



MAN TURBO realises further growth – successful business development during 2004 – another improved result Oberhausen, May 2005

- MAN TURBO is one of the five core business units of MAN AG
- Increase in orders received and sales
- Order book at record level
- Looking ahead to 2005

During fiscal 2004, the MAN TURBO Group achieved all its targets. This successful business development has served to endorse our balanced product range and the clear focus of our technology on growth markets. It also consolidates the position of the MAN TURBO Group as one of the global leaders in the sector. At € 36 million (previous year: € 29 million), the operating result (EBIT) amounted to 5.5 % of sales.

- MAN TURBO is one of the five core business units of MAN AG

The MAN TURBO Group is now one of the five core business units of MAN AG, Munich (alongside MAN Nutzfahrzeuge, MAN B&W Diesel, MAN Roland and MAN Ferrostaal). By giving the MAN TURBO Group this status, the parent company has emphasised the Group's industrial competence and given support to its further expansion and growth strategy.

- Increase in orders received and sales

The MAN TURBO Group was able to increase its new orders received in fiscal 2004 to a total of € 675 million (previous year: € 658 million). This represents the highest volume of new orders ever received, and reflects the Group's dynamic growth. New orders also highlight the Group's international orientation. In regional terms Asia, and in particular the People's Republic of China, were again outstandingly important.

Despite the euro's negative position against the dollar, new construction orders rose again during fiscal 2004 in comparison with the previous year. With an export quota well above 80 %, MAN TURBO remains a highly export-orientated company.

The highest growth in order volumes came primarily from the basic industry and the industrial gases division, and specifically from Asia. MAN TURBO sees growth opportunities especially in the supply of turnkey turbomachine sets and fully erected and tested machine units.

The Group enjoys sizeable market shares in these applications, in particular in terephthalic acid plants, in the fertilizer industry and in ammonia plants. It was possible to sell globally over 20 complete turbomachinery trains and large machine units during fiscal 2004.

MAN TURBO AG
Unternehmenskommunikation
Steinbrinkstr. 1
46145 Oberhausen

Bei Rückfragen
Konstanze Buhl
Tel. +49. 201. 877-6608

buhl@presse@aol.com
www.manturbo.com

Demand for gas turbines rose significantly in comparison with the previous year, with this success coming primarily from the continuous increase in the output and efficiency of industrial gas turbines. A German customer ordered three 26 MW gas turbines with attendant pipeline compressors from MAN TURBO. This brought the number of machines installed at this customer alone to 15 gas turbines and 17 compressors.

Strong growth of 16 % in sales in comparison with the previous year, was achieved thanks to the full order book. This rise in sales came primarily from new construction orders. One new construction order involved things a machine set for a gas liquefaction plant in Qatar. The capability to manufacture and test large trains as well as produce the packaging reliably was an important criterion for the award of this order. For this plant, MAN TURBO supplied the largest axial compressors ever built anywhere in the world.

- Order book at record level

The order book was even fuller than the peak levels seen in 2003. It totalled € 469 million (previous year: € 450 million), a new high for the MAN TURBO GROUP. This extremely full order book makes a major contribution towards securing turnover and jobs in fiscal 2005. All the MAN TURBO production locations can report good to excellent capacity utilisation.

- Looking ahead to 2005

For fiscal 2005, the MAN TURBO Group expects new orders at the same level as last year. Against the background of the full order book at the start of the new financial year and the action taken to optimise business processes, the MAN TURBO Group intends to further increase both sales and the result.

With new orders received of € 200 million during the first quarter of 2005 (January to March), things are already looking very good. In new construction in particular, new orders received are up 36 % compared with the same period last year. The Swiss company has made a particular contribution (approx. € 90 million), and operating activities in the USA, via the US sales subsidiary in Houston/Texas, have also made a good start to the year.

The global project situation provides optimum criteria for further successful development. With its extensive project range, its global sales network and its ability to offer complete trains with the associated drive machines, MAN TURBO is well equipped to confront these challenges.

MAN TURBO GROUP

€million

	2004	2003	Change in %
New orders	675	658	+ 2.6
Sales	659	567	+ 16.2
Employees as of 31.12(no.)	2,472	2,494	- 0.9
Capital expenditures	17	11	+ 54.5
EBIT	36	29	+ 24.1