

DAIMLER

Q1 2017 Results

Bodo Uebber

Member of the Board of Management

Finance & Controlling and Daimler Financial Services

April 26, 2017

Contents

Results for Q1 2017

Outlook for 2017

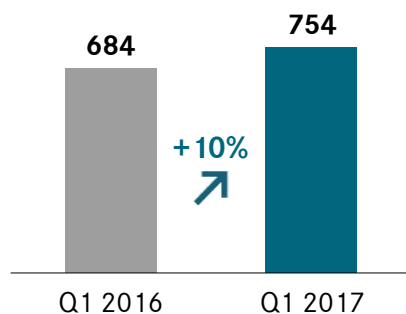
Development at the divisions



Highlights of Q1 2017

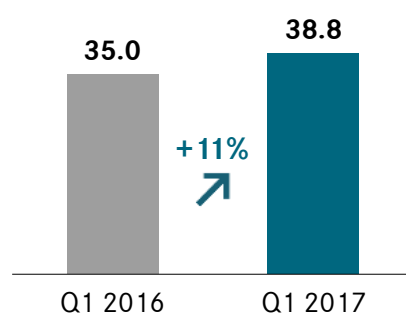
Unit sales

- in thousands of units -



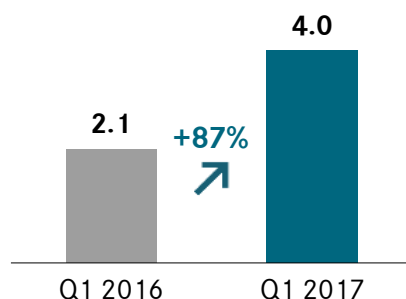
Revenue

- in billions of euros -



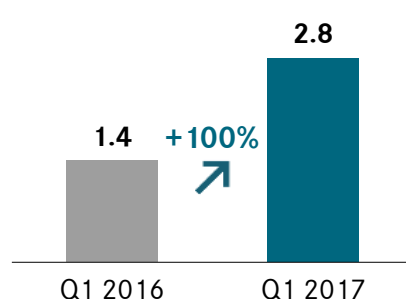
EBIT

- in billions of euros -



Net profit

- in billions of euros -



Completion of the E-Class model family with the new E-Class Coupé and E-Class Cabriolet

Start of production of the newly redesigned Mercedes-Benz GLA compact SUV

Presentation of the new pickup Mercedes-Benz Concept X-CLASS study at the Geneva Motor Show

Launch of Truck Data Center and the new digital services Mercedes-Benz Uptime and FleetBoard Manager

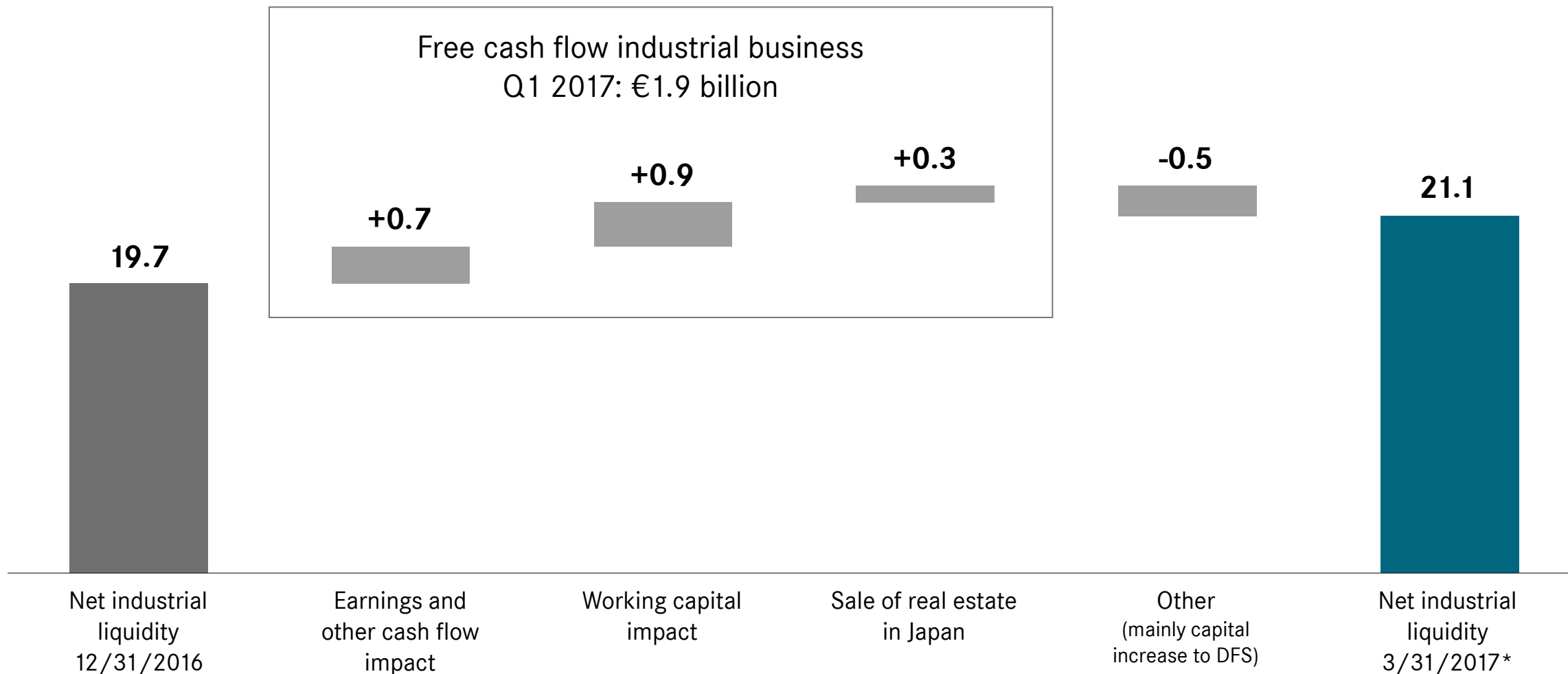
Strategic investment in charging solution provider ChargePoint

Strengthening of the digital mapping business of HERE by involvement of new investors (Intel, Chinese investor consortium)

Investments in PayCash Europe for electronic payment services and launch of services of AutoGravity for digital vehicle financing

Continued high level of net industrial liquidity

- in billions of euros -



* dividend of €3.5 billion not paid out until April

Strong financial and balance sheet figures support our financial strength and A-rating

Daimler Group	Dec. 31, 2016	March 31, 2017
Equity ratio	22.9%	23.6%
Gross liquidity	21.7	21.6
Funded status of pension obligations	-7.8	-7.7
Industrial business		
Equity ratio	44.7%	45.3%
Net liquidity	19.7	21.1
Free cash flow (January-March)	0.3	1.9

in billions of euros

Double-digit growth in units sales of passenger cars, vans and buses

	Q1 2016	Q1 2017	% change
Daimler Group	683.9	754.3	+10
of which			
Mercedes-Benz Cars	496.8	568.1	+14
Daimler Trucks	105.7	94.0	-11
Mercedes-Benz Vans	76.6	86.8	+13
Daimler Buses	4.8	5.4	+12

in thousands of units

Mercedes-Benz Cars: product highlights

The new GLA compact SUV celebrated its world premiere



Mercedes-Benz Cars: product highlights

The new E-Class Coupé and Cabriolet complete the E-Class family



Mercedes-Benz Cars: product highlights

Presentation of the Mercedes-AMG GT Concept hybrid show car



Daimler Trucks: product highlights

First Mercedes-Benz Actros with Active Brake Assist 4 and Sideguard Assist in use



Daimler Trucks: product highlights

Customer trial with small series of the Mercedes-Benz Urban eTruck



Daimler Trucks: product highlights

The new Cascadia, Freightliner's flagship in heavy-duty class 8



Mercedes-Benz Vans: product highlights

Presentation of the new Mercedes-Benz Concept X-CLASS pickup



Mercedes-Benz Vans: product highlights

Investment in Starship Technologies – the leading manufacturer of delivery robots

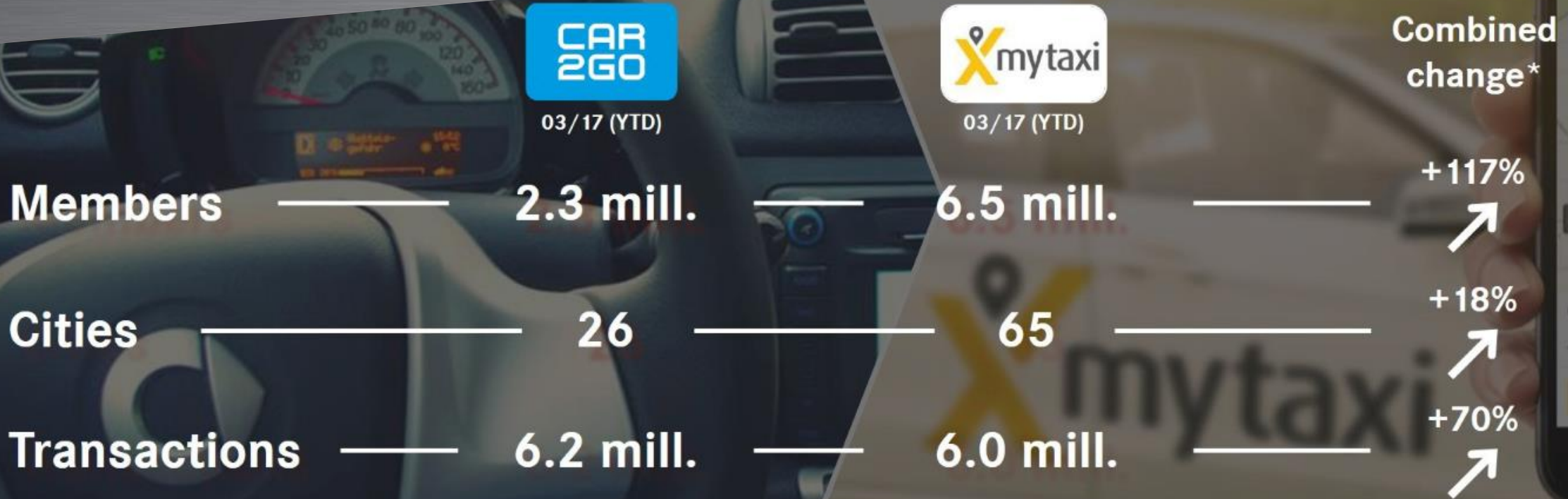


Daimler Buses: product highlights

Strong complete bus business – positive development of long-distance coach business in Europe



