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TRATON GROUP faces shortages in supply of semiconductors and other bought-in parts

- ▶ All brands affected but to a varying extent: determined by supplier network, vehicle specifications, and customer demand
- ▶ TRATON GROUP brands continue to focus on delivering vehicles to customers as quickly as possible despite supply constraints
- ▶ Close communication with tier 1 and tier 2 suppliers is being intensified further
- ▶ The supply shortages are likely to have a significant impact on unit sales in the third quarter of 2021; the issues are currently expected to continue into and beyond the fourth quarter

Munich, September 22, 2021 – Since the end of August, the ongoing shortages in the supply of semiconductors and other key bought-in parts have also been having a growing impact on the TRATON GROUP and resulting in lower unit sales volumes. The shortages are affecting all brands – including the Company’s new subsidiary Navistar – but to a varying extent determined by their supplier network, specifications of the individual vehicles, and customer demand. Each brand further intensified its measures to monitor the supplier network to be able to respond to delays and cancellations as swiftly as possible. Recently, severe difficulties in the supply of semiconductors have been primarily attributable to rising COVID-19 cases in Malaysia and the lockdown that followed. Malaysia is an important hub as many chip companies relevant to the automotive industry have their production there.

“We have ramped up existing measures in order to mitigate the supply bottlenecks as much as possible. There is a lot of demand for trucks from our customers right now, in the aftermath of the COVID-19 economic slump, and we believe they should get their vehicles as quickly as possible. Having said that, it is not just the semiconductor issues stretching global supply chains at the moment – it is also the shortage of numerous other products. This is having a detrimental impact on our unit sales, especially the September figures. We expect this situation to continue throughout the remaining months of this year and into the following year. We are continuously optimizing our processes to counteract this development,” said **Matthias Gründler, CEO of the TRATON GROUP.**

The brands not only intensified their communication with tier 1 suppliers, but also tier 2 suppliers. In order to prevent long waiting times for customers, control units, which are partly affected by the shortages, are being removed from finished vehicles that are yet to be sold and

installed in vehicles on order. Warehouse vehicles are then retrofitted with control units as soon as possible to best manage the impact this could have on inventory. The brands' purchasers closely coordinate both within and outside of the TRATON GROUP with the aim of quickly closing any gaps in supply.

Nevertheless, we expect unit sales in the third quarter of 2021 to be significantly lower than planned. Looking at the third quarter, a period that already tends to be affected by seasonal factors, this means that these supply chain difficulties will have a stronger impact than expected. The situation in the fourth quarter of 2021 is likely to develop similarly given the ongoing problems in the supply chains. The high volatility in the supply chain is making any statements on the remaining months of the year and further ahead difficult.

TRATON SE is expected to publish a report detailing its performance in the first nine months of 2021 on October 28. The statement will also see Navistar consolidated for the first time since its merger with TRATON. The TRATON GROUP's guidance, which is to be updated with the 9M interim statement, will then also include Navistar as a member of the TRATON family.

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With its brands Scania, MAN, Volkswagen Caminhões e Ônibus, Navistar, and RIO, TRATON SE is one of the world's leading commercial vehicle manufacturers. Its range includes light-duty commercial vehicles, trucks, and buses. The Group aims to reinvent transportation — with its products, its services, and as a partner to its customers. For TRATON, sustainable economic growth always includes treating people and nature with respect. The People, Planet, and Performance triad will shape the future of our Company.

