debt / (cash) 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

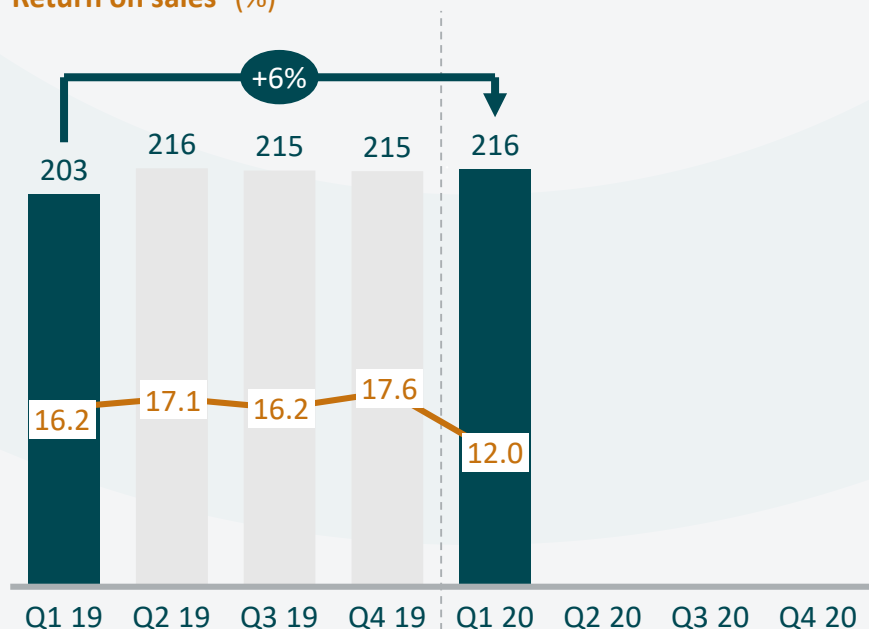
1 For Industrial Business: calculated as net liquidity/net financial debt divided by book value of equity 2 For Industrial Business: calculated as net liquidity/net financial debt divided by last twelve month adjusted EBITDA (actual quarter + last 3 quarters)

May 04, 2020 / Investor Relations / 3M 2020 Results

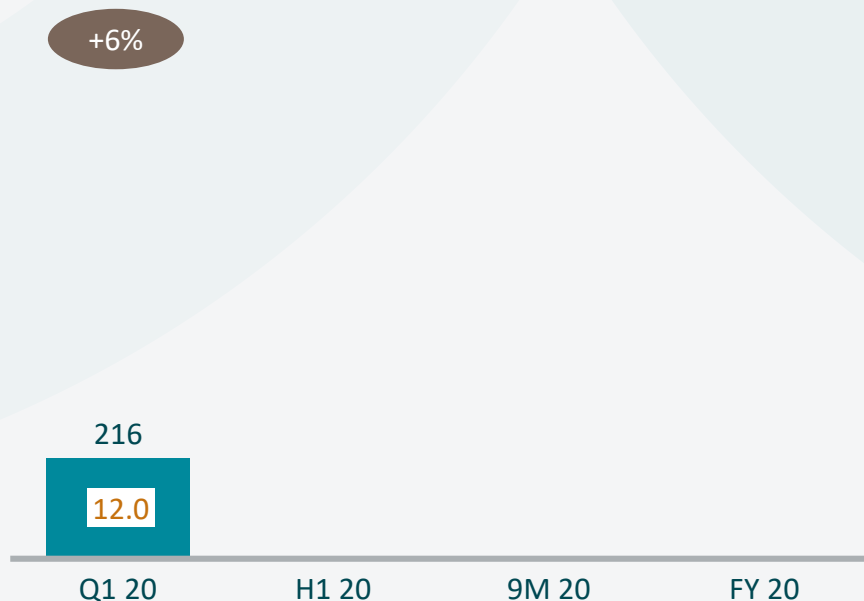
FINANCIAL SERVICES – SALES REVENUE AND RETURN ON SALES

SALES REVENUE (€mn)

Return on sales¹ (%)



Growth Y-o-Y (%)



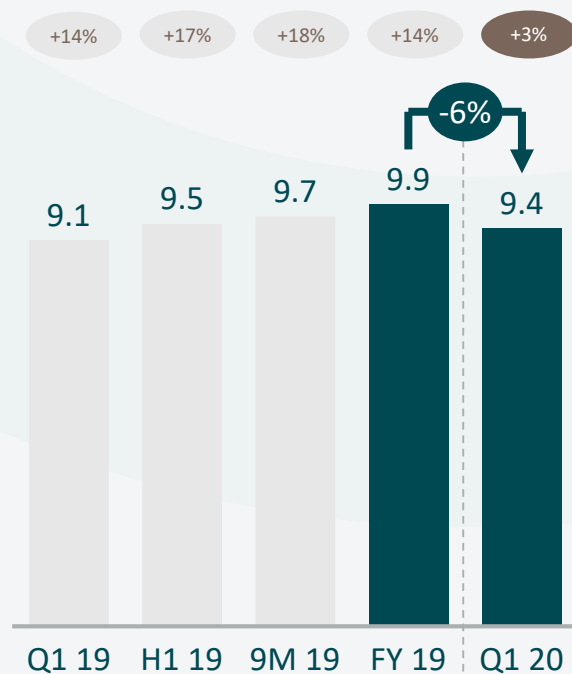
- Operating profit decreased in Q1 2020 by -21% to €26 mn. Portfolio growth positive, while lower margins and higher operating expenses as well as bad debts had negative effects.