Daimler Financial Services: highlights Mobility Services



* car2go and mytaxi (w/o Taxibeat) combined 03/17 (YTD) vs. 03/16 (YTD)



FLIXBUS



BLACKLANE



MOOVEL

Daimler Financial Services connects passenger car fleets

New connectivity services for company fleets

Bundling expertise in fleet connectivity

New “connect business” service in addition to Mercedes me

Vehicle monitoring & maintenance service

Vehicle logistic services

Optimization of existing services and increase of efficiency

Integration via web-based front end or standardized interface



Revenue by division

	Q1 2016	Q1 2017	% change
Daimler Group	35.0	38.8	+11
of which			
Mercedes-Benz Cars	20.0	22.7	+14
Daimler Trucks	8.2	7.9	-3
Mercedes-Benz Vans	2.8	3.0	+6
Daimler Buses	0.8	0.9	+8
Daimler Financial Services	4.9	5.9	+22
Contract volume of Daimler Financial Services*	132.6	135.0	+2

in billions of euros

* figures as of December 31, 2016 and March 31, 2017

Revenue by region

	Q1 2016	Q1 2017	% change
Daimler Group	35.0	38.8	+11
of which			
Europe	14.2	16.2	+14
<i>of which Germany</i>	5.3	5.7	+9
NAFTA	10.6	11.1	+4
<i>of which United States</i>	9.4	9.7	+3
Asia	8.2	9.1	+10
<i>of which China*</i>	3.7	4.2	+15
Other markets	2.0	2.4	+19

in billions of euros

* excluding revenue of not fully consolidated companies

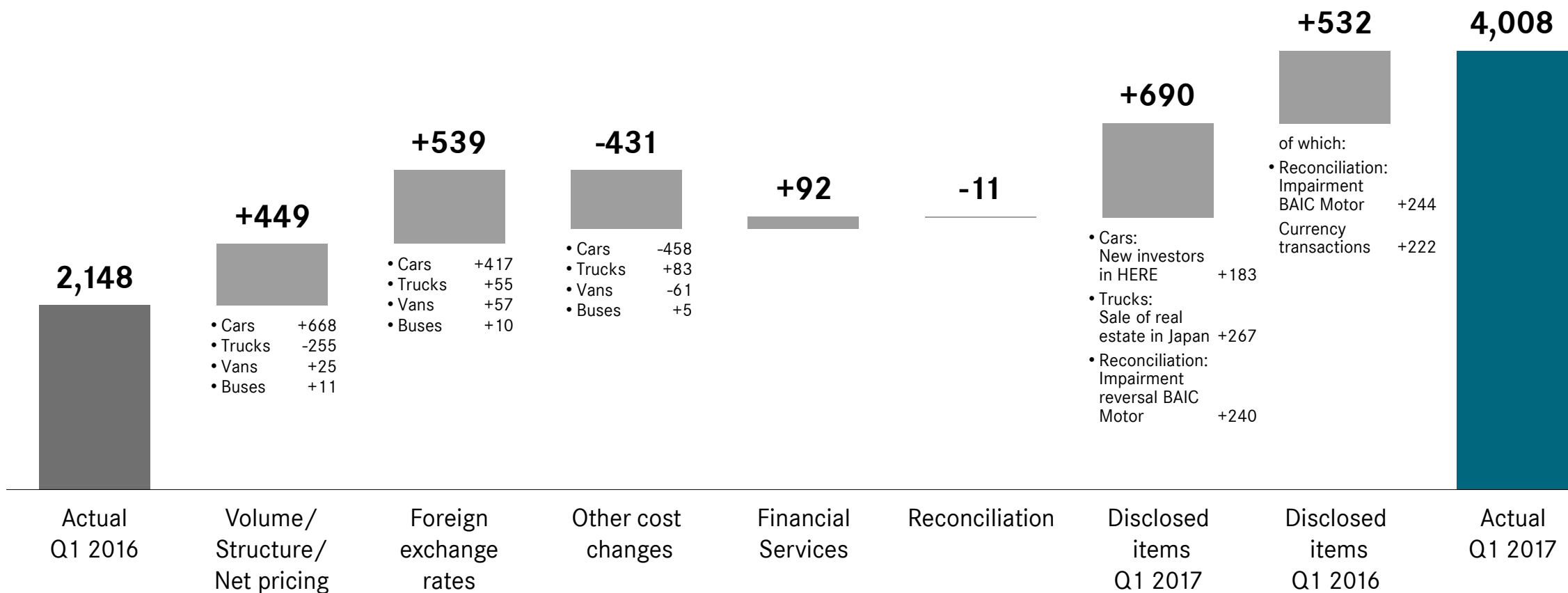
EBIT by division

- EBIT in millions of euros; RoS in % -	Q1 2016		Q1 2017	
	EBIT	RoS*	EBIT	RoS*
Daimler Group	2,148	5.7	4,008	10.6
of which				
Mercedes-Benz Cars	1,395	7.0	2,234	9.8
Daimler Trucks	516	6.3	668	8.4
Mercedes-Benz Vans	301	10.7	357	11.9
Daimler Buses	39	4.7	65	7.2
Daimler Financial Services	432	-	524	-
Reconciliation	-535	-	160	-

* Return on sales; Daimler Group excluding Daimler Financial Services

Group EBIT in Q1 2017

- in millions of euros -



Contents

Results for Q1 2017

Outlook for 2017

Development at the divisions



Mercedes-Benz Cars and Vans: continued product offensive



E-Class Coupé



E-Class All Terrain



S-Class facelift



E-Class Cabriolet

Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
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2017

2018



GLA facelift



smart fortwo electric drive



smart cabrio electric drive



AMG GT Roadster
















smart forfour electric drive



Premium Pickup X-Class

Assumptions for automotive markets in 2017

Car markets	Global	 +1 to 2%
	Europe	 slight growth
	USA	 around the prior-year level
	China	 slight growth
Medium- and heavy-duty truck markets	NAFTA region	 around -5%, with Class 8 weaker than Class 6-8
	EU30	 around the prior-year level
	Japan*	 around the prior-year level
	Brazil	 slight decrease
	Indonesia*	 slight increase
Van markets	EU30	 slight growth
	USA	 around the prior-year level
Bus markets	EU30	 slight growth
	Brazil	 significant growth from low level

* including light-duty trucks

2017 sales outlook



Mercedes-Benz Cars



Significantly higher unit sales

Further growth particularly in China and Europe

Strong momentum especially from new E-Class models and SUV portfolio



Daimler Trucks



Unit sales around the prior-year level

Unit sales around the prior-year level in Europe, North America and Japan

Sales in Brazil around the low level of prior year; sales increase in India



Mercedes-Benz Vans



Significantly higher unit sales

Significant growth in core market EU30

Continued momentum from “Mercedes-Benz Vans goes global” strategy



Daimler Buses



Significantly higher unit sales

Maintain market leadership in core markets

Moderate growth in EU30 region, significant sales increase in Brazil

2017 outlook for EBIT

DAIMLER



We expect Group EBIT for FY 2017 to increase significantly based on the following expectations for divisional EBIT:



