

DAIMLER

Q2 and Half-Year 2018 Results

July 26, 2018

Contents

Results for Q2 2018

Outlook for 2018

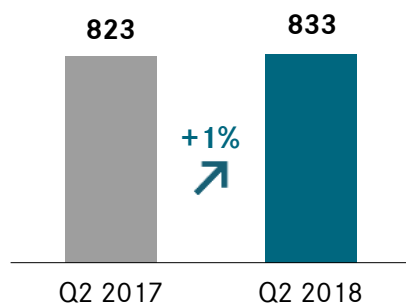
Development at the divisions



Highlights of Q2 2018

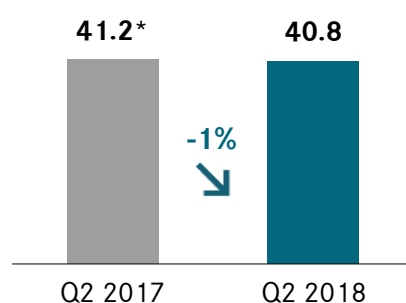
Unit sales

- in thousands of units -



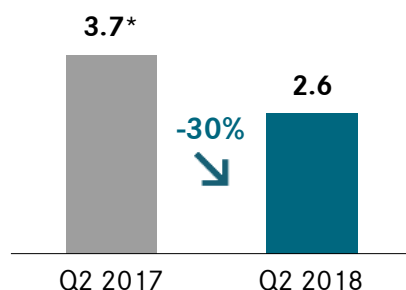
Revenue

- in billions of euros -



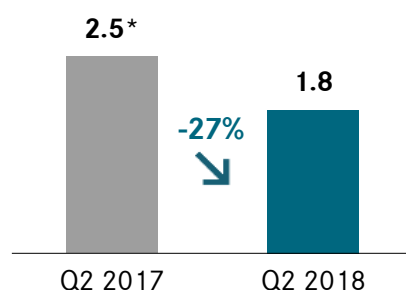
EBIT

- in billions of euros -



Net profit

- in billions of euros -



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Market launch of the new Mercedes-Benz A-Class

World premiere of the new A-Class L Sedan and C-Class L Sedan for the Chinese market

Market launch of the new Mercedes-Benz Sprinter

Daimler and Bosch intensify the development of fully-automated and driverless driving

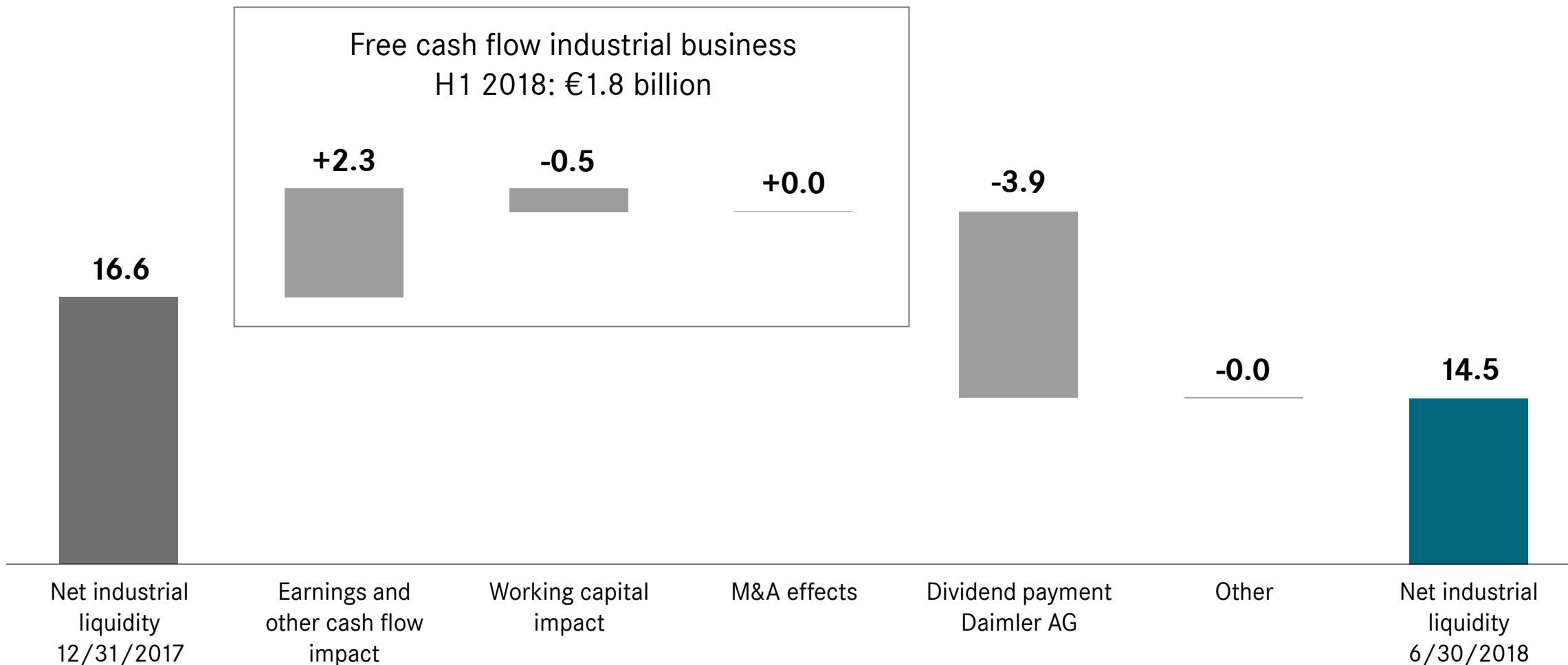
New research and development center for automated trucks and buses in Portland, Oregon

Formation of the new global E-Mobility Group for electric driven commercial vehicles

Settlement of the Toll Collect arbitration proceedings

High level of net liquidity – 50% of dividend payment recovered in H1

- in billions of euros -



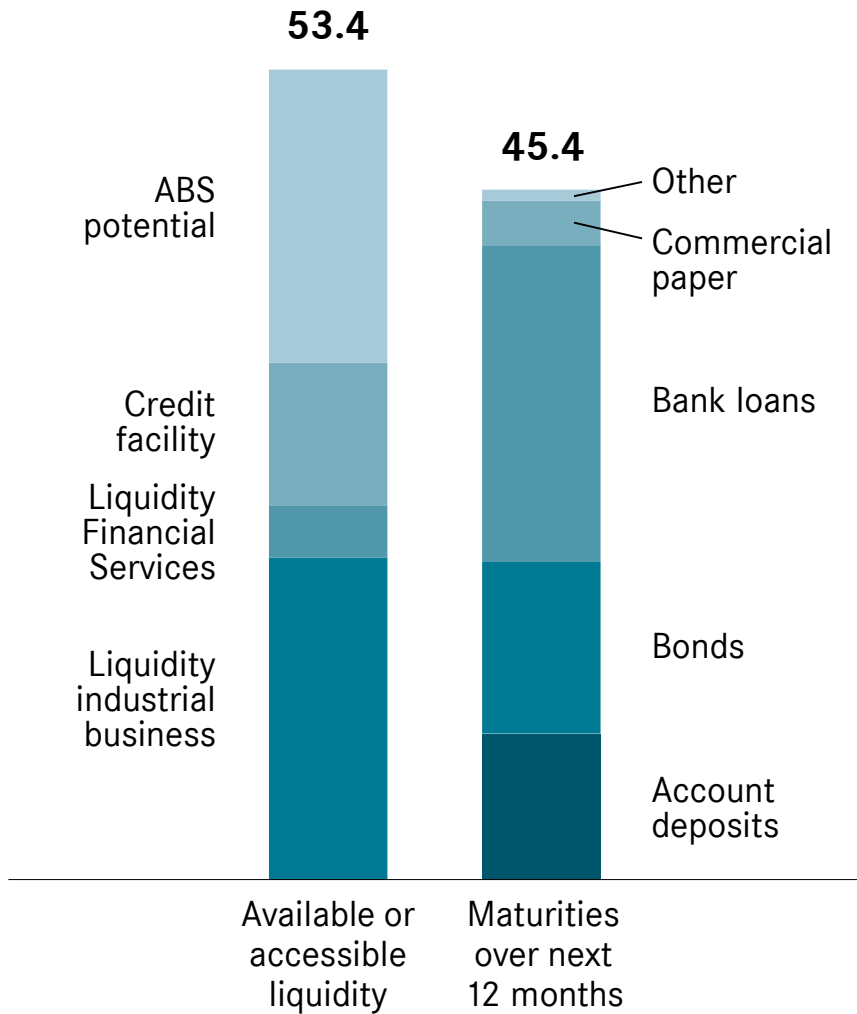
Key balance sheet and financial figures

Daimler Group	Dec. 31, 2017	June 30, 2018
Equity ratio	24.0%	23.8%
Gross liquidity	22.1	24.7
Funded status of pension obligations	-4.5	-5.2
<i>Funding ratio</i>	<i>86%</i>	84%
Industrial business		
Equity ratio	46.4%	45.6%
Net liquidity	16.6	14.5
Free cash flow (January-June)	3.0	1.8

in billions of euros

Financial flexibility over a 12-month period

- in billions of euros -



The financial flexibility provides support to mitigate risk and volatility through a balanced mix of funding instruments and clear principles

Daimler follows a financial management to safeguard our A-rating and thus our attractive refinancing conditions

A high financial flexibility is a key support to our A-Rating

Available or short-term accessible liquidity is higher than the total maturities over the next 12 months

The current liquidity position reflects the volatile market environment, the currently required high investments for our future business model and the required financial flexibility for our business

Daimler renewed and increased its syndicated credit facility

Renewal of syndicated €9 billion credit facility (maturing in September 2020)

Increase to €11 billion

Tenor of 5 years + 1 + 1, i. e. until 2023 + 2 years

Syndicate of international banks mostly unchanged together with excellent support by relationship banks

No covenants, rating triggers, etc.

It is not intended to draw the credit facility



Secure significant long-term liquidity reserve at favorable cost

Units sales by division

	Q2 2017	Q2 2018	% change
Daimler Group	822.5	833.0	+1
of which			
Mercedes-Benz Cars	595.2	590.7	-1
Daimler Trucks	116.4	123.9	+6
Mercedes-Benz Vans	103.4	110.9	+7
Daimler Buses	7.5	7.5	+0

in thousands of units

Mercedes-Benz Cars: product highlights

World premiere of the Mercedes-Benz A-Class L Sedan for the Chinese market



Mercedes-Benz Cars: product highlights

The new long-wheelbase version of the Mercedes-Benz C-Class Sedan celebrated its world premiere at Auto China 2018



Mercedes-Benz Cars: product highlights

Market launch of the new Mercedes-AMG GT S Roadster



Mercedes-Benz Cars: product highlights

Market launch of the new Mercedes-Benz G-Class



Mercedes-Benz Cars: product highlights

World premiere of the Vision Mercedes-Maybach Ultimate Luxury



Daimler Trucks: product highlights

Introduction of Freightliner EconicSD in the North American market



Daimler Trucks: product highlights

Presentation of fully electric Freightliner eCascadia and Freightliner eM2 in the U.S.