¹ Calculated as the ratio of operating profit to sales revenue

FINANCIAL SERVICES – NET PORTFOLIO AND PENETRATION RATE

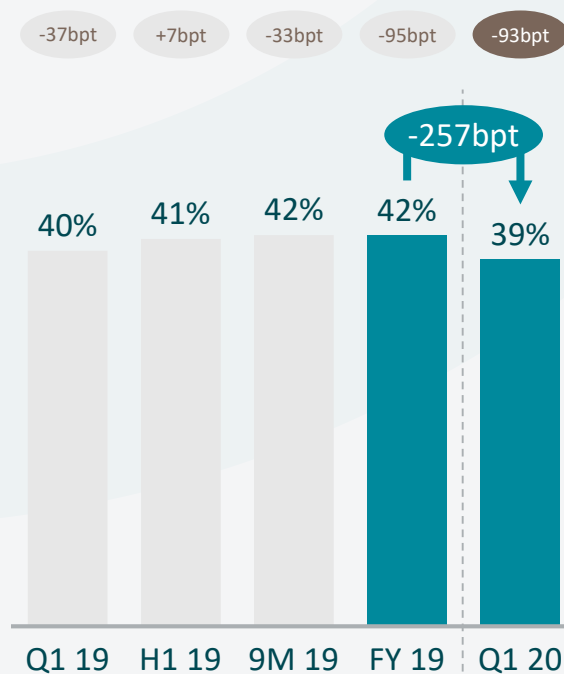
NET PORTFOLIO¹ (€bn)

Growth Y-o-Y (%)



PENETRATION RATE² (%)

Growth Y-o-Y (%)



COMMENTARY

- By the end of Q1 2020 the customer finance portfolio amounted to €9.4 bn. This represents an decrease of -6% compared to year end 2019, mainly resulting from negative currency effects.
- » • The penetration rate on new trucks stood at 39% in Q1 2020 (FY 2019: 42%) in those markets where Financial Services operates.
- Book value of equity decreased compared to year end to €933 mn (FY 2019: €971 mn).

¹ Reflecting closing balances; net portfolio defined as gross portfolio less bad debt provisions; growth excl. currency effects ² Trucks only

STATUS UPDATE

» Business outlook for FY 2020 currently not reliably possible

- The environment continues to be characterized by substantial uncertainties regarding the duration and severity of the disruptions.
- Impacts resulting from COVID-19 pandemic on customer demand, the supply chain and production can currently not be accurately forecasted.
- An updated prognosis on our business development in 2020 is therefore still not possible.
- However, TRATON expects a substantial decline in sales revenue and operating profit in the current quarter (Q2 2020); all core key performance indicators will be negatively affected.

Other topics

- » Proposal to acquire all outstanding common shares of Navistar - nothing to add than what has been publicly stated on January 30, 2020.
- » Merger squeeze-out of the non-controlling shareholders of MAN SE - planned as publicly stated on 28 February, 2020.

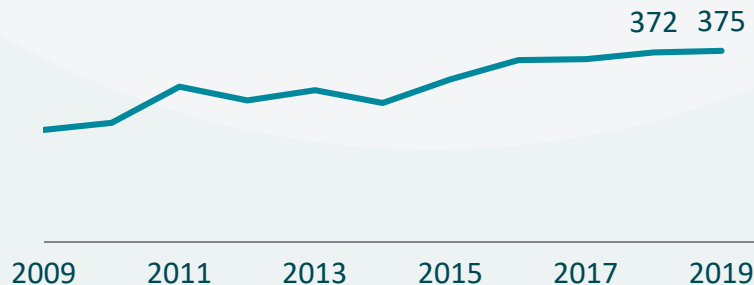


STATUS UPDATE – TRUCK MARKET

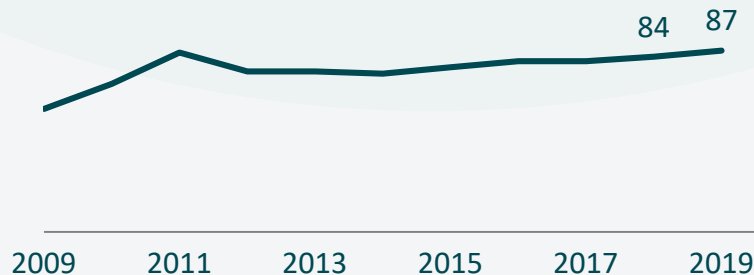
TRUCK MARKET DEVELOPMENT (> 6t, k units)