Mercedes-Benz Cars



Significantly above the prior-year level



Daimler Trucks



Slightly below the prior-year level



Mercedes-Benz Vans



Slightly below the prior-year level



Daimler Buses



Slightly above the prior-year level



Daimler Financial Services



Slightly above the prior-year level

Contents

Results for Q1 2017

Outlook for 2017

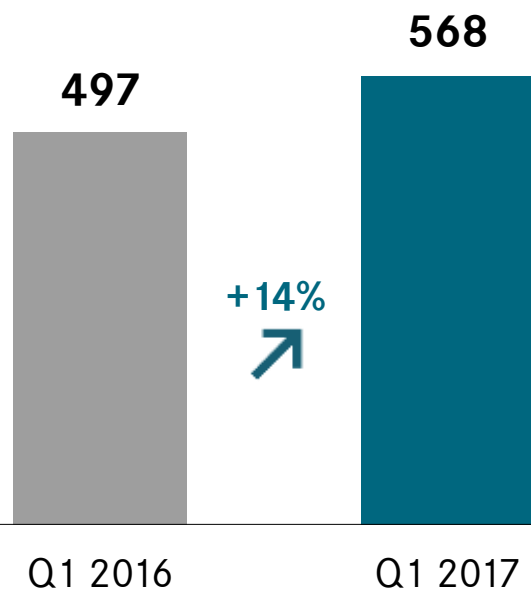
Development at the divisions



Mercedes-Benz Cars: continued business growth based on strong product portfolio

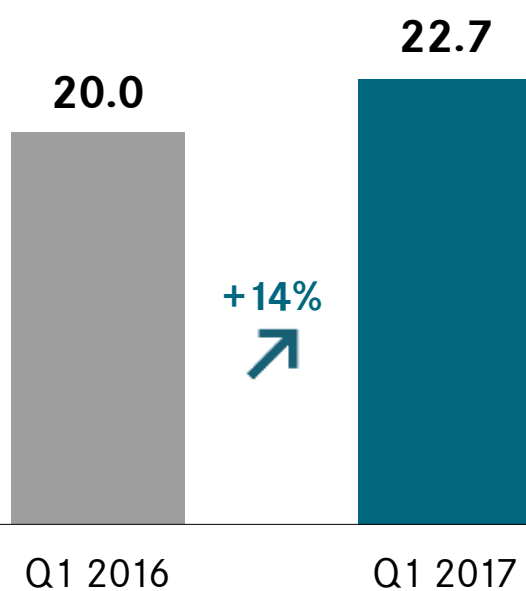
Unit sales

- in thousands of units -



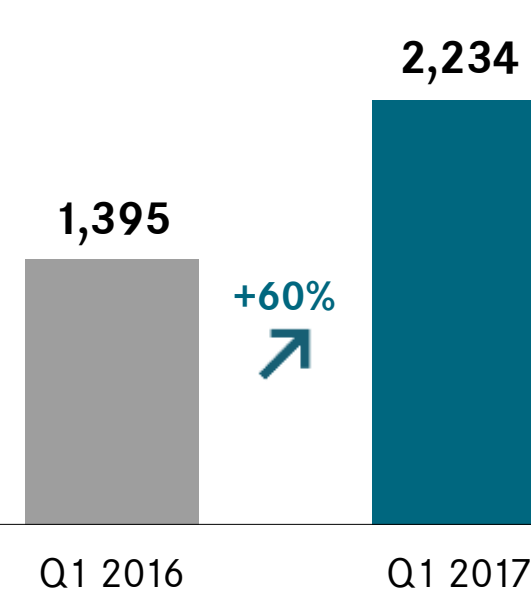
