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Daimler Trucks Capital Market Day 2018
Portland, USA – June 6, 2018



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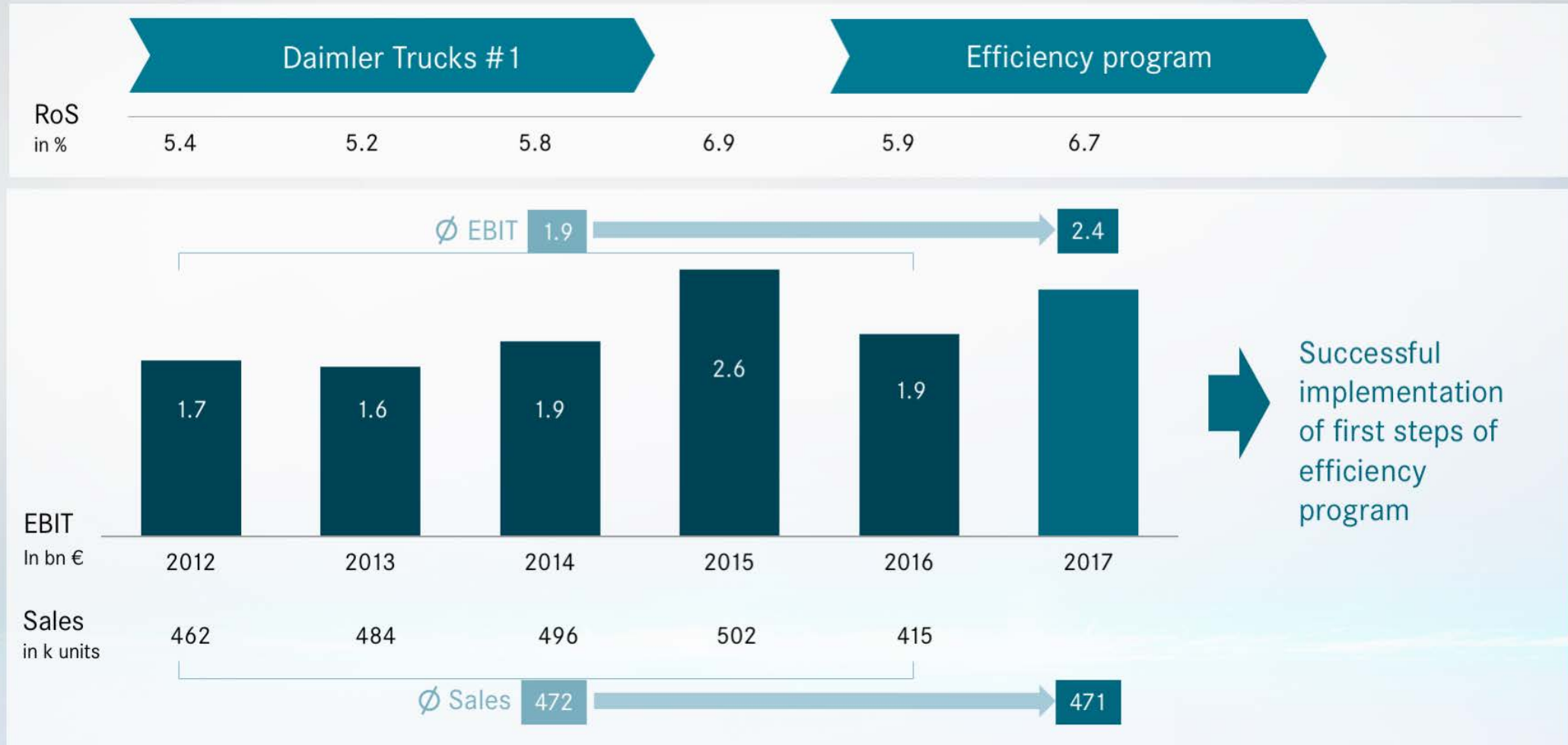
Daimler Trucks Finance Update