EU27+3¹



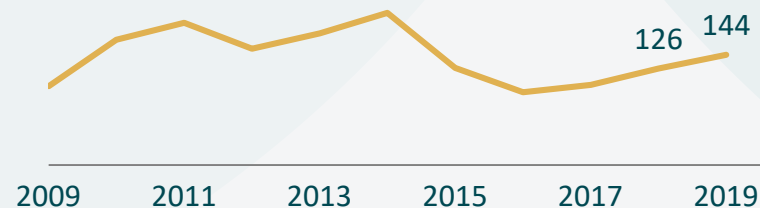

GERMANY



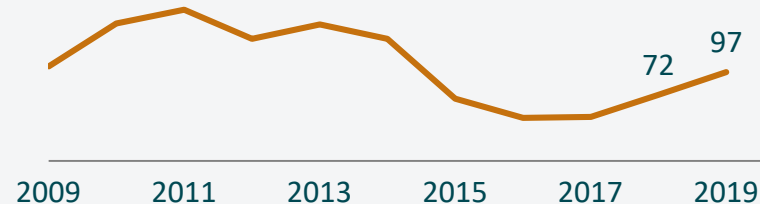
Economic effects of COVID-19 pandemic will impact the market development in 2020; a reliable forecast is currently impossible as announced on March 23, 2020 and confirmed on April 21, 2020



SOUTH AMERICA




BRAZIL



Source: Own calculation and estimates based on publicly available sources (ACEA, IHS Markit, ANFAVEA, ...)

¹ EU27+3 region (defined as the EU27 countries with the exception of Malta, plus the United Kingdom, Norway, and Switzerland), (> 6t)

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STATUS UPDATE – RECENT TRACK RECORD AND OVER-THE-CYCLE TARGET

Economic effects of COVID-19 pandemic will impact the market and business development in 2020; a reliable forecast is currently impossible as announced on March 23, 2020 and confirmed on April 21, 2020

		FY 2018	FY 2019	2020 Outlook	Over-the-cycle RoS target
Unit sales <i>(Units; Growth in %)</i>	➤	233.0k +14%	242.2k +4%	n.a.	
Group sales revenue <i>(in €bn; Growth in %)</i>	➤	€25.9 bn +6%	€26.9 bn +4%	n.a.	
Group return on sales <i>(in %; operating profit in €bn)¹</i>	➤	5.8% €1.5 bn	7.0% €1.9 bn	n.a.	9% Over-the-cycle RoS
Cash conversion rate <i>(in %; Industrial Business)²</i>	➤	14%	179%	n.a.	

Note: VGSG operations (sold as of January 2019) included in 2018

¹ FY 2018: adjusted RoS 6.4%, adjusted operating profit €1.7 bn; FY 2019: adjusted RoS 7.0%, adjusted operating profit €1.9 bn ² Calculated as the ratio of net cash flow to profit after tax; in FY 2019 and FY 2018, the cash conversion rate was impacted by a number of nonrecurring factors; FY 2019 reflected for example the proceeds from the disposal of the Power Engineering business

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Appendix

CONTACTS INVESTOR RELATIONS



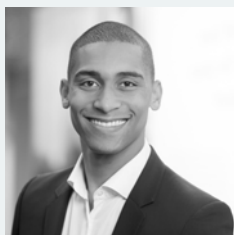
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FINANCIAL CALENDAR

DATE

EVENT / PUBLICATION OF

May 4, 2020

3M 2020 Quarterly Statement

July 31, 2020

Half-Yearly Financial Report 2020

November 2, 2020

9M 2020 Quarterly Statement



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SHARE DATA

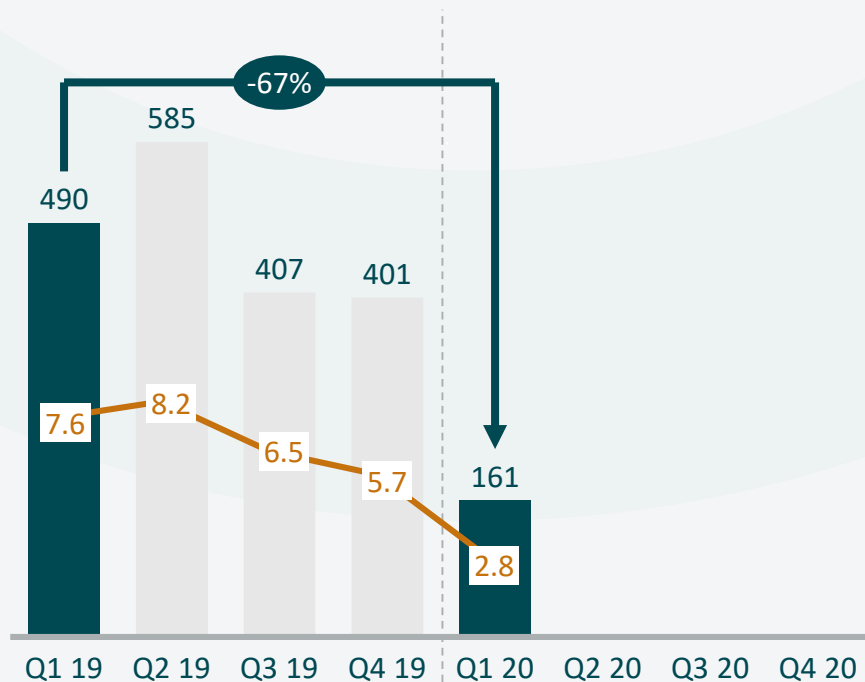
SHARE DATA

ISIN (International Securities Identification Number)	DE000TRATON7
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