Revenue

- in billions of euros -



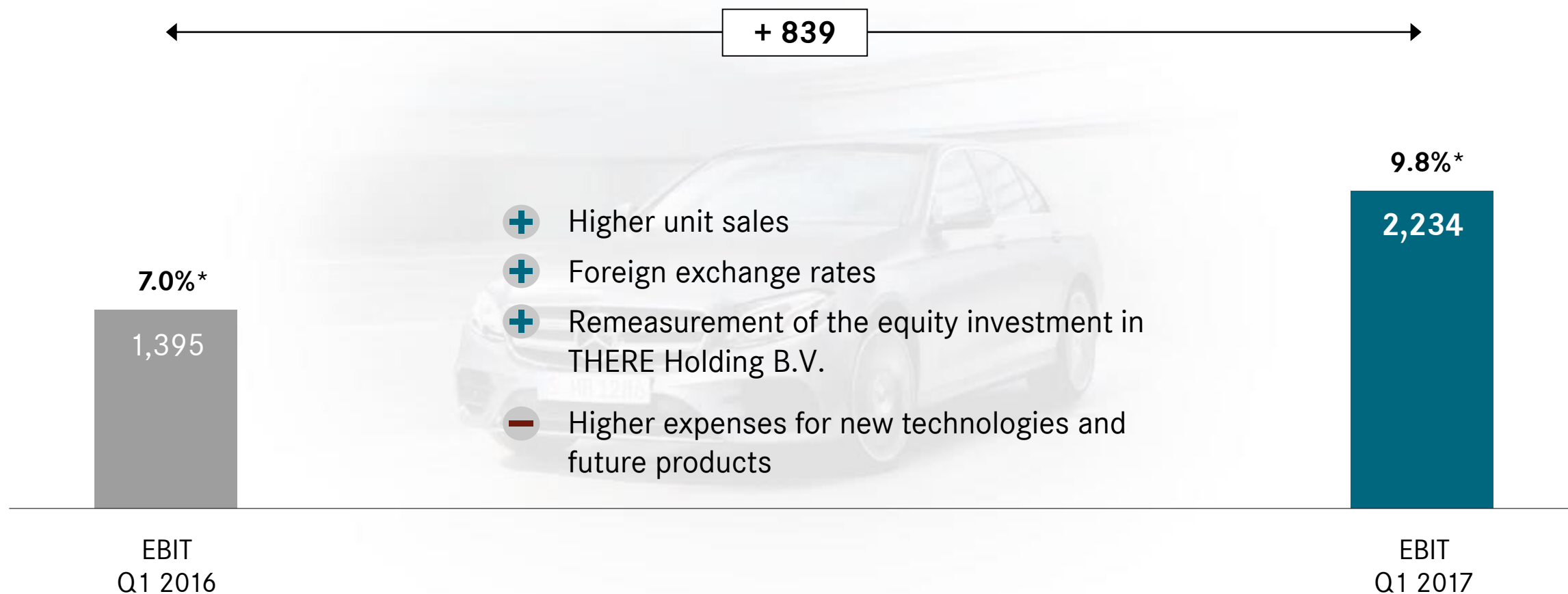
EBIT

- in millions of euros -



Mercedes-Benz Cars: EBIT

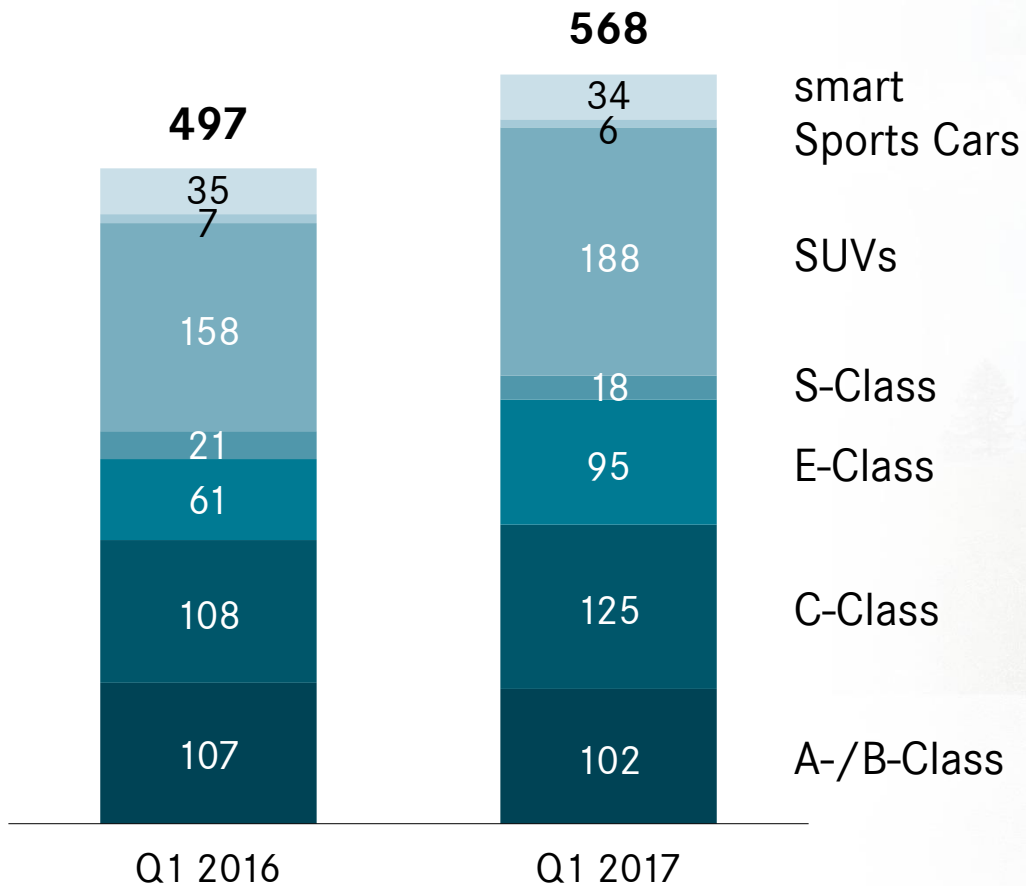
- in millions of euros -



* Return on sales

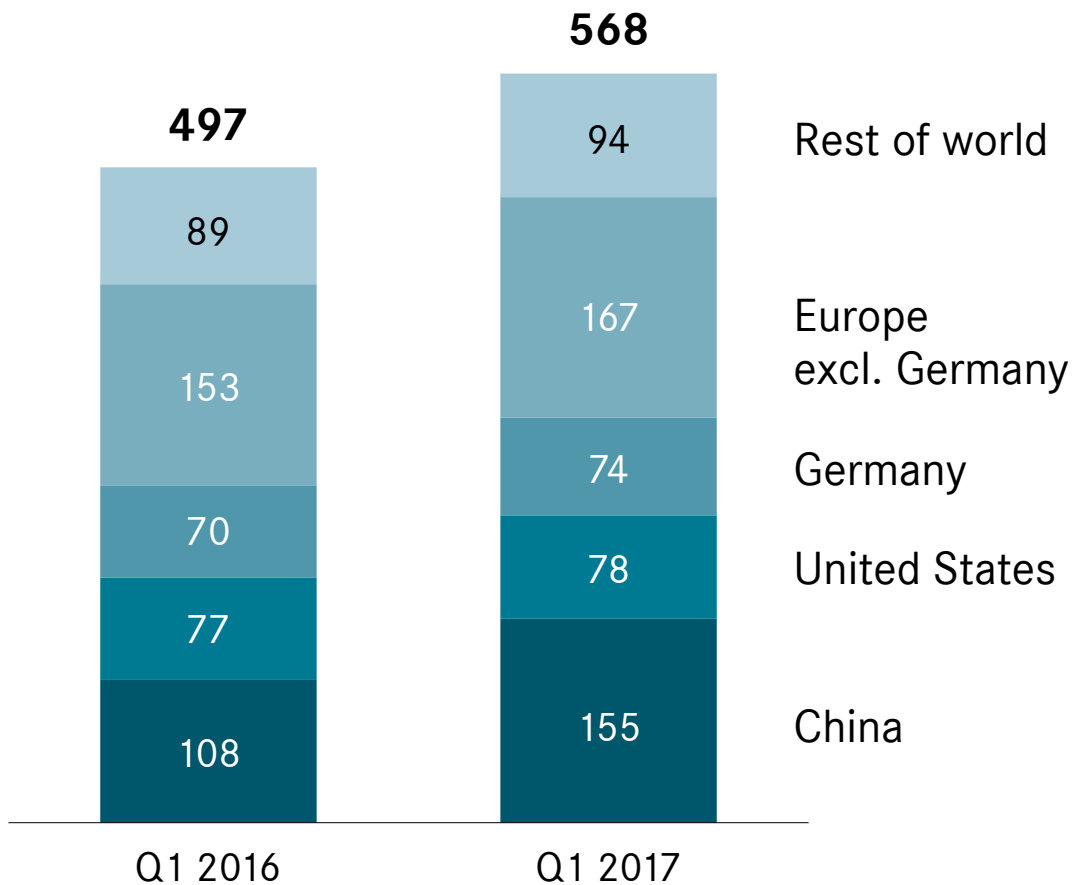
Mercedes-Benz Cars: sales increase by 14% reflecting our strong product line-up

- in thousands of units -



Mercedes-Benz Cars: globally balanced sales structure with strong development in all major regions

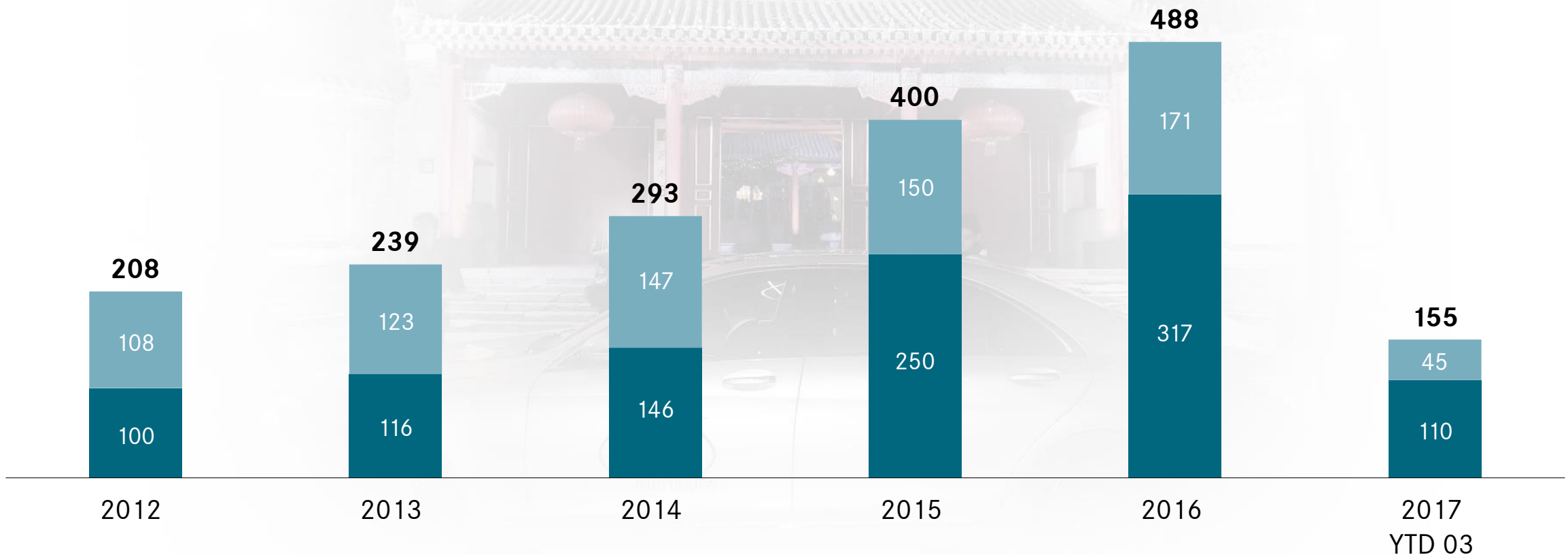
- in thousands of units -



Mercedes-Benz Cars in China: huge sales growth with higher share of locally produced vehicles