Mercedes-Benz Vans: product highlights

Range of the new Mercedes-Benz Sprinter



Daimler Buses: product highlights

First orders for fully electrically powered Mercedes-Benz Citaro received already before celebrating world premiere



Daimler Buses: product highlights

World premiere of the Mercedes Benz minibus based on the new Sprinter



Daimler Financial Services: product highlights

Launch of the new mobility service SSB Flex in Stuttgart



Daimler Financial Services: highlights Mobility Services

Ongoing business expansion

YTD 06/18



Ride-Hailing Group



Combined change*



12.4

12.9

54.6

+68%

Interactions in millions



24

17**

>80

+18%

Cities



3.2

5.0

15.3

+62%

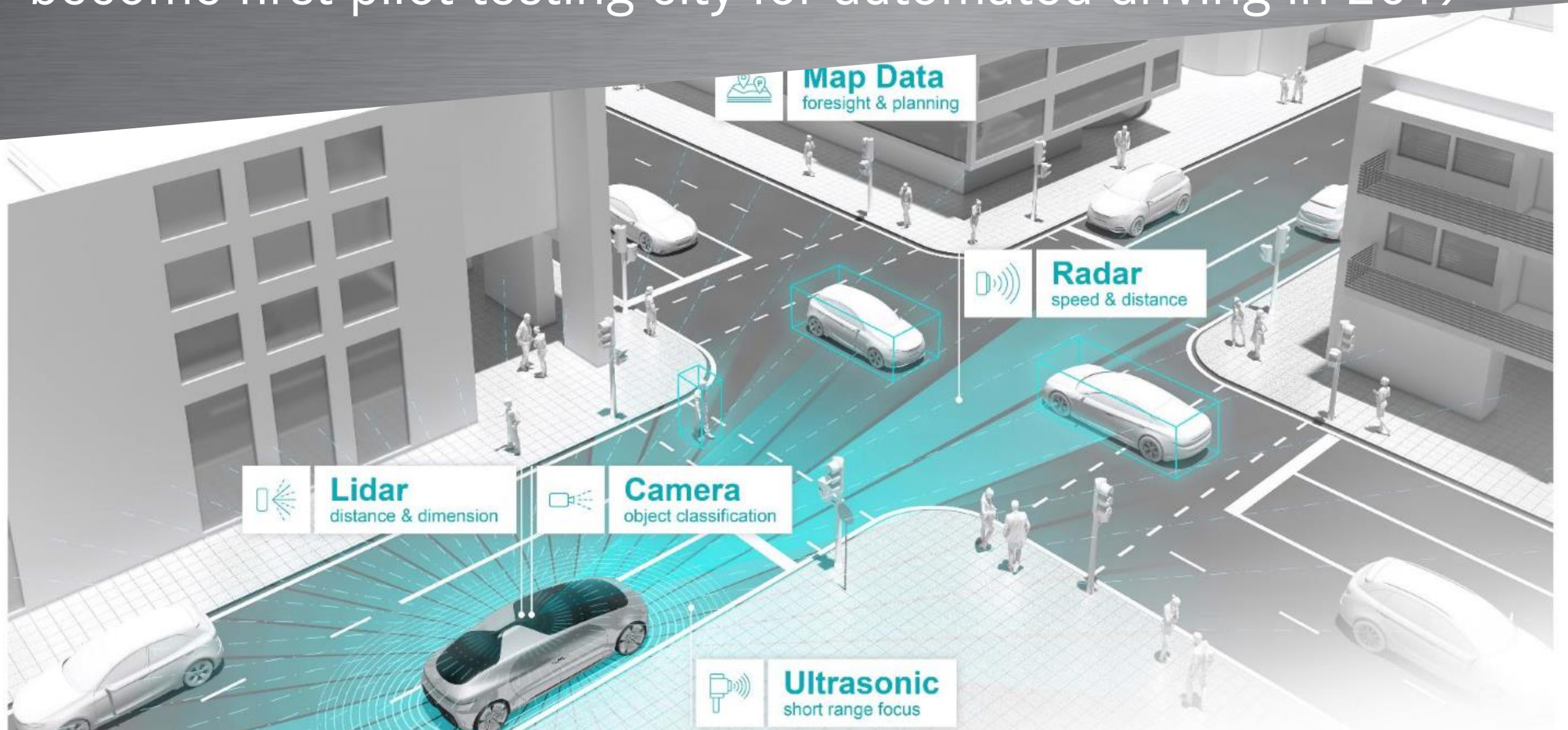
Customers in millions



* car2go, moovel and Ride-Hailing Group (incl. mytaxi, Beat since 02/17, Clever Taxi since 06/17 and Chauffeur Privé since 03/18) combined, 06/18 (YTD) vs. 06/17 (YTD)

** Number of cities with ticketing capability of public transit

Cooperation Daimler and Bosch: Californian metropolis will become first pilot testing city for automated driving in 2019



Revenue by division

	Q2 2017*	Q2 2018	% change
Daimler Group	41.2	40.8	-1
of which			
Mercedes-Benz Cars	23.6	22.6	-4
Daimler Trucks	9.0	9.2	+2
Mercedes-Benz Vans	3.3	3.5	+6
Daimler Buses	1.2	1.1	-12
Daimler Financial Services	5.9	6.3	+6
Contract volume of Daimler Financial Services**	139.9	146.7	+7

in billions of euros

* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** figures as of December 31, 2017 and June 30, 2018

Revenue by region

	Q2 2017*	Q2 2018	% change
Daimler Group	41.2	40.8	-1
of which			
Europe	17.1	17.3	+1
<i>of which Germany</i>	6.2	6.2	+1
NAFTA	11.8	11.5	-2
<i>of which United States</i>	10.1	9.7	-4
Asia	9.7	9.5	-2
<i>of which China**</i>	4.8	4.5	-6
Other markets	2.6	2.5	-5

in billions of euros

* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** excluding revenue of not fully consolidated companies

EBIT by division

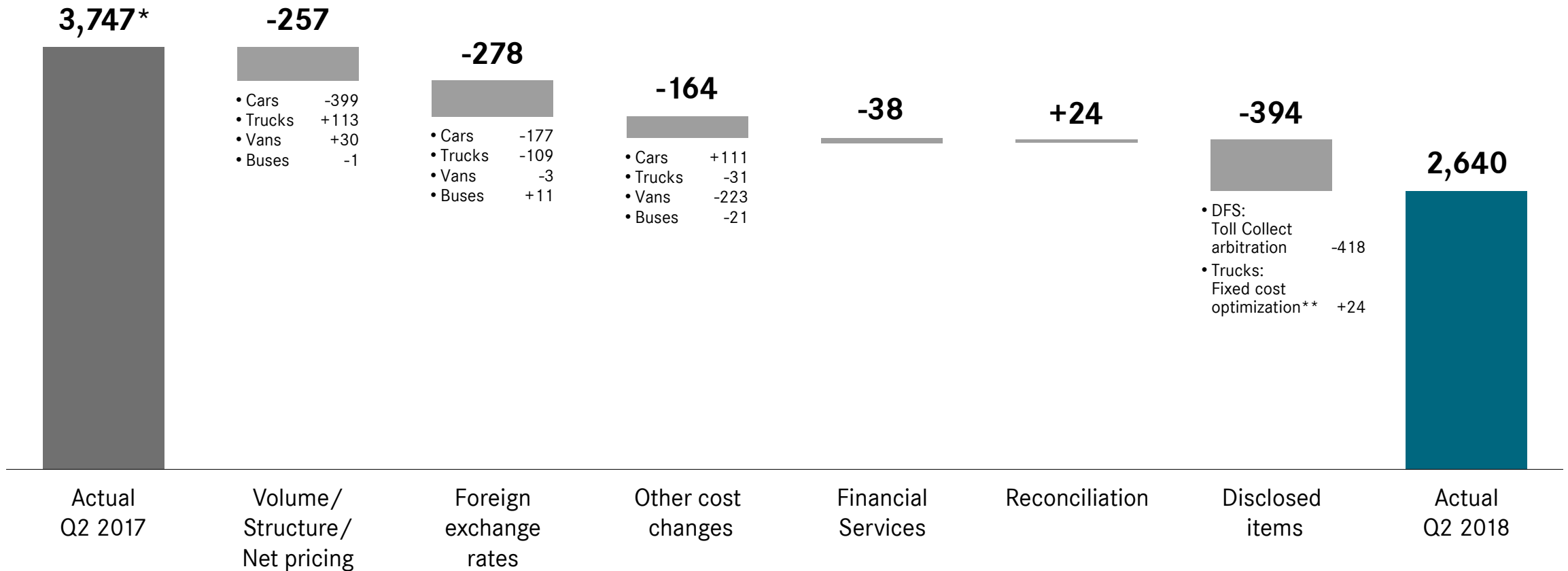
- EBIT in millions of euros; RoS/RoE in % -	Q2 2017*		Q2 2018	
	EBIT	RoS/RoE**	EBIT	RoS/RoE**
Daimler Group	3,747	9.1	2,640	7.5
of which				
Mercedes-Benz Cars	2,365	10.0	1,901	8.4
Daimler Trucks	548	6.1	546	5.9
Mercedes-Benz Vans	349	10.5	152	4.3
Daimler Buses	78	6.4	66	6.1
Daimler Financial Services	522	18.8	66	2.1
Reconciliation	-115	-	-91	-

* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** Return on sales for automotive business, return on equity for Daimler Financial Services; Daimler Group excluding Daimler Financial Services