GROUP – OPERATING PROFIT AND RETURN ON SALES

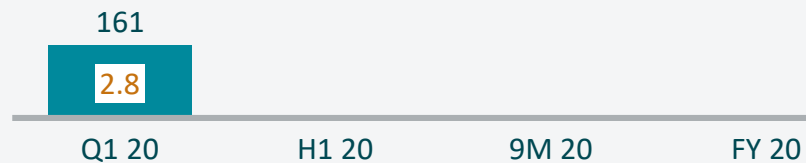
OPERATING PROFIT (€mn)

Return on sales¹ (%)



Growth Y-o-Y (%)

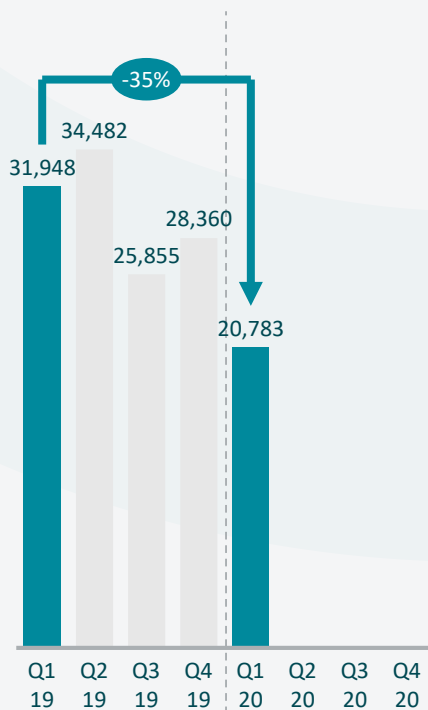
-67%



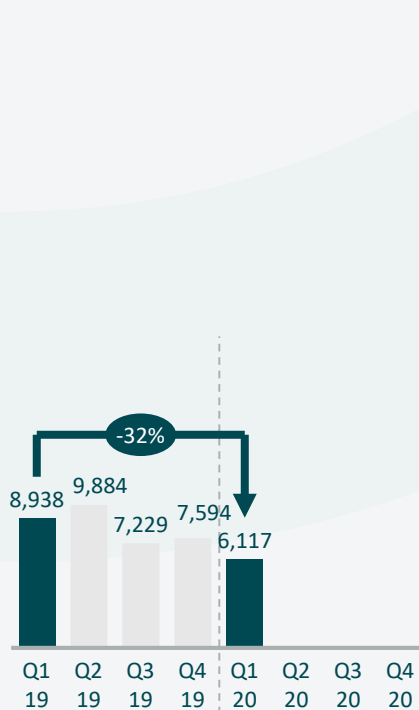
¹ Calculated as the ratio of operating profit to sales revenue

INDUSTRIAL BUSINESS – REGIONAL TRUCK UNIT SALES DEVELOPMENT¹

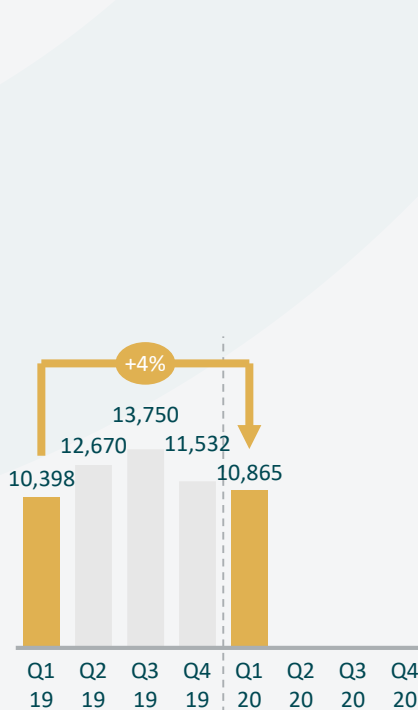
EU27+3² (units)



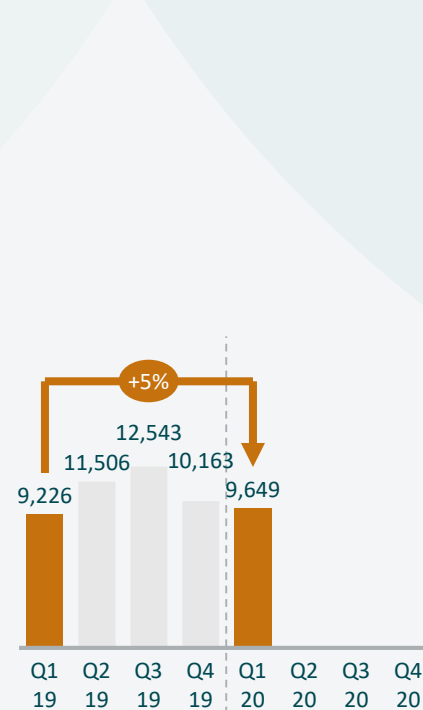
Germany (units)