- in thousands of units -

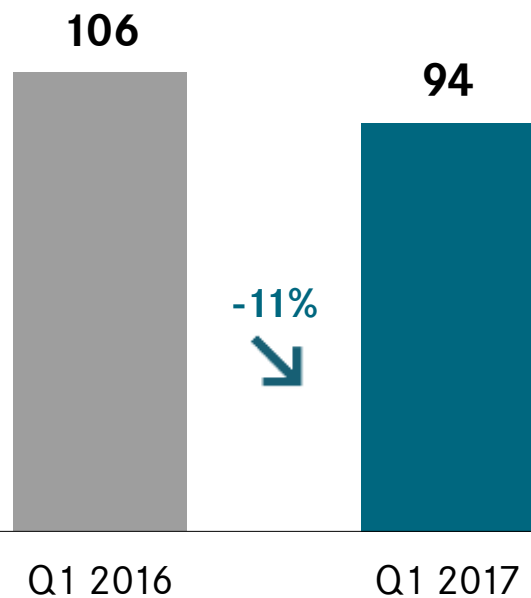
imported
locally produced



Daimler Trucks: increase in EBIT driven by sale of real estate in Japan

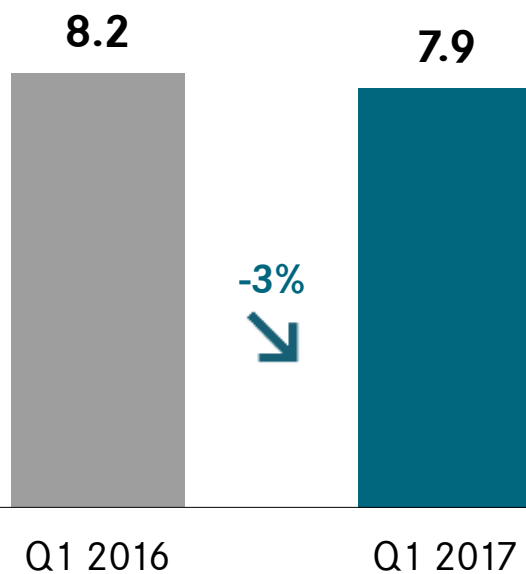
Unit sales

- in thousands of units -



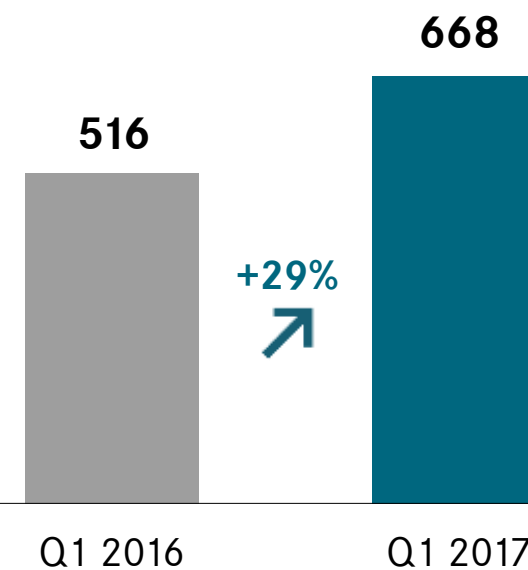
Revenue

- in billions of euros -



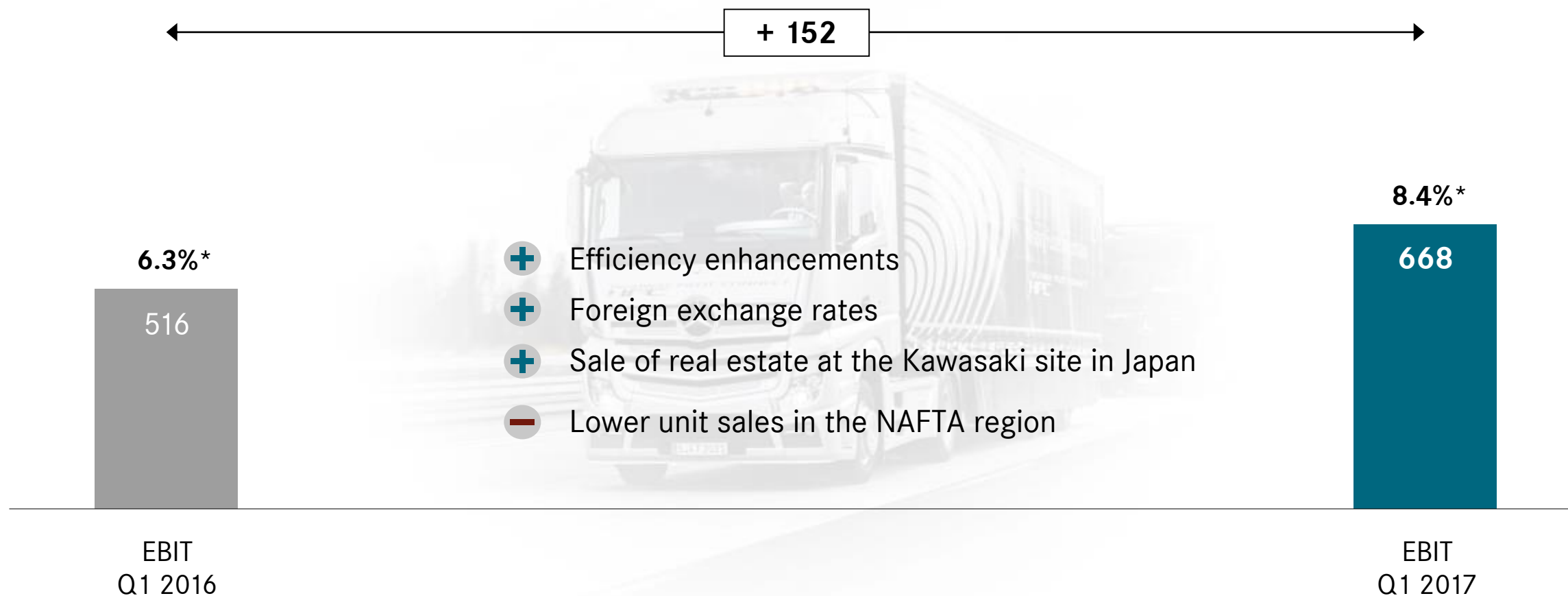
EBIT

- in millions of euros -



Daimler Trucks: EBIT

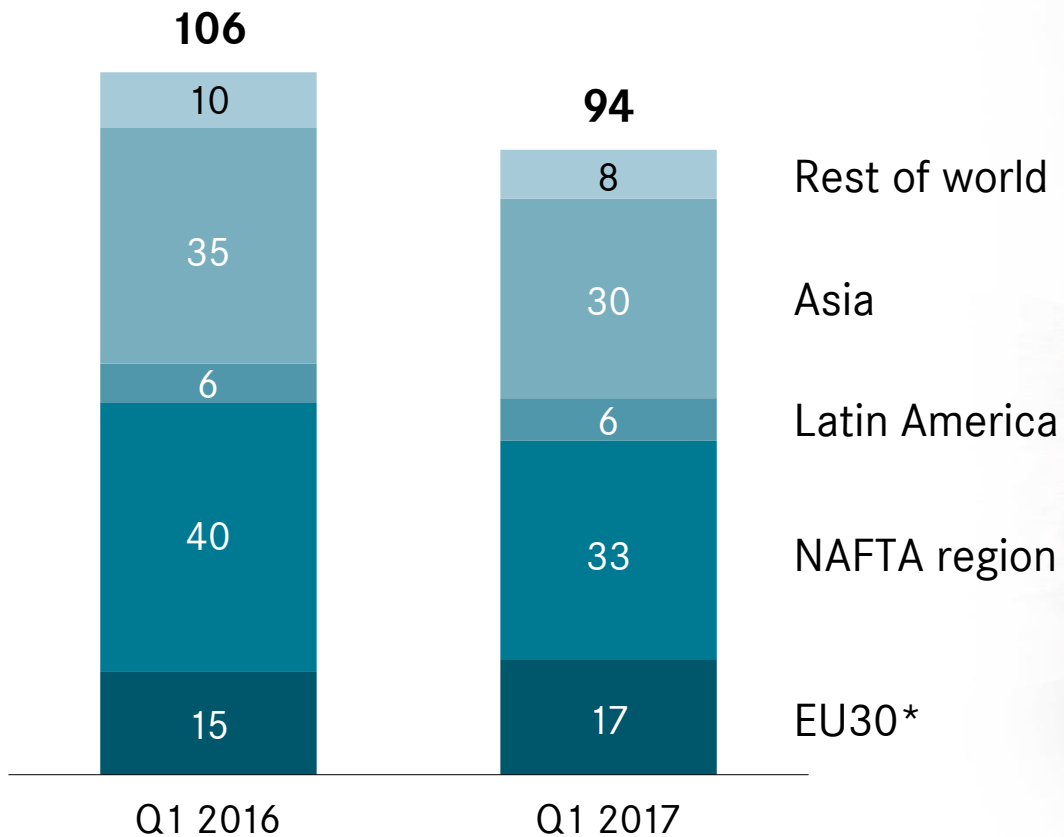
- in millions of euros -



* Return on sales

Daimler Trucks: sales decrease by 11% mainly driven by NAFTA region

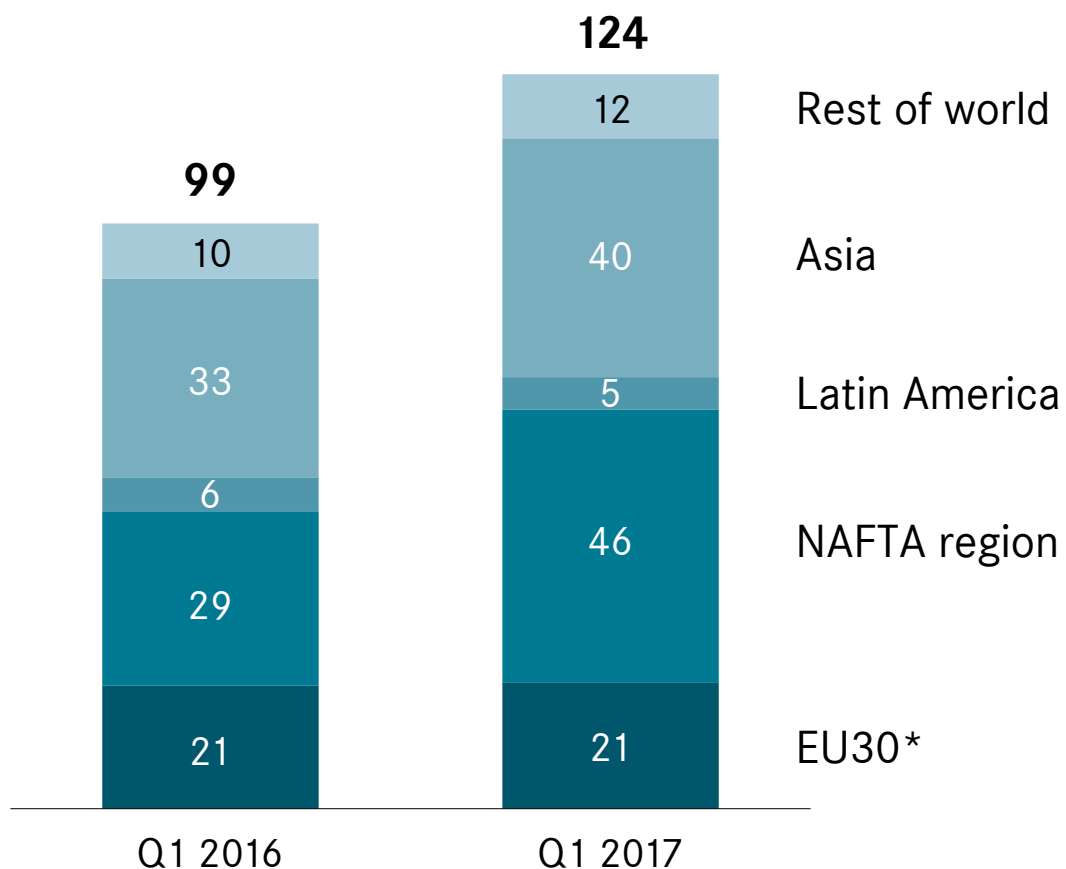
- in thousands of units -



* European Union, Switzerland and Norway

Daimler Trucks: incoming orders increase significantly driven by NAFTA region, Indonesia and Middle East