Group EBIT in Q2 2018

- in millions of euros -



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** in Q2 2017

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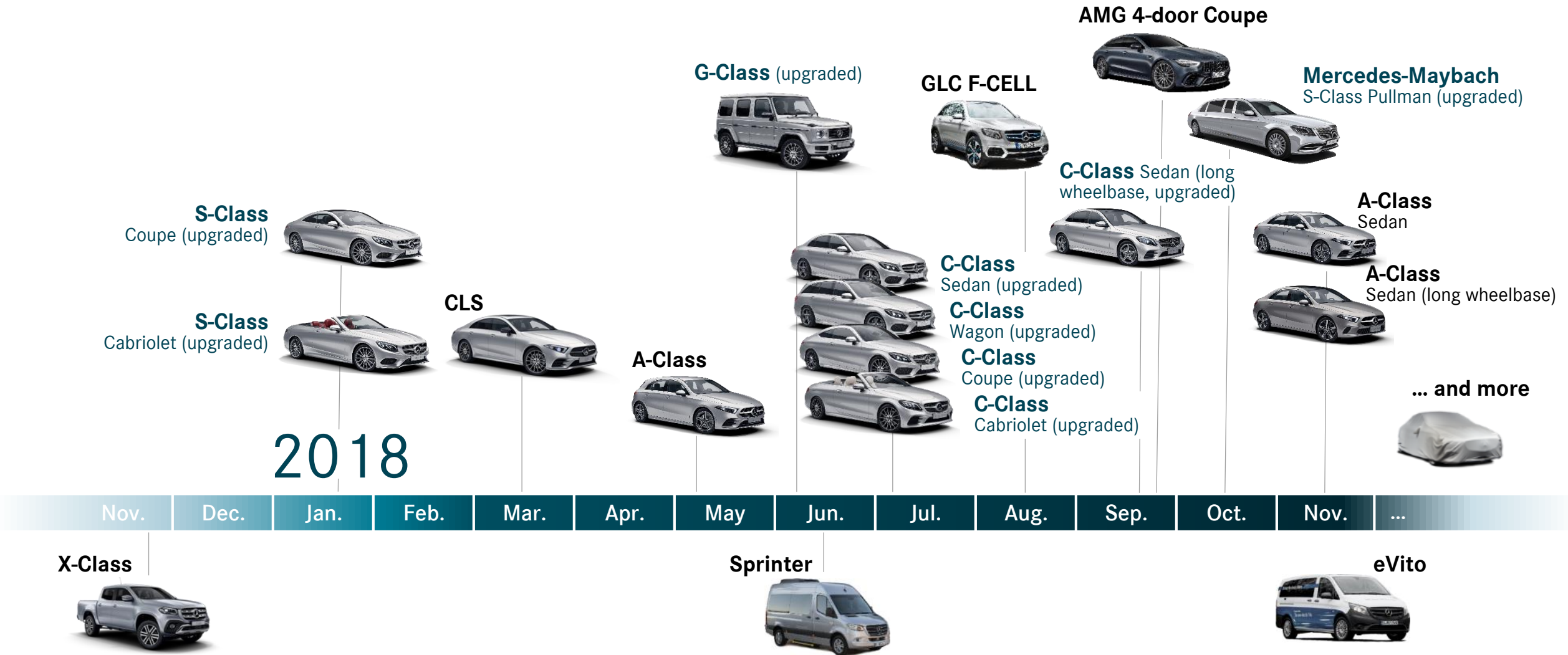
Results for Q2 2018

Outlook for 2018

Development at the divisions



Mercedes-Benz Cars and Vans: continued product offensive



Assumptions for automotive markets in 2018

Car markets	Global	around +2%
	Europe	slight growth
	USA	around the prior-year level
	China	slight growth
Medium- and heavy-duty truck markets	NAFTA region	significant growth
	EU30	around the prior-year level
	Japan*	slight decrease
	Brazil	significant growth from low level
	Indonesia*	positive development
Van markets	EU30	slight growth
	USA	slight growth
Bus markets	EU30	slight growth
	Brazil	significant growth

* including light-duty trucks

2018 sales outlook



Mercedes-Benz Cars

Unit sales around the prior-year level

Supported by wide range of attractive and innovative vehicles
Further growth in China



Daimler Trucks

Significantly higher unit sales

Significant growth in NAFTA region, Brazil, Indonesia and India
Unit sales around the prior-year level in EU30 region and Japan



Mercedes-Benz Vans

Significantly higher unit sales

Slight growth in EU30 region, significant growth in China and the United States
Additional momentum from new X-Class and new Sprinter



Daimler Buses

Significantly higher unit sales

Maintain market leadership in core markets
Significant sales increase in EU30 region and further growth in Latin America

2018 outlook for EBIT

DAIMLER

We expect Group EBIT for FY 2018 to be slightly below the prior-year level* based on the following expectations for divisional EBIT:



Mercedes-Benz Cars

Slightly below the prior-year level



Daimler Trucks

Significantly above the prior-year level



Mercedes-Benz Vans

Significantly below the prior-year level



Daimler Buses

In the prior-year magnitude



Daimler Financial Services

In the prior-year magnitude*

* subject to the completion of the mobility services transaction of Daimler and BMW Group in 2018

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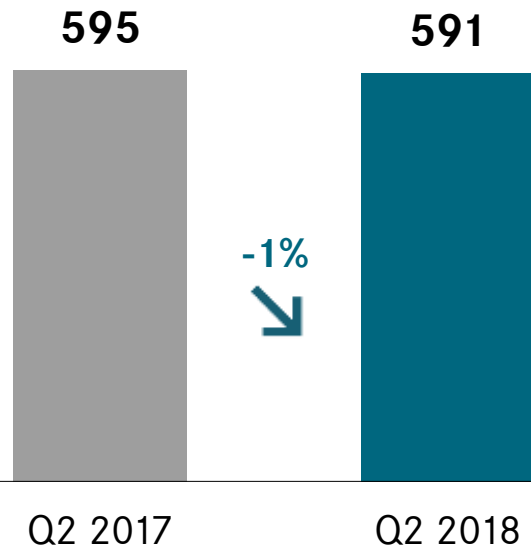
Development at the divisions