South America (units)



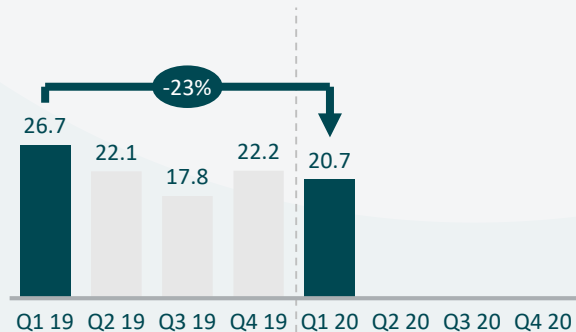
Brazil (units)



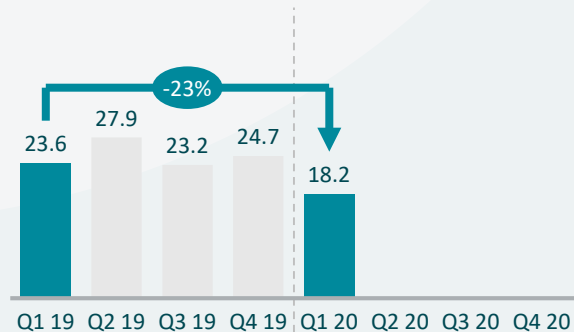
¹ Excluding MAN TGE vans 2 In connection with the exit of United Kingdom on January 31, 2020, the region "EU28+2" has been referred to as region "EU27+3" since 2020 (defined as the EU27 countries with the exception of Malta, plus the United Kingdom, Norway, and Switzerland)

SCANIA VEHICLES & SERVICES – KEY FIGURES PER QUARTER

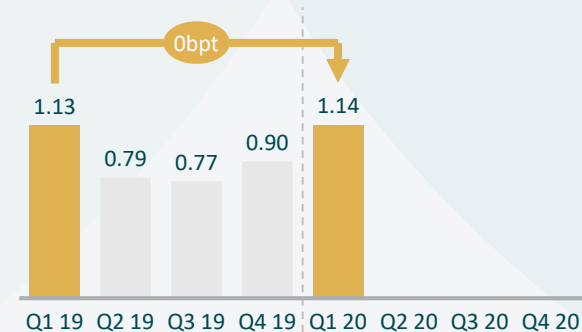
Incoming orders (k units)



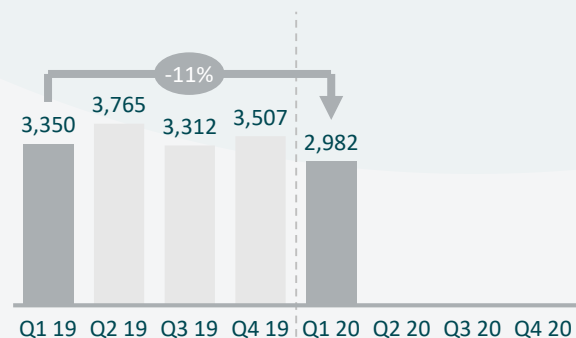
Unit sales (k units)



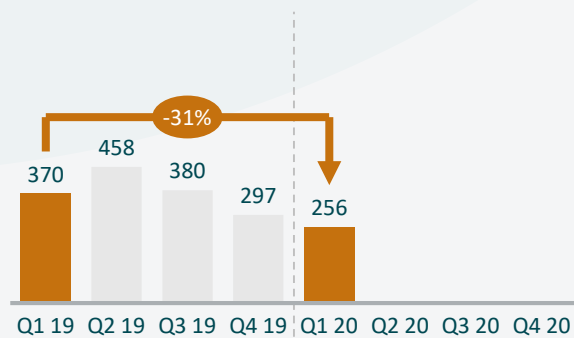
Book-to-bill¹ (ratio in units)



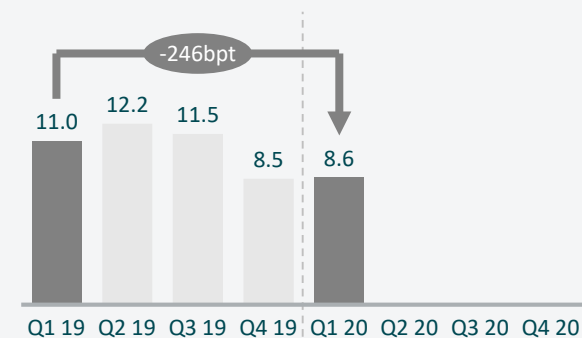
Sales revenue (€mn)



Operating profit (€mn)