- in thousands of units -

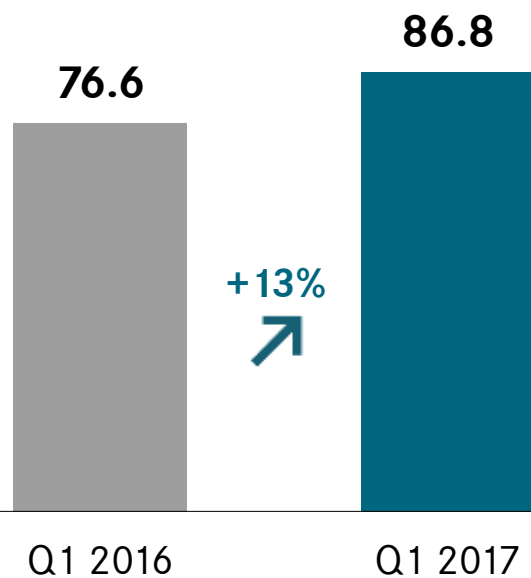


* European Union, Switzerland and Norway

Mercedes-Benz Vans: strong development based on very successful products

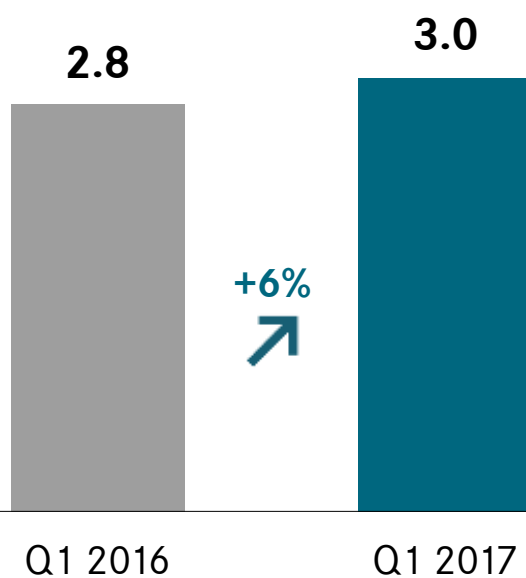
Unit sales

- in thousands of units -



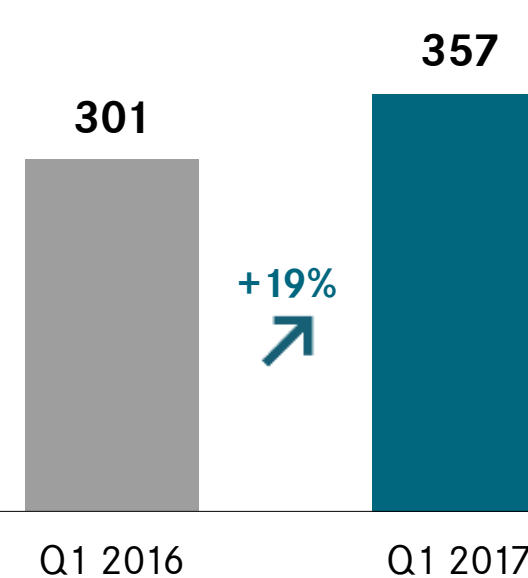
Revenue

- in billions of euros -



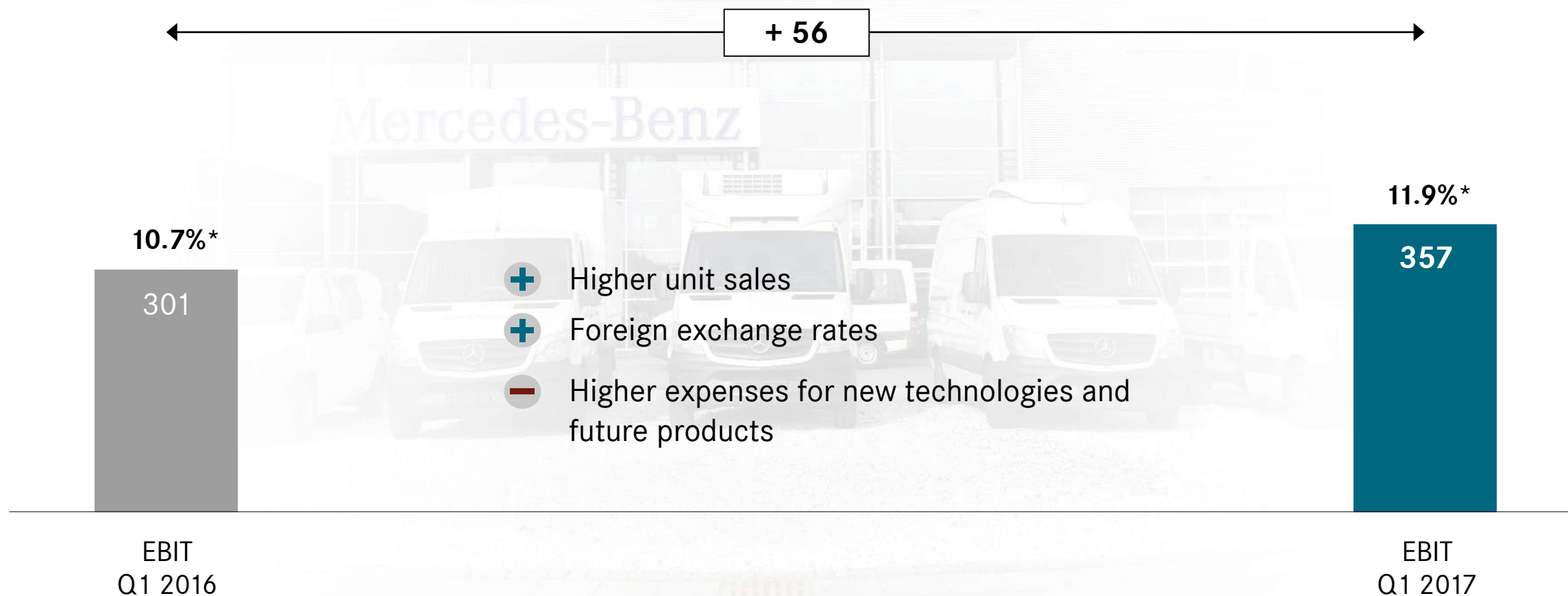
EBIT

- in millions of euros -



Mercedes-Benz Vans: EBIT

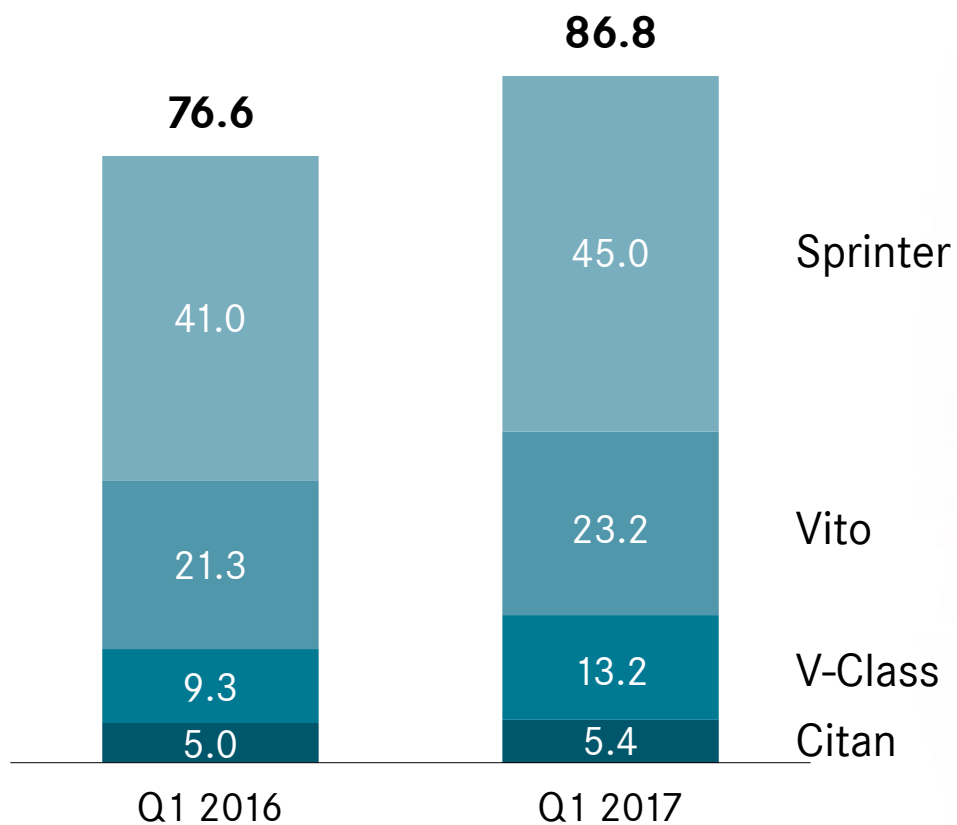
- in millions of euros -



* Return on sales

Mercedes-Benz Vans: sales increase by 13% due to market success of attractive product portfolio

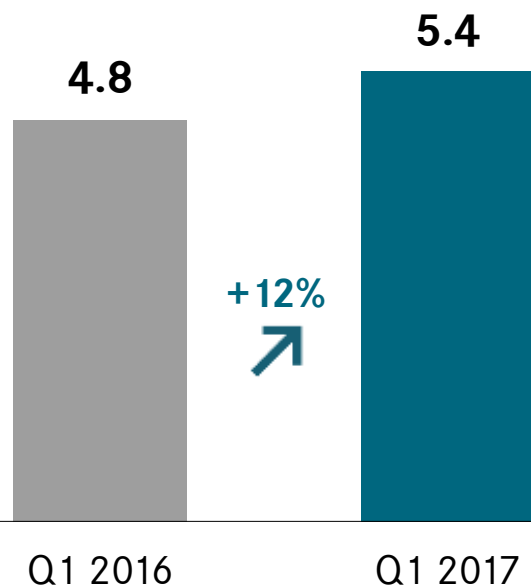
- in thousands of units -



Daimler Buses: positive development driven by strong European business and higher unit sales in Latin America