Mercedes-Benz Cars

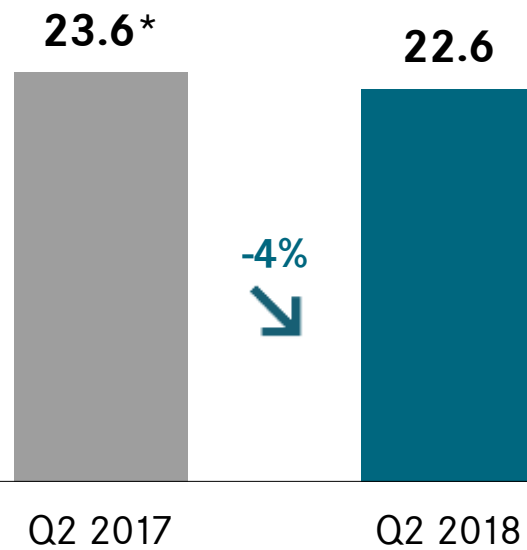
Unit sales

- in thousands of units -



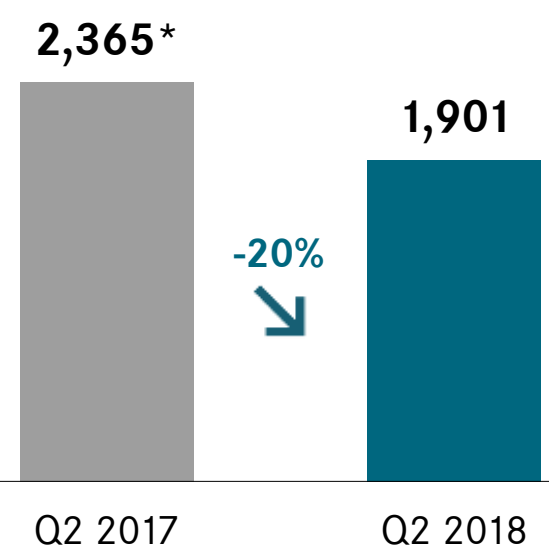
Revenue

- in billions of euros -



EBIT

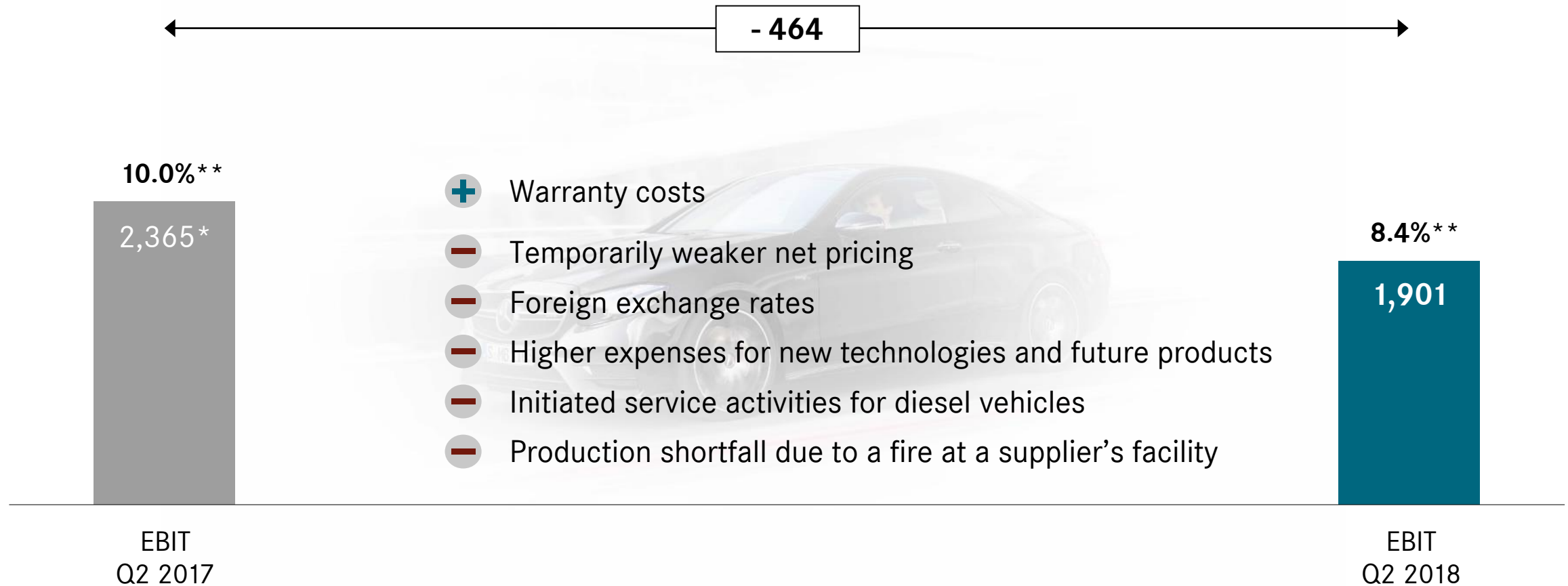
- in millions of euros -



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Mercedes-Benz Cars: EBIT

- in millions of euros -

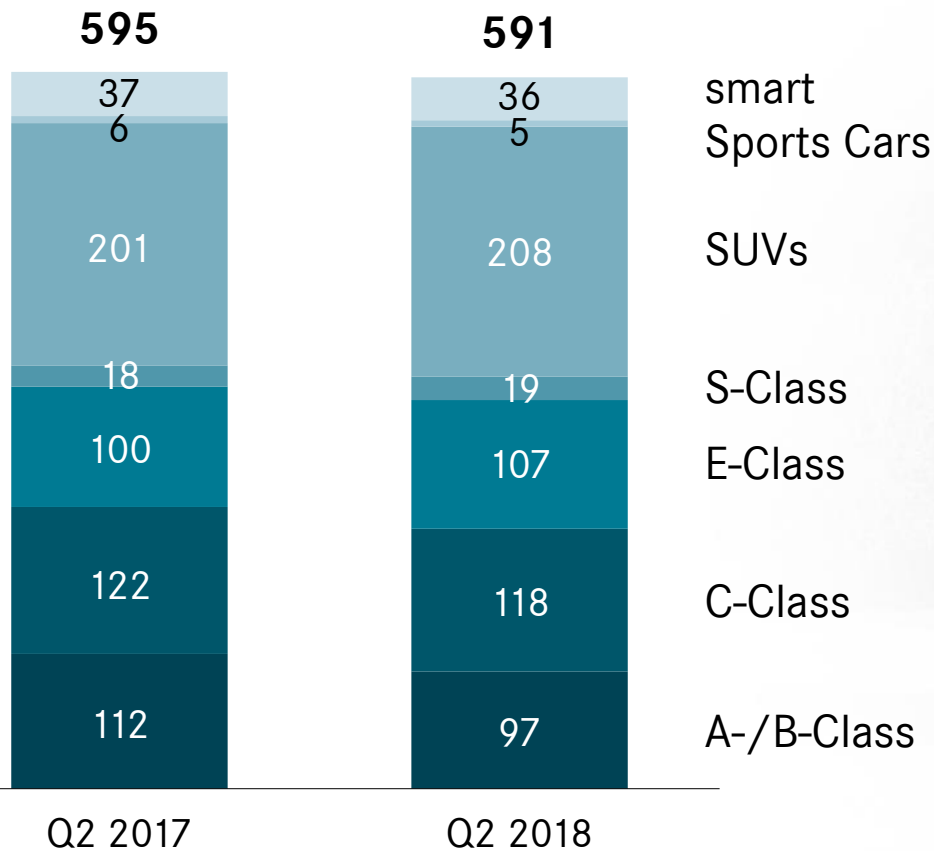


* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** Return on sales

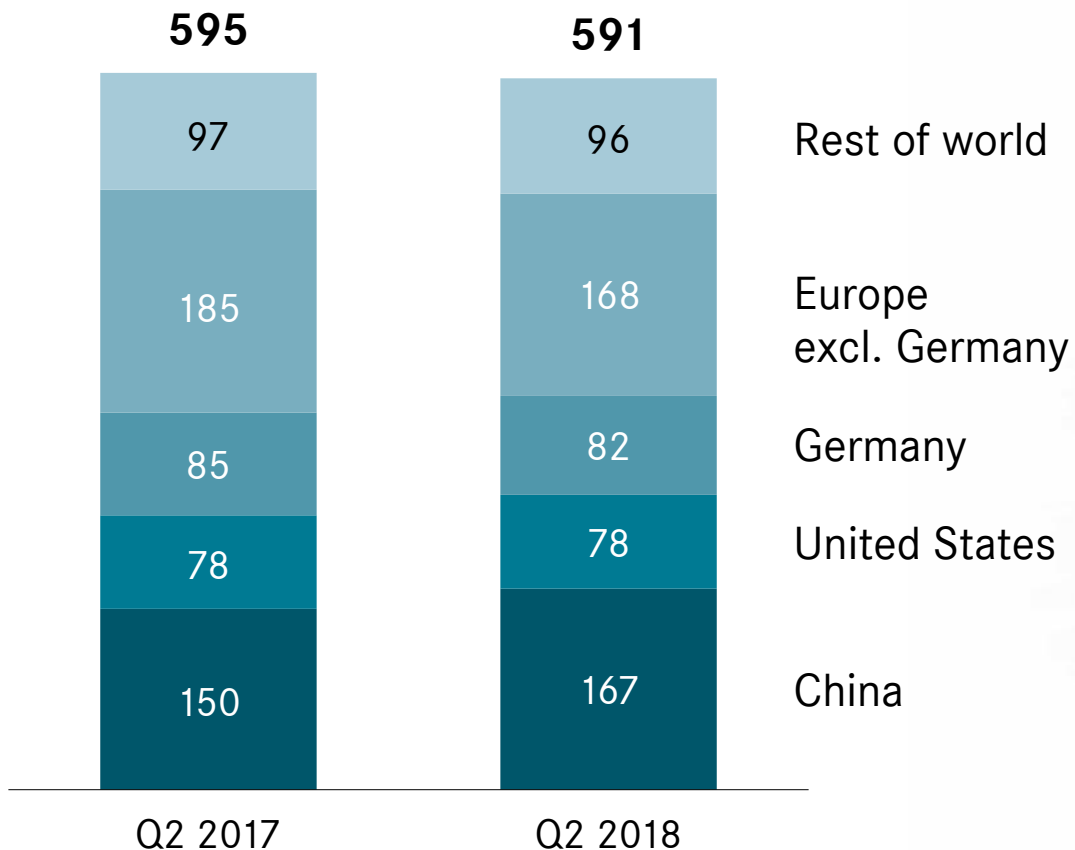
Mercedes-Benz Cars: slight sales decrease due to model change of A- and C-Class

- in thousands of units -



Mercedes-Benz Cars: globally balanced sales structure with strong development especially in China