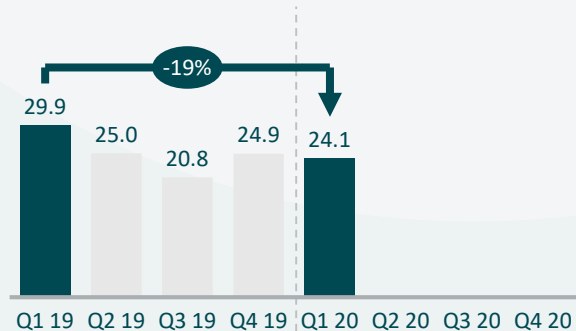
Return on sales² (%)



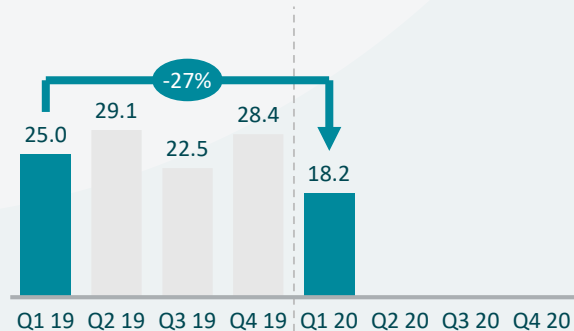
¹ Book-to-bill is defined as the ratio of trucks and bus units ordered to trucks and bus units delivered ² Calculated as the ratio of operating profit to sales revenue

MAN TRUCK & BUS – KEY FIGURES PER QUARTER

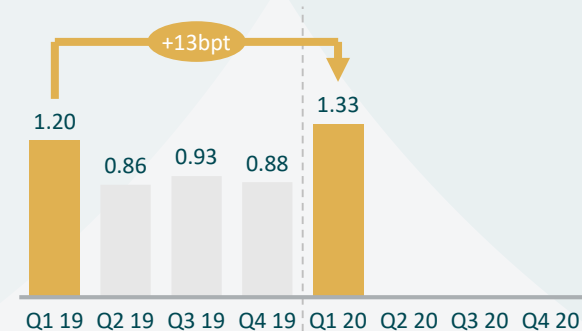
Incoming orders (k units)



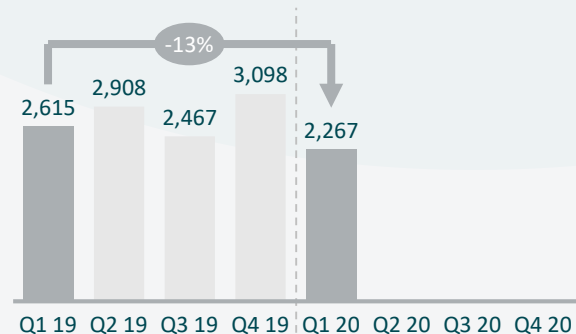
Unit sales (k units)



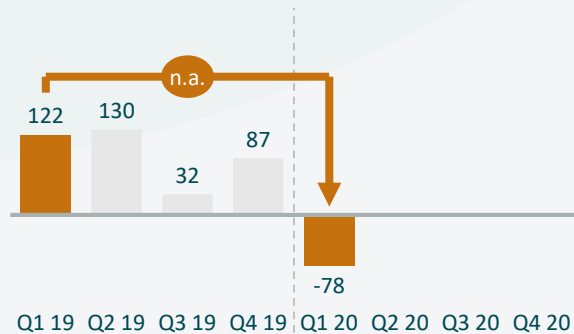
Book-to-bill¹ (ratio in units)



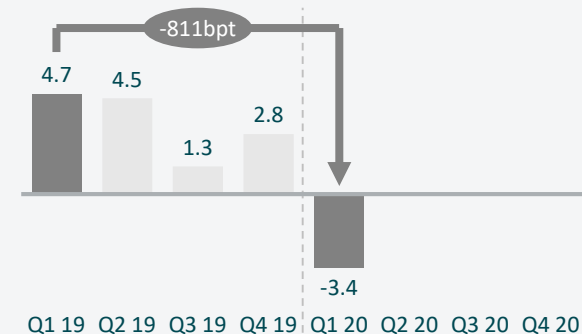
Sales revenue (€mn)



Operating profit (€mn)



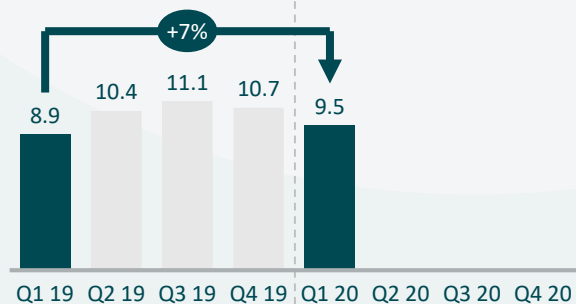
Return on sales² (%)



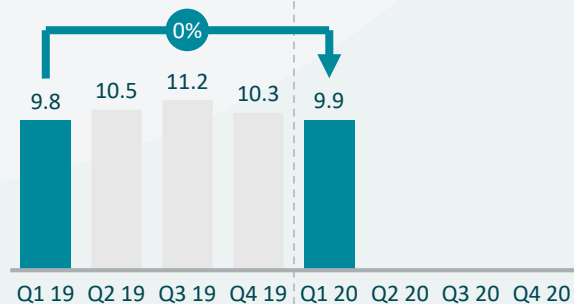
¹ Book-to-bill is defined as the ratio of trucks and bus units ordered to trucks and bus units delivered ² Calculated as the ratio of operating profit to sales revenue