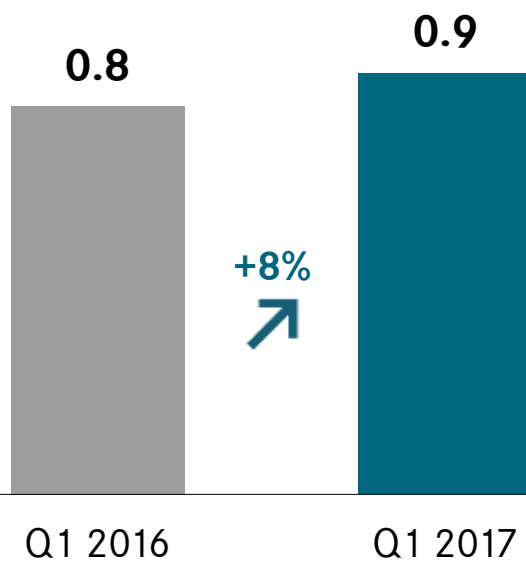
Unit sales

- in thousands of units -



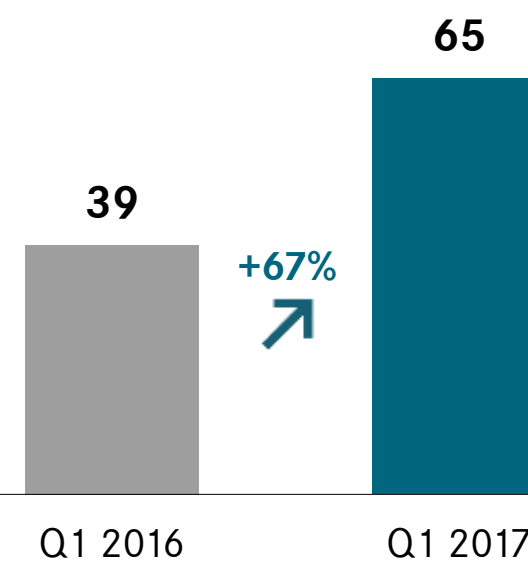
Revenue

- in billions of euros -



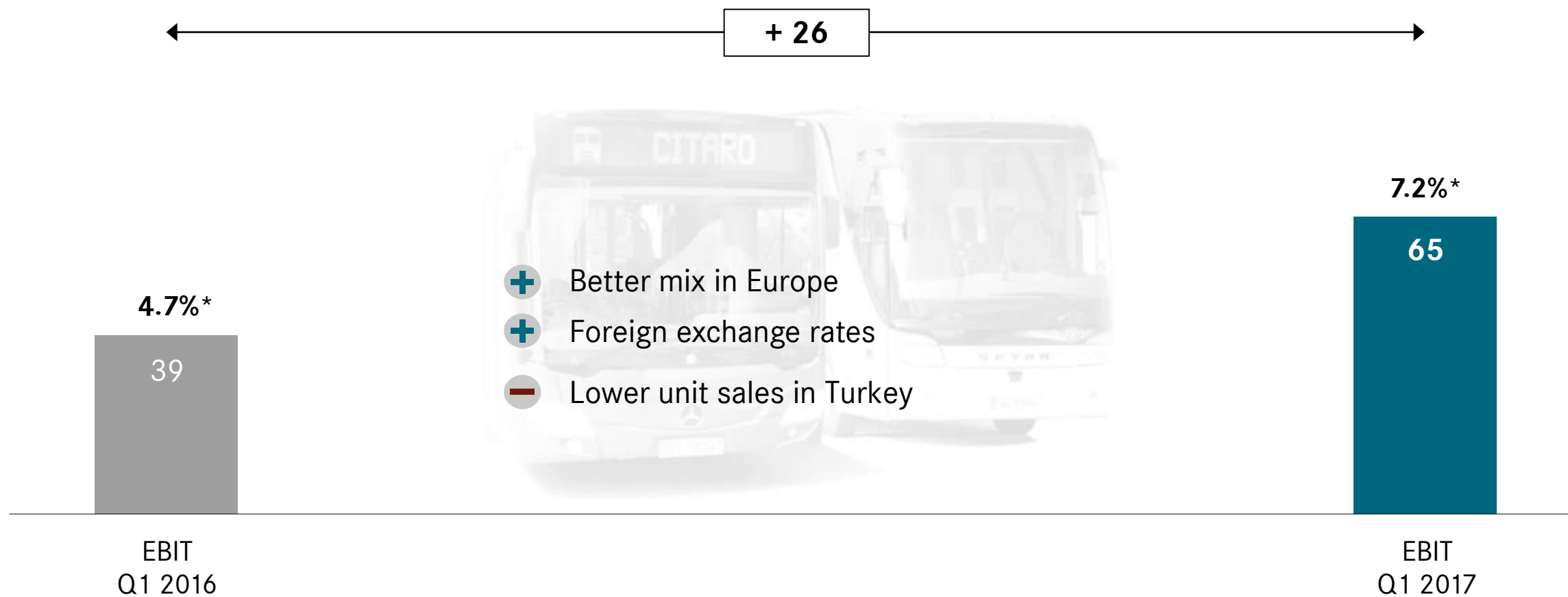
EBIT

- in millions of euros -



Daimler Buses: EBIT

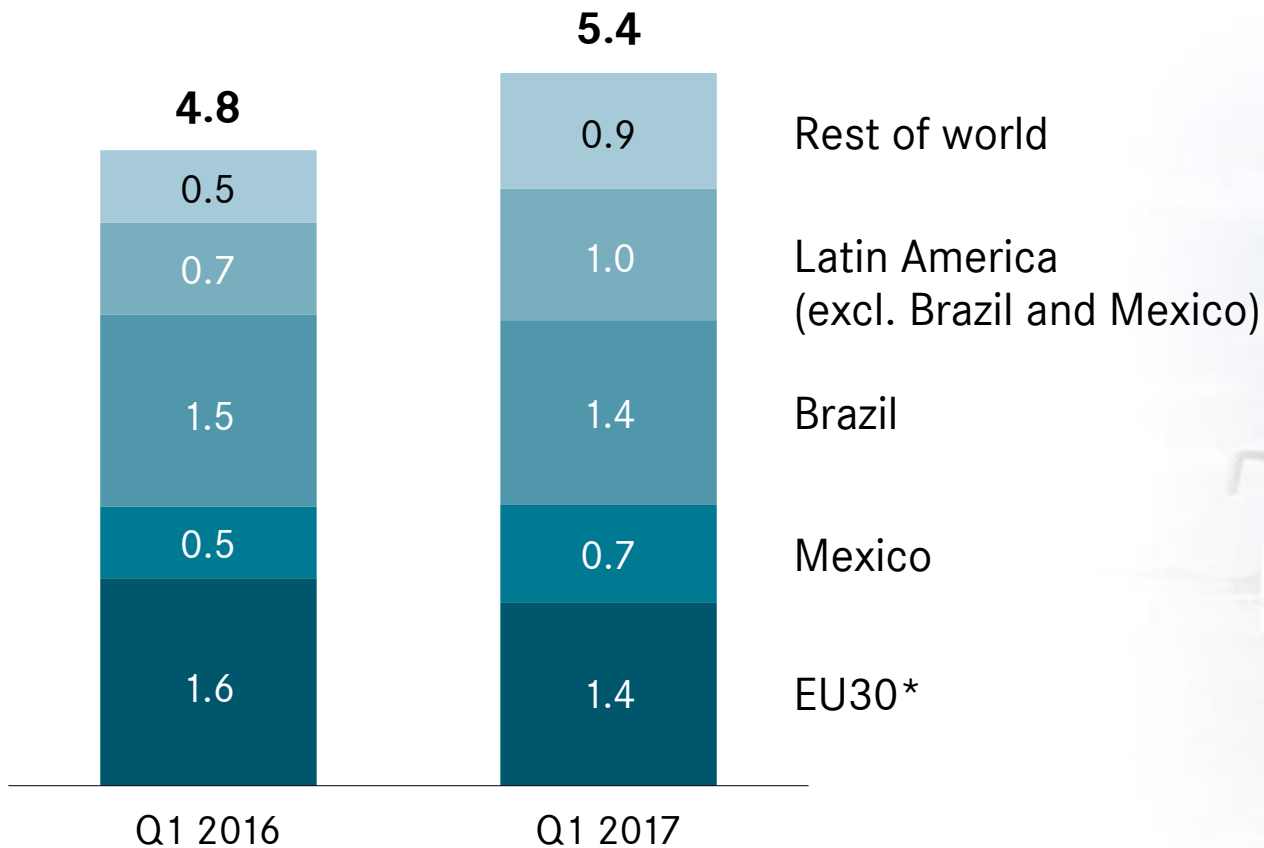
- in millions of euros -



* Return on sales

Daimler Buses: sales increase by 12% mainly due to higher demand in emerging markets