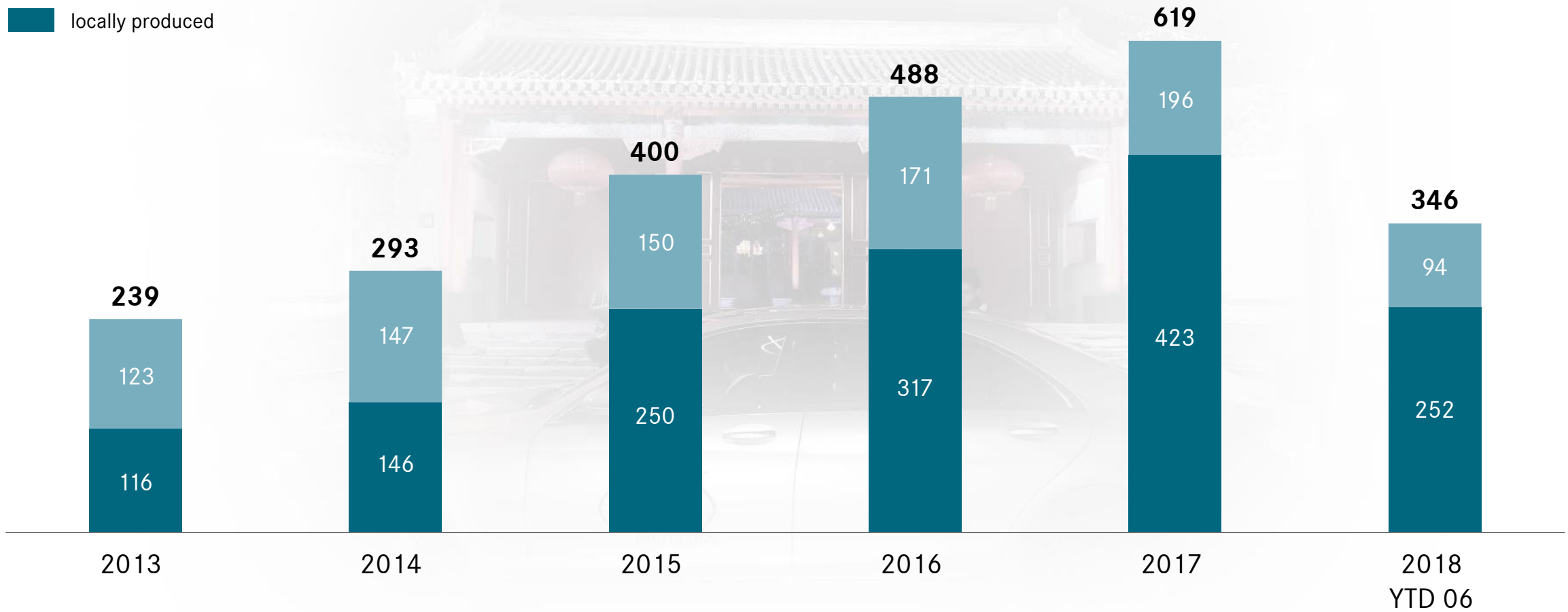
- in thousands of units -



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

- in thousands of units -

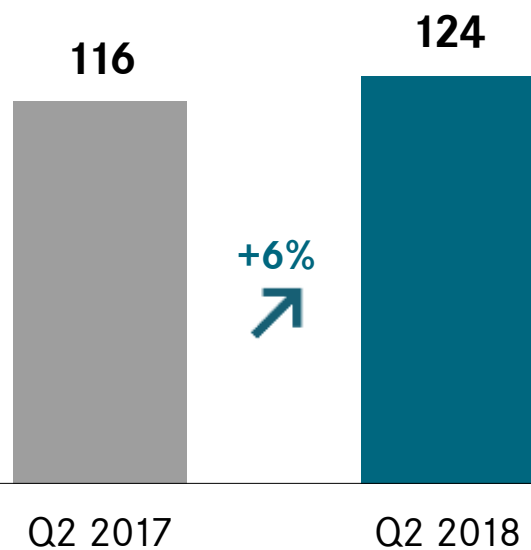
imported
locally produced



Daimler Trucks

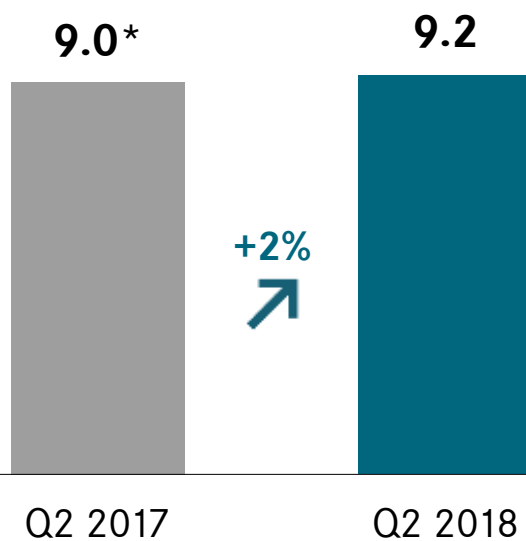
Unit sales

- in thousands of units -



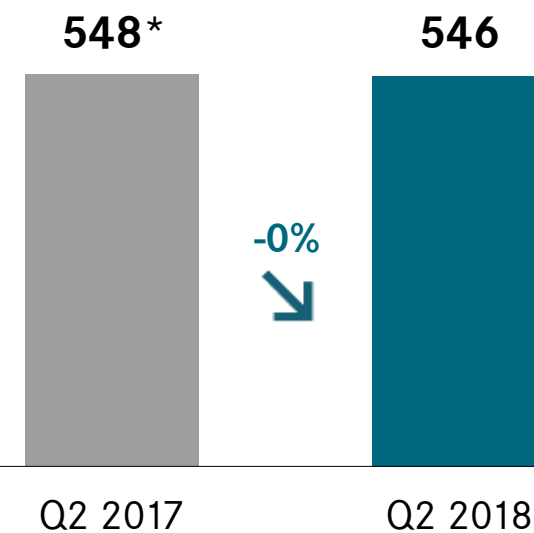
Revenue

- in billions of euros -



EBIT

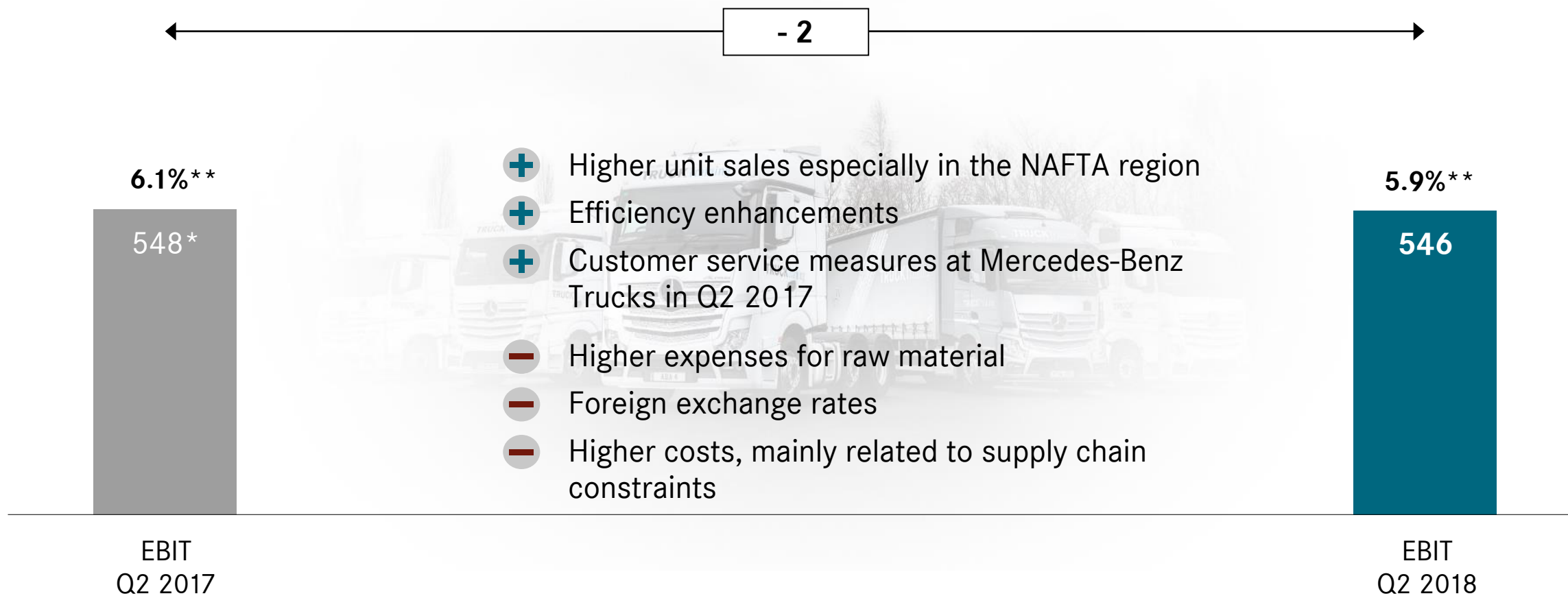
- in millions of euros -



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Daimler Trucks: EBIT

- in millions of euros -

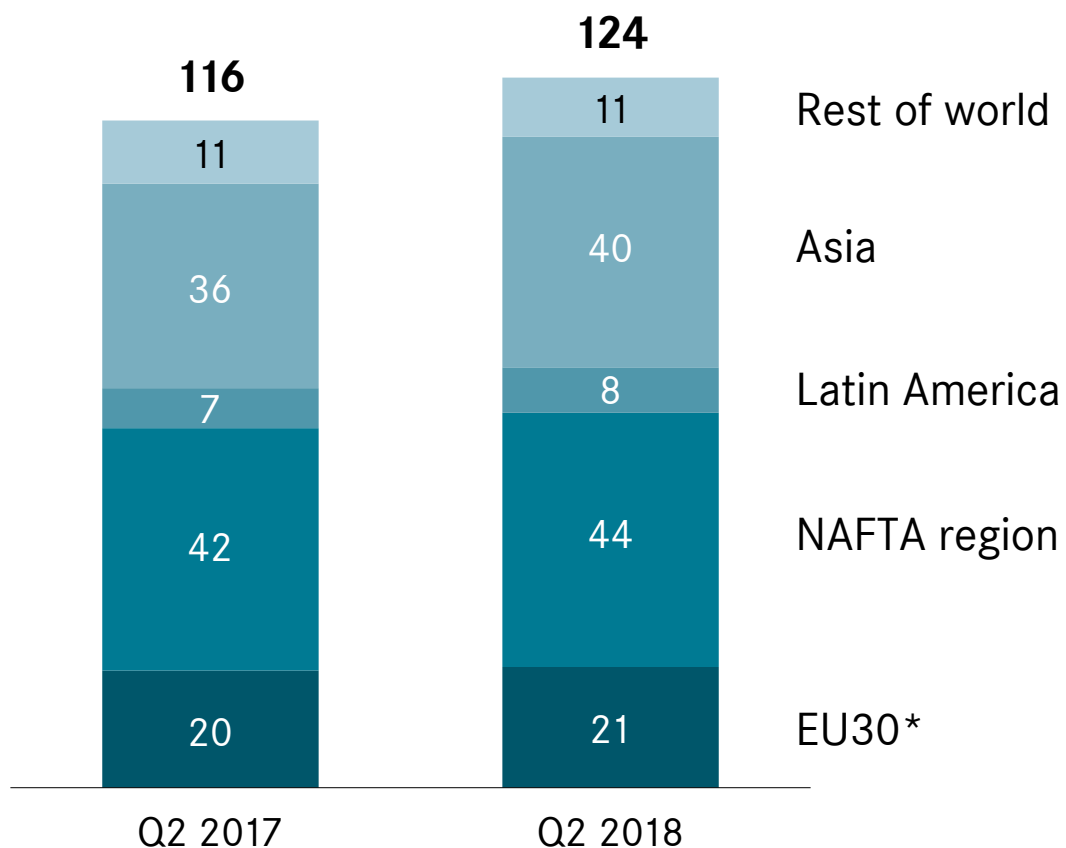


* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** Return on sales

Daimler Trucks: sales increase by 6% mainly driven by Asia and NAFTA region

- in thousands of units -

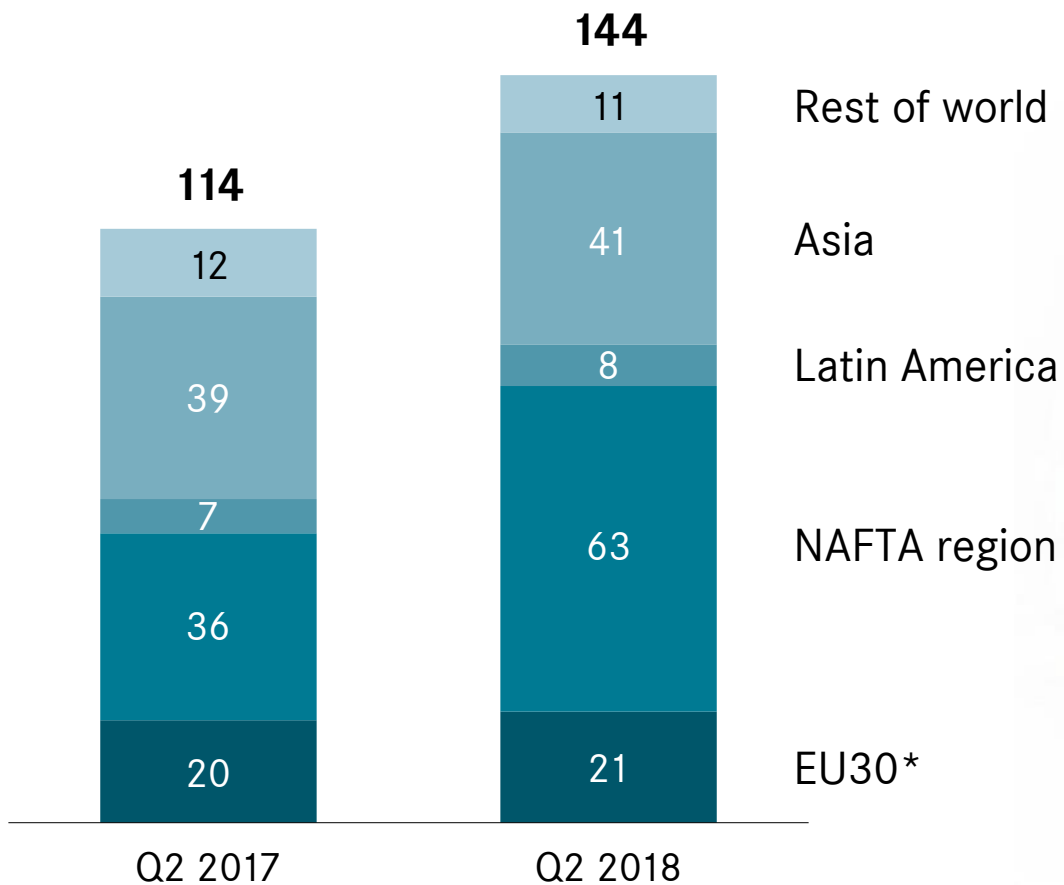


* European Union, Switzerland and Norway



Daimler Trucks: significant increase in incoming orders mainly driven by NAFTA region