Jochen Goetz

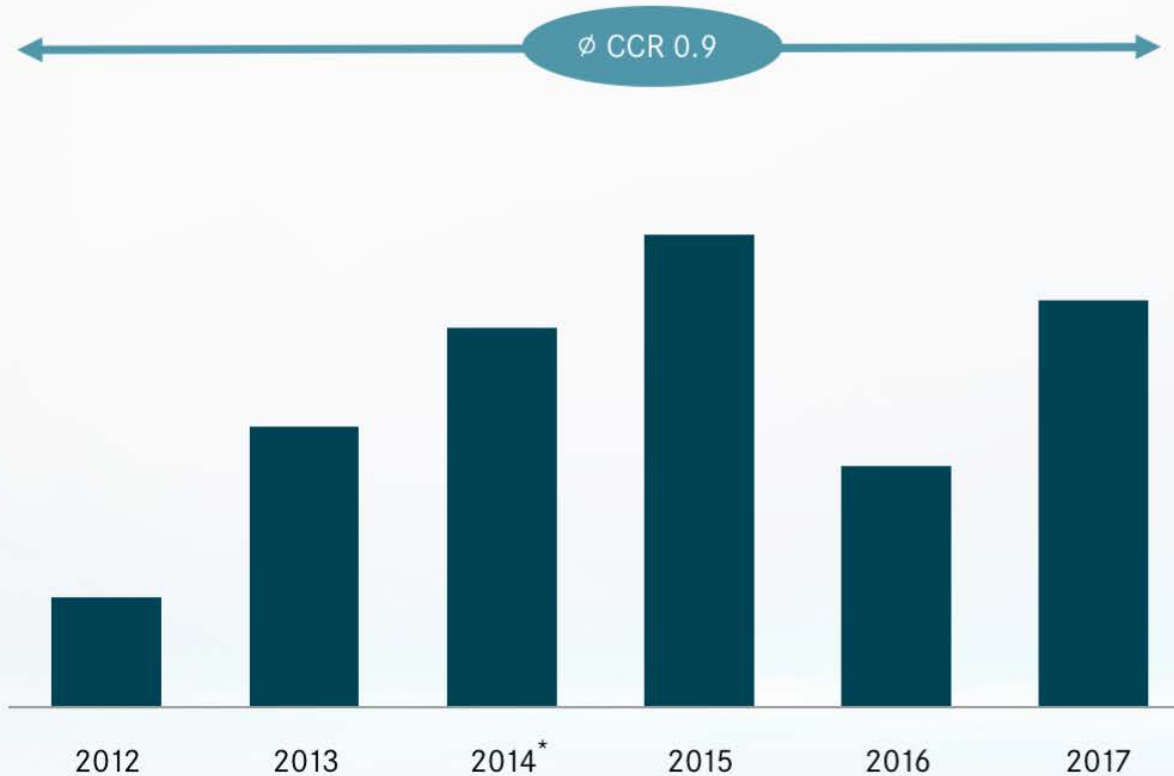
Executive Vice President
Finance & Controlling
Daimler Trucks & Buses

Where we are coming from...



Despite major investments in new products and capacity, CCR of 0.9 driven by ongoing working capital improvements

CFBIT



* w/o sale of Rolls-Royce Power Systems Holding GmbH

Product projects

Freightliner
New Cascadia



FUSO
Super Great



Next generation fuel
efficient powertrain



Capacity and flexibility increase



On top of EbIT improvement continuous work on Net Assets led to 4.7 bn € Value Added



- Disposal of the shares in Rolls-Royce Power Systems Holding GmbH
- Continuous working capital management (supply chain optimization, usage of global scales)
- Balanced funding steering

Good start in 2018, efficiency program bears fruits already in Q1



Daimler Trucks is setting the stage for a total of >1,400 mill € improvement fully effective in 2019

1 Growth & Customer focus

2 Global optimized network

3 Cost reduction initiative