VOLKSWAGEN CAMINHÕES E ÔNIBUS – KEY FIGURES PER QUARTER

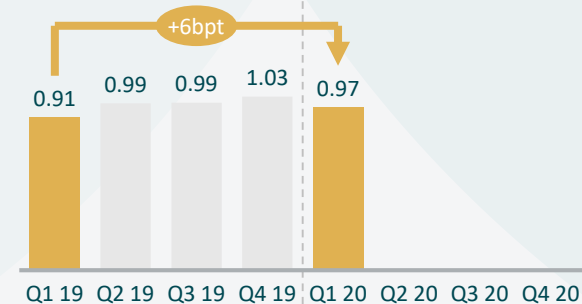
Incoming orders (k units)



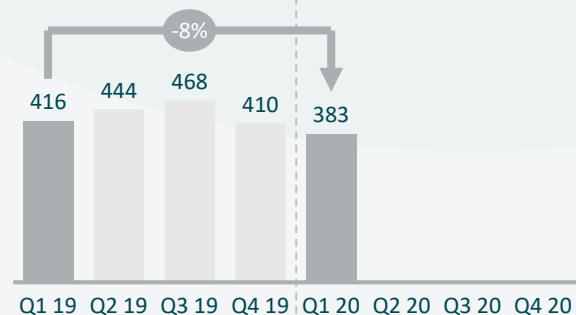
Unit sales (k units)



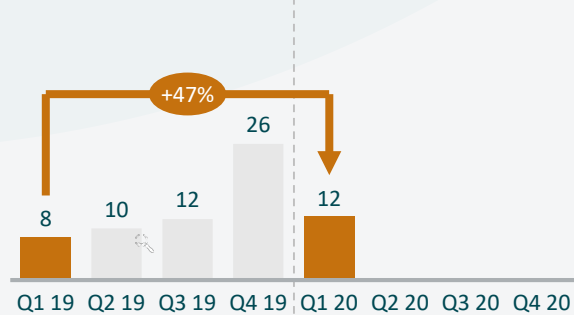
Book-to-bill¹ (ratio in units)



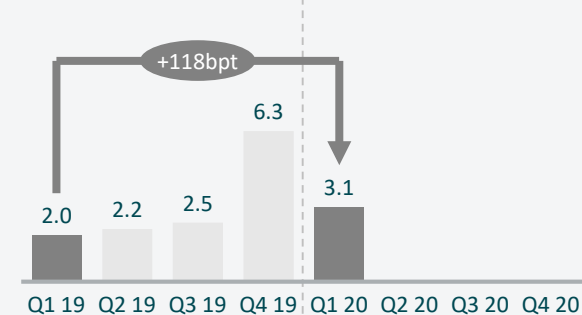
Sales revenue (€mn)



Operating profit² (€mn)



Return on sales^{2,3} (%)



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 ³ Calculated as the ratio of operating profit to sales revenue

GROUP – INCOME STATEMENT

€ million	3M 2020	3M 2019
Sales revenue	5,679	6,413
Cost of sales	-4,659	-5,109
Gross profit	1,020	1,304
Distribution expenses	-594	-580
Administrative expenses	-238	-259
Net impairment losses on financial assets	-27	-11
Other operating income	373	185
Other operating expenses	-373	-150
Operating profit	161	490
Share of profits and losses of equity-method investments	23	77
Interest income	18	20
Interest expense	-49	-70
Other financial result	-22	-9
Financial result	-30	17
Profit before tax	131	507
Income taxes	-35	-122
current	-86	-119
deferred	51	-3
Profit from continuing operations, net of tax	96	385
Loss from discontinued operations, net of tax	-	-2
Profit after tax	96	383
of which attributable to shareholders of TRATON SE	96	378
of which attributable to noncontrolling interests	-1	5
Earnings per share from continuing operations in € (diluted/basic)	0.19	0.76
Earnings per share from continuing and discontinued operations in € (diluted/basic)	0.19	0.76

GROUP – BALANCE SHEET: ASSETS

€ million	03/31/2020	12/31/2019
Noncurrent assets		
Intangible assets	6,372	6,755
Property, plant, and equipment	6,530	6,789
Assets leased out	6,858	7,119
Equity-method investments	1,406	1,365
Other equity investments	35	34
Noncurrent income tax receivables	30	44
Deferred tax assets	943	970
Noncurrent financial services receivables	4,587	4,871
Other noncurrent financial assets	316	130
Other noncurrent receivables	370	384
	27,447	28,461
Current assets		
Inventories	4,996	4,943
Trade receivables	1,852	2,144
Current income tax receivables	106	124
Current financial services receivables	2,906	3,120
Other current financial assets	542	338
Other current receivables	902	963
Marketable securities and investment deposits	1,783	3,178
Cash and cash equivalents	1,614	1,913
	14,701	16,722
Total assets	42,148	45,183