- in thousands of units -

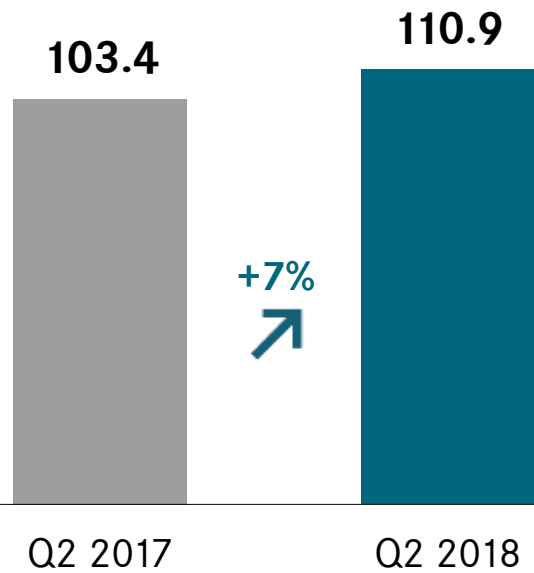


* European Union, Switzerland and Norway

Mercedes-Benz Vans

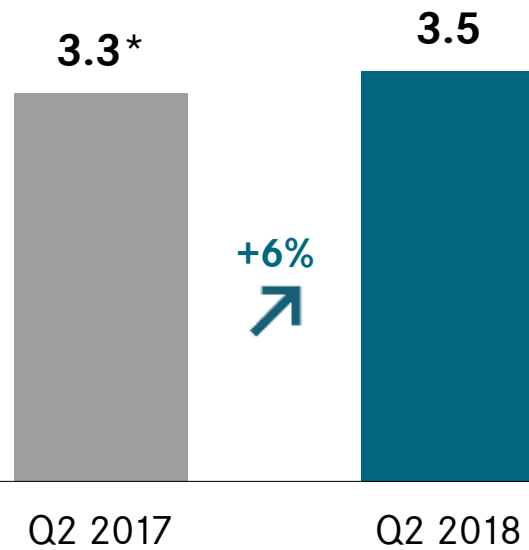
Unit sales

- in thousands of units -



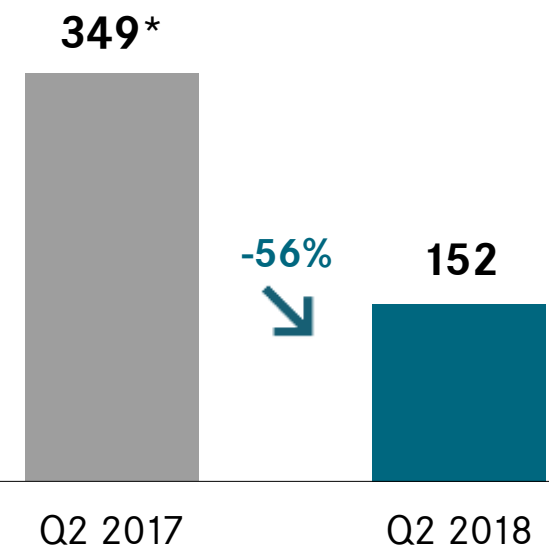
Revenue

- in billions of euros -



EBIT

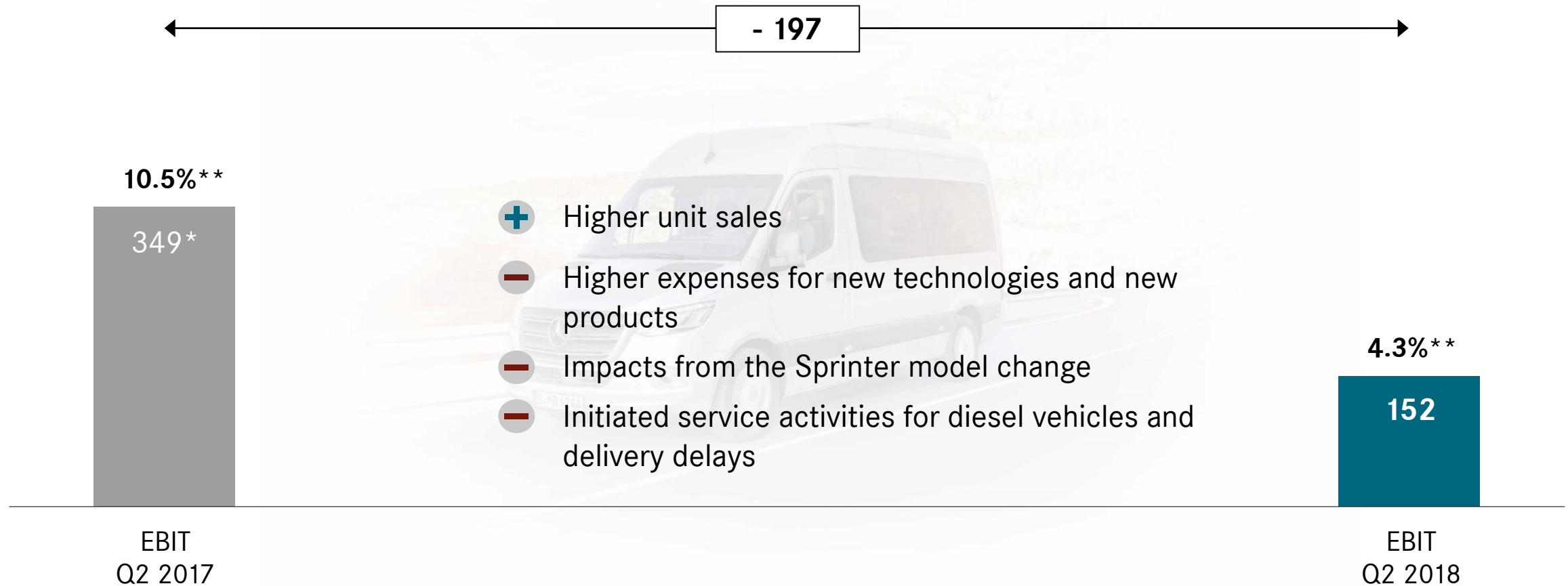
- in millions of euros -



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Mercedes-Benz Vans: EBIT

- in millions of euros -

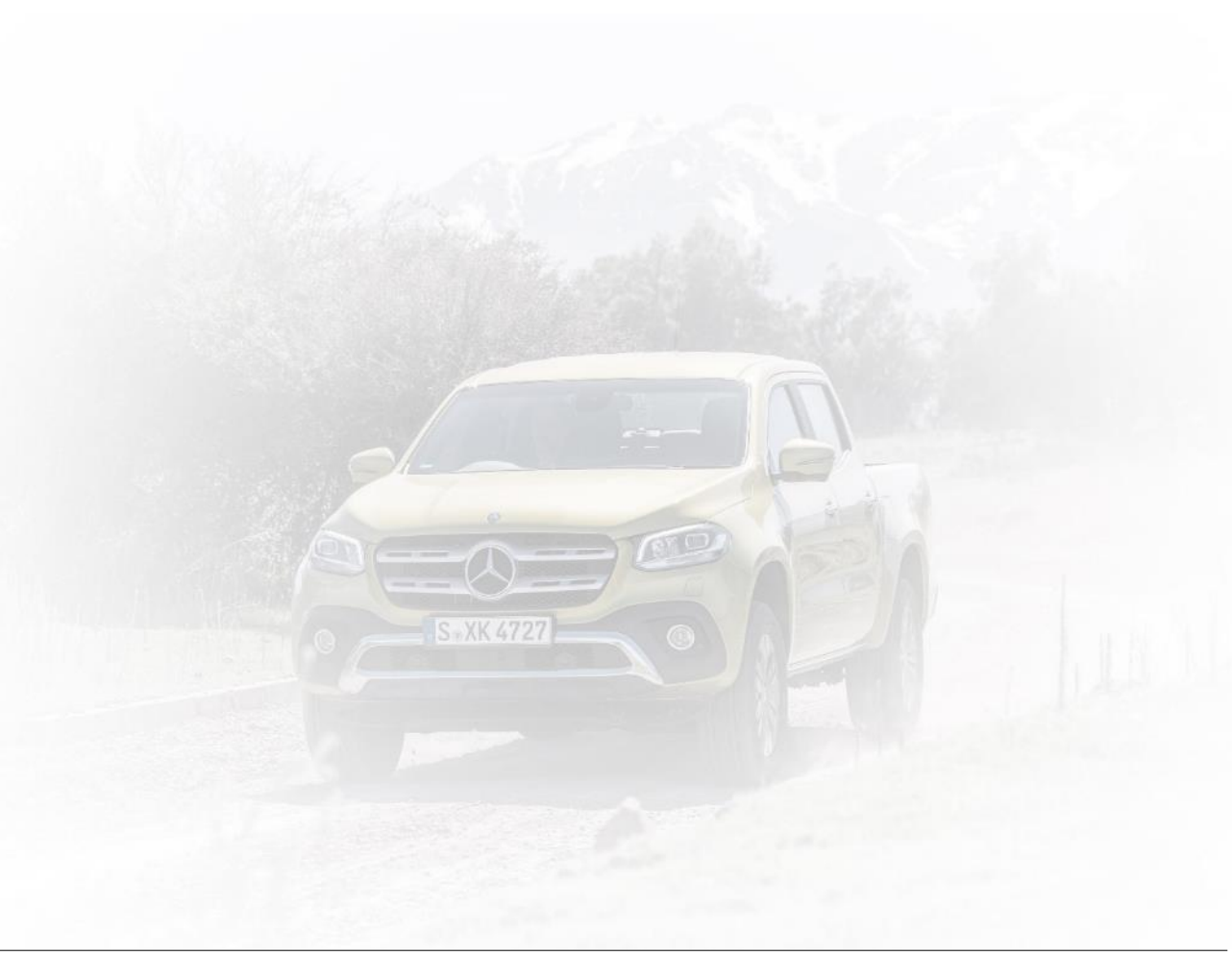
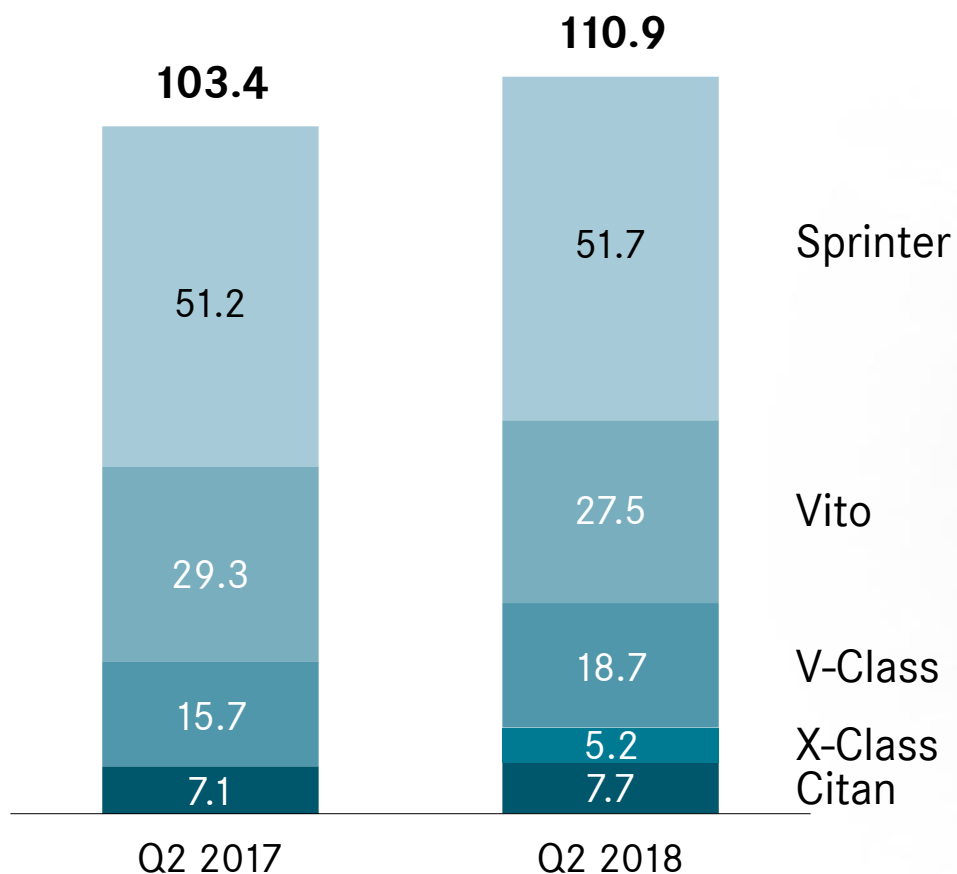


* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** Return on sales

Mercedes-Benz Vans: sales increase by 7% due to market success of attractive product portfolio