- in thousands of units -



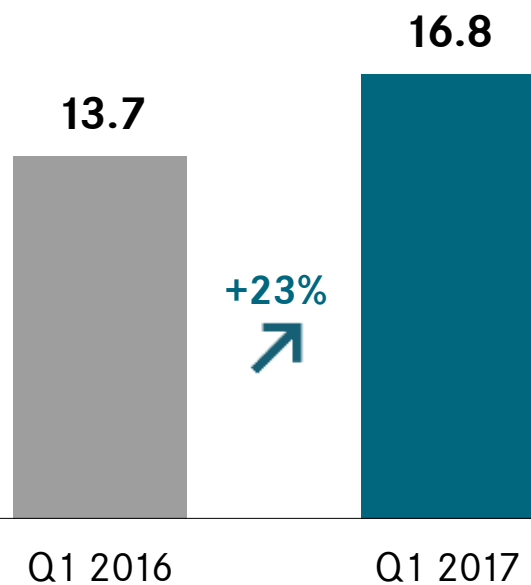
* European Union, Switzerland and Norway



Daimler Financial Services: further business growth

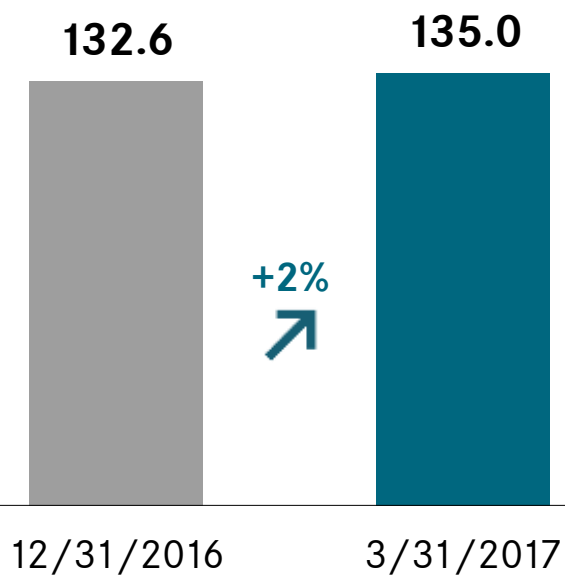
New business

- in billions of euros -



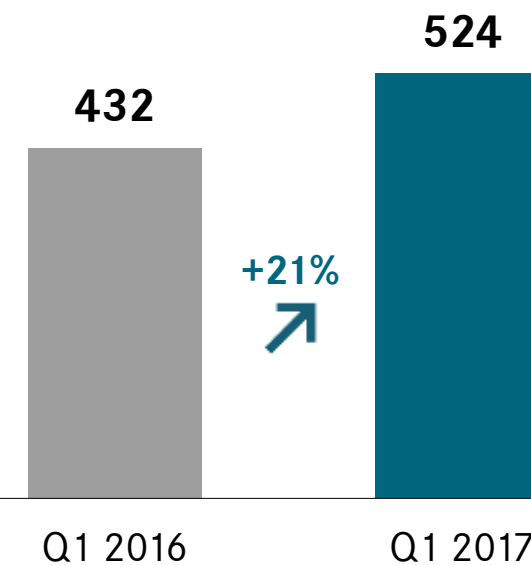
Contract volume

- in billions of euros -



EBIT

- in millions of euros -



Daimler Financial Services: EBIT

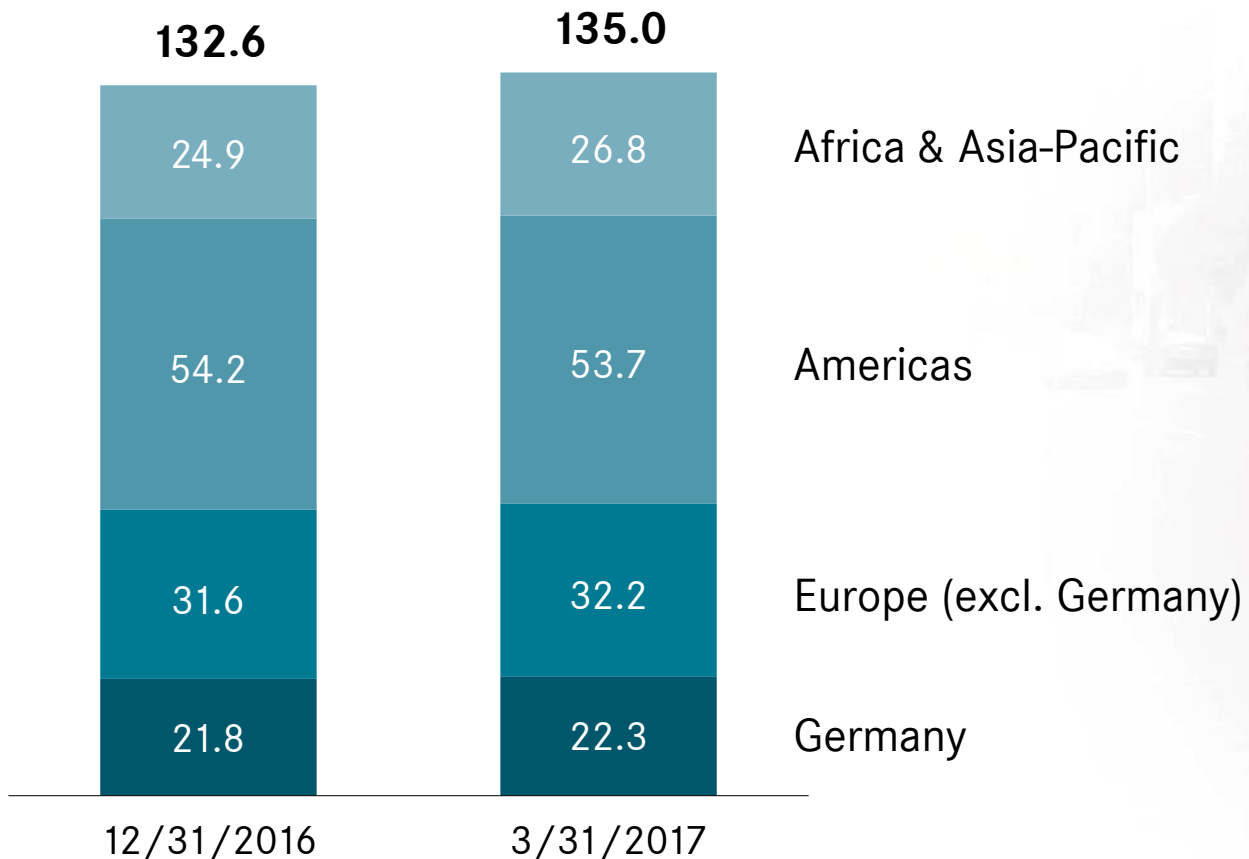
- in millions of euros -



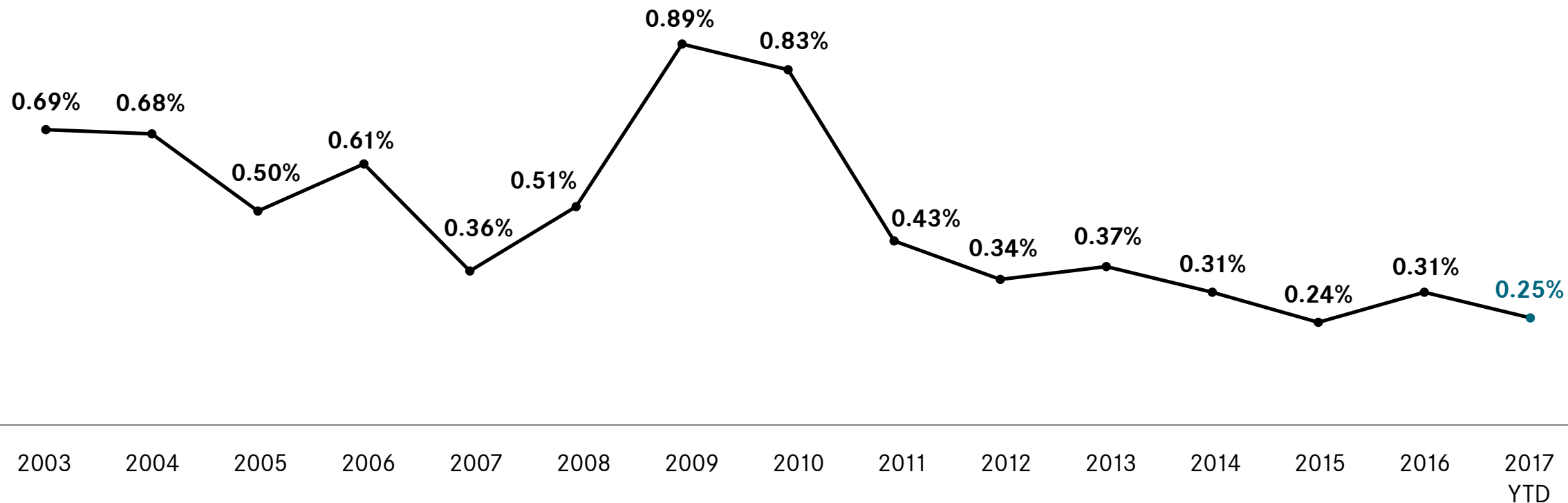
* Return on equity

Daimler Financial Services: further increase in contract volume to 135.0 billion euros (+2%)

- in billions of euros -



Daimler Financial Services: net credit losses* at low level due to disciplined risk approach



* as a percentage of portfolio, subject to credit risk

Disclaimer

This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates; a shift in consumer preferences towards smaller, lower-margin vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which we describe under the heading “Risk and Opportunity Report” in the current Annual Report. If any of these risks and uncertainties materializes or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements since they are based solely on the circumstances at the date of publication.