GROUP – BALANCE SHEET: EQUITY

€ million	03/31/2020	12/31/2019
Equity		
Subscribed capital	500	500
Capital reserves	20,275	20,241
Retained earnings	-4,055	-4,150
Accumulated other comprehensive income	-3,328	-2,727
Equity attributable to shareholders of TRATON SE	13,393	13,865
Noncontrolling interests	260	270
	13,653	14,134
Noncurrent liabilities		
Noncurrent financial liabilities	6,018	5,966
Provisions for pensions and other post-employment benefits	1,520	1,769
Noncurrent income tax payables	2	125
Deferred tax liabilities	757	787
Noncurrent income tax provisions	15	17
Other noncurrent provisions	1,139	1,225
Other noncurrent financial liabilities	2,567	2,604
Other noncurrent liabilities	1,950	2,034
	13,967	14,527
Current liabilities		
Current financial liabilities	5,959	6,531
Trade payables	2,470	2,472
Current income tax payables	137	153
Current income tax provisions	35	34
Other current provisions	815	869
Other current financial liabilities	1,542	2,837
Other current liabilities	3,569	3,626
	14,528	16,522
Total equity and liabilities	42,148	45,183

GROUP – CASH FLOW STATEMENT (1)

€ million	3M 2020	3M 2019
Cash and cash equivalents as of January 1	1,913	2,997
Profit before tax	131	507
Income taxes paid	-201	-132
Depreciation and amortization of, and impairment losses on, intangible assets, property, plant, and equipment, and investment property ¹	221	199
Amortization of, and impairment losses on, capitalized development costs ¹	57	45
Impairment losses on equity investments ¹	1	0
Depreciation of products leased out ¹	291	286
Change in pension obligations	-29	-21
Profit/loss on disposal of noncurrent assets and equity investments	4	-4
Share of the result of equity-method investments	-23	-77
Other noncash income/expense	98	7
Change in inventories	-365	-638
Change in receivables (excl. financial services)	103	-90
Change in liabilities (excl. financial liabilities)	160	192
Change in provisions	-39	-28
Change in products leased out	-183	-362
Change in financial services receivables	18	-271
Net cash provided by/used in operating activities	242	-385
Capital expenditures in intangible assets (excl. capitalized development costs) and in property, plant, and equipment	-219	-156
Additions to capitalized development costs	-92	-110
Capital expenditures to acquire other investees	-4	-5
Proceeds from the disposal of subsidiaries	-	1,978
Proceeds from the disposal of intangible assets, property, plant, and equipment, and investment property	5	12
Change in marketable securities and investment deposits	1,390	-1,004
Change in loans	4	9
Net cash provided by investing activities	1,084	724

GROUP – CASH FLOW STATEMENT (2)

Net cash provided by/used in operating activities	242	-385
Capital expenditures in intangible assets (excl. capitalized development costs) and in property, plant, and equipment	-219	-156
Additions to capitalized development costs	-92	-110
Capital expenditures to acquire other investees	-4	-5
Proceeds from the disposal of subsidiaries	-	1,978
Proceeds from the disposal of intangible assets, property, plant, and equipment, and investment property	5	12
Change in marketable securities and investment deposits	1,390	-1,004
Change in loans	4	9
Net cash provided by investing activities	1,084	724
Profit transfer to/loss absorption by Volkswagen AG	-1,404	4,161
Distribution of retained earnings	-	-3,250
Noncontrolling interest shareholders of MAN SE: compensation payments and acquisition of shares tendered	2	-1,063
Proceeds from the issuance of bonds	1,050	1,119
Repayment of bonds	-793	-299
Change in miscellaneous financial liabilities	-335	-1,129
Repayment of lease liabilities	-52	-32
Net cash used in financing activities	-1,533	-494
Effect of exchange rate changes on cash and cash equivalents	-92	12
Change in cash and cash equivalents	-299	-143
Cash and cash equivalents as of March 31	1,614	2,854

¹ Net of impairment reversals

GROUP – NET LIQUIDITY

€ million	TRATON GROUP		Industrial Business	
	03/31/2020	12/31/2019	03/31/2020	12/31/2019
Cash and cash equivalents	1,614	1,913	1,551	1,853
Marketable securities, investment deposits, and loans to affiliated companies	1,793	3,195	1,794	3,288
Gross liquidity	3,407	5,108	3,345	5,141
Total third-party borrowings	-11,977	-12,497	-3,507	-3,641
Net liquidity/net financial debt	-8,569	-7,390	-162	1,500

GROUP – ADJUSTMENTS

Adjustments (€mn)	2016	2017	2018	2019	3M 2020
OPERATING PROFIT	727	1,512	1,513	1,884	161
Expense for antitrust proceedings (Scania)	403				
Release of restructuring provisions at MAN Truck & Bus		-50			
Expenses in relation to India market exit at MAN Truck & Bus			137		
Recognition and release of restructuring provisions at VWCO	58			-13	
OPERATING PROFIT (ADJUSTED)	1,188	1,462	1,650	1,871	161