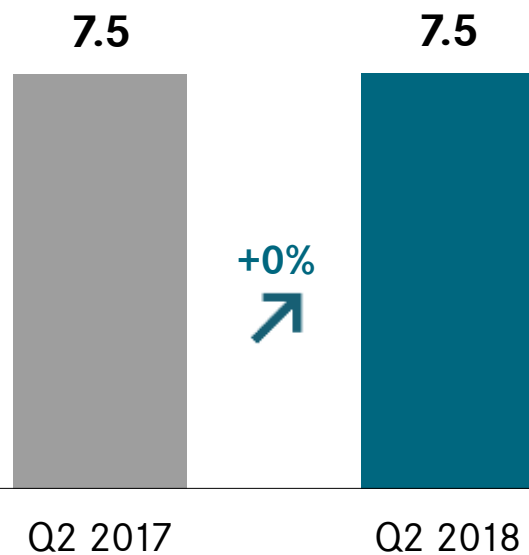
- in thousands of units -



Daimler Buses

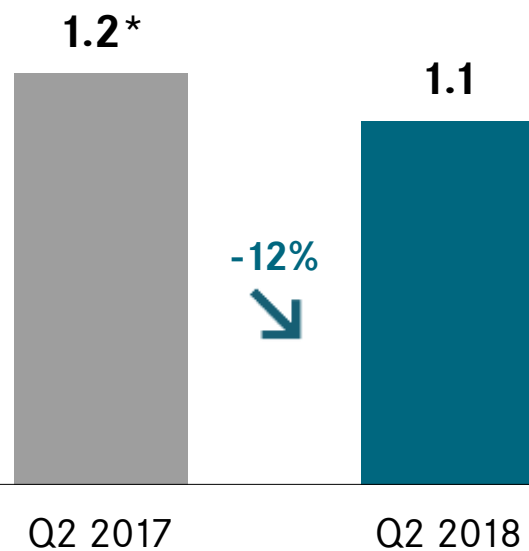
Unit sales

- in thousands of units -



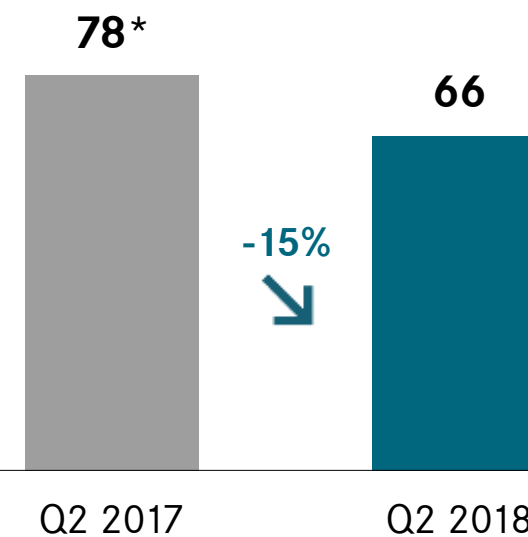
Revenue

- in billions of euros -



EBIT

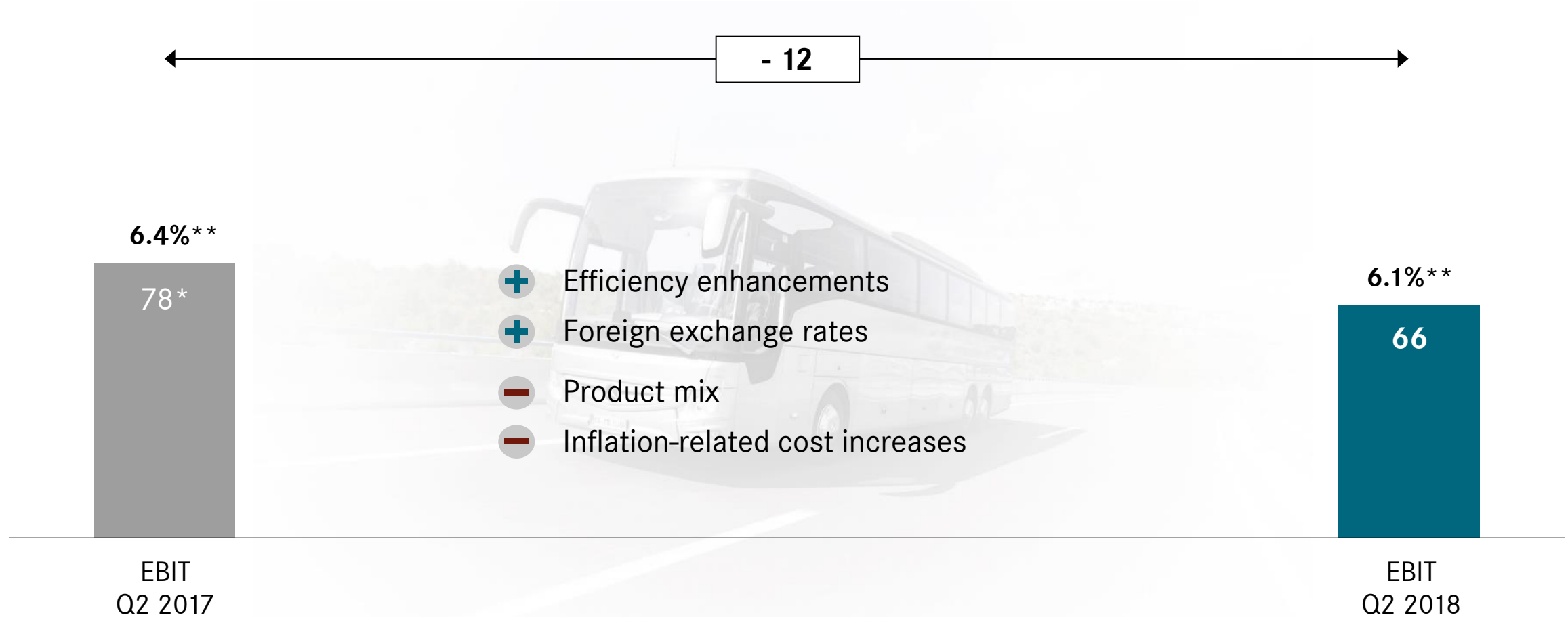
- in millions of euros -



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Daimler Buses: EBIT

- in millions of euros -

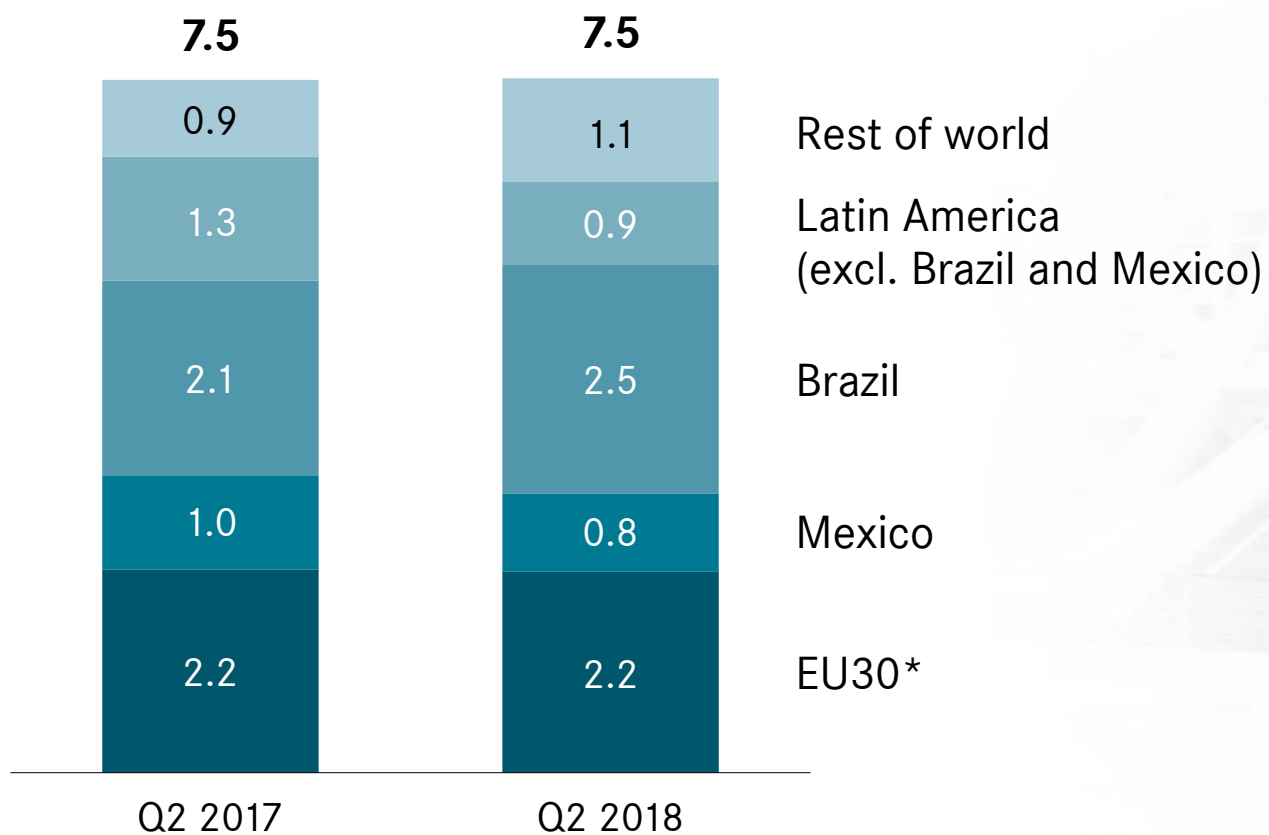


* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** Return on sales

Daimler Buses: higher unit sales in Brazil and India

- in thousands of units -

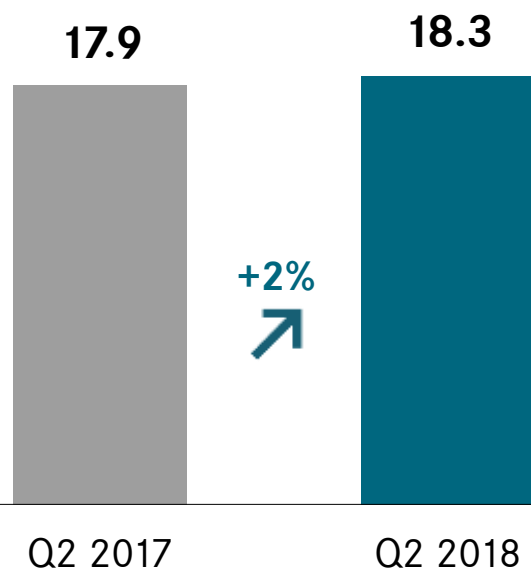


* European Union, Switzerland and Norway

Daimler Financial Services

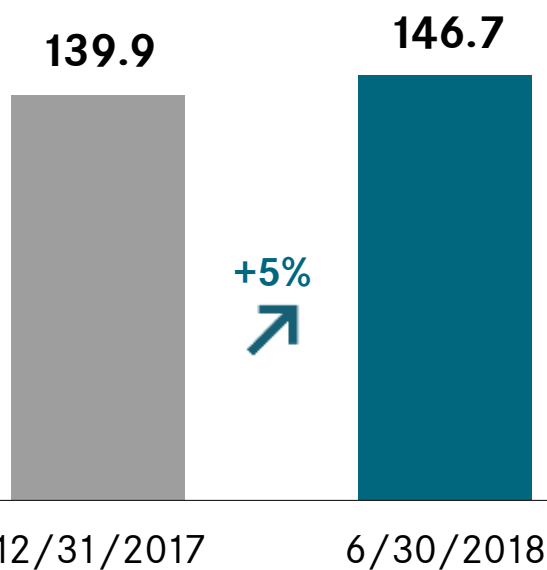
New business

- in billions of euros -



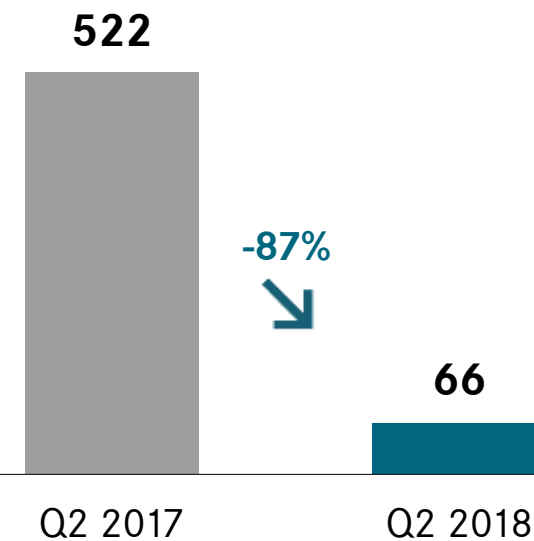
Contract volume

- in billions of euros -



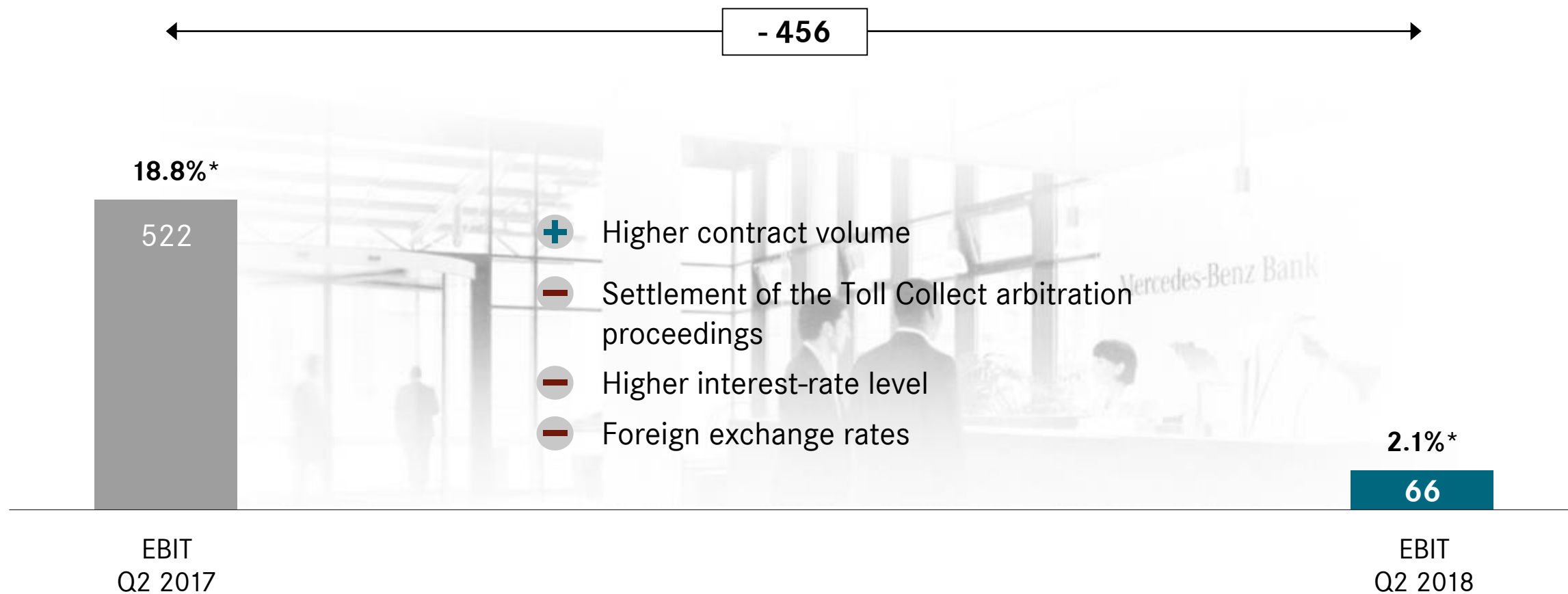
EBIT

- in millions of euros -



Daimler Financial Services: EBIT

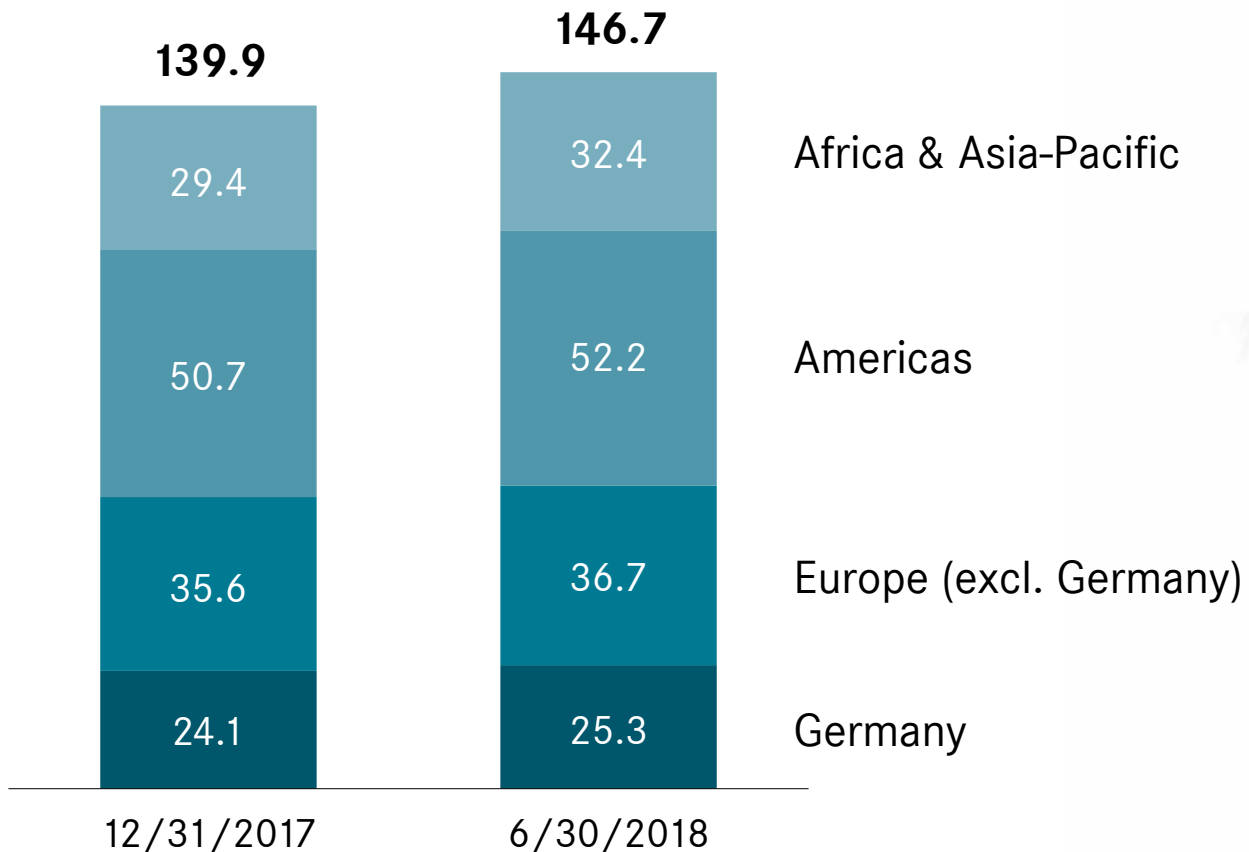
- in millions of euros -



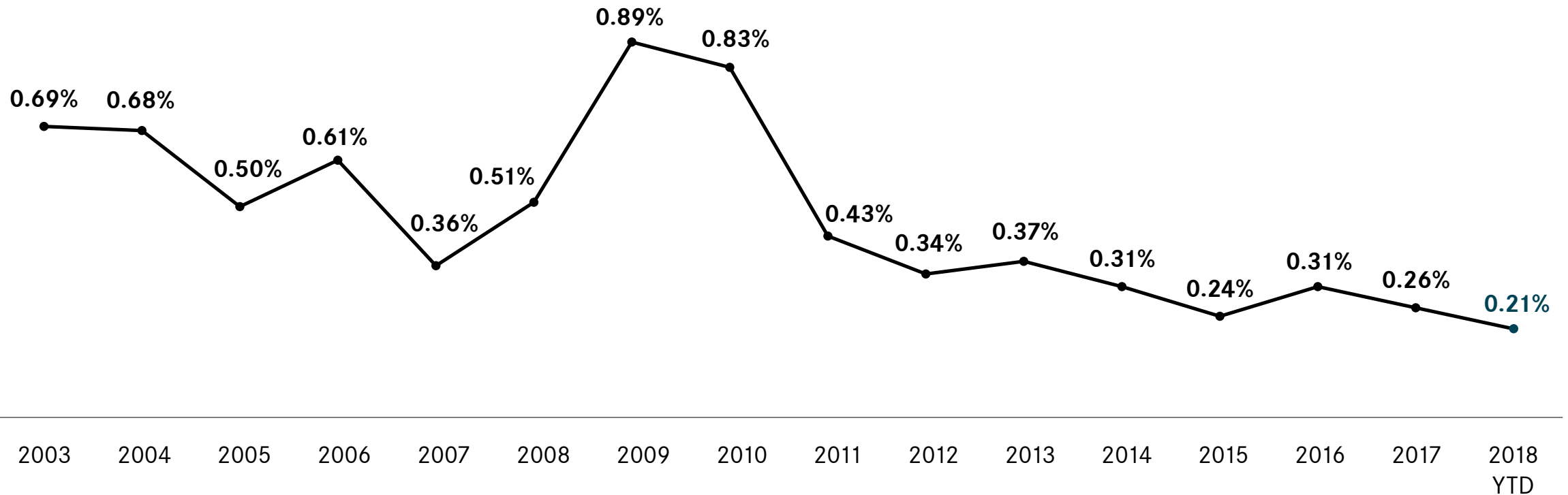
* Return on equity

Daimler Financial Services: further increase in contract volume to 146.7 billion euros

- 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 and tariff regulations; 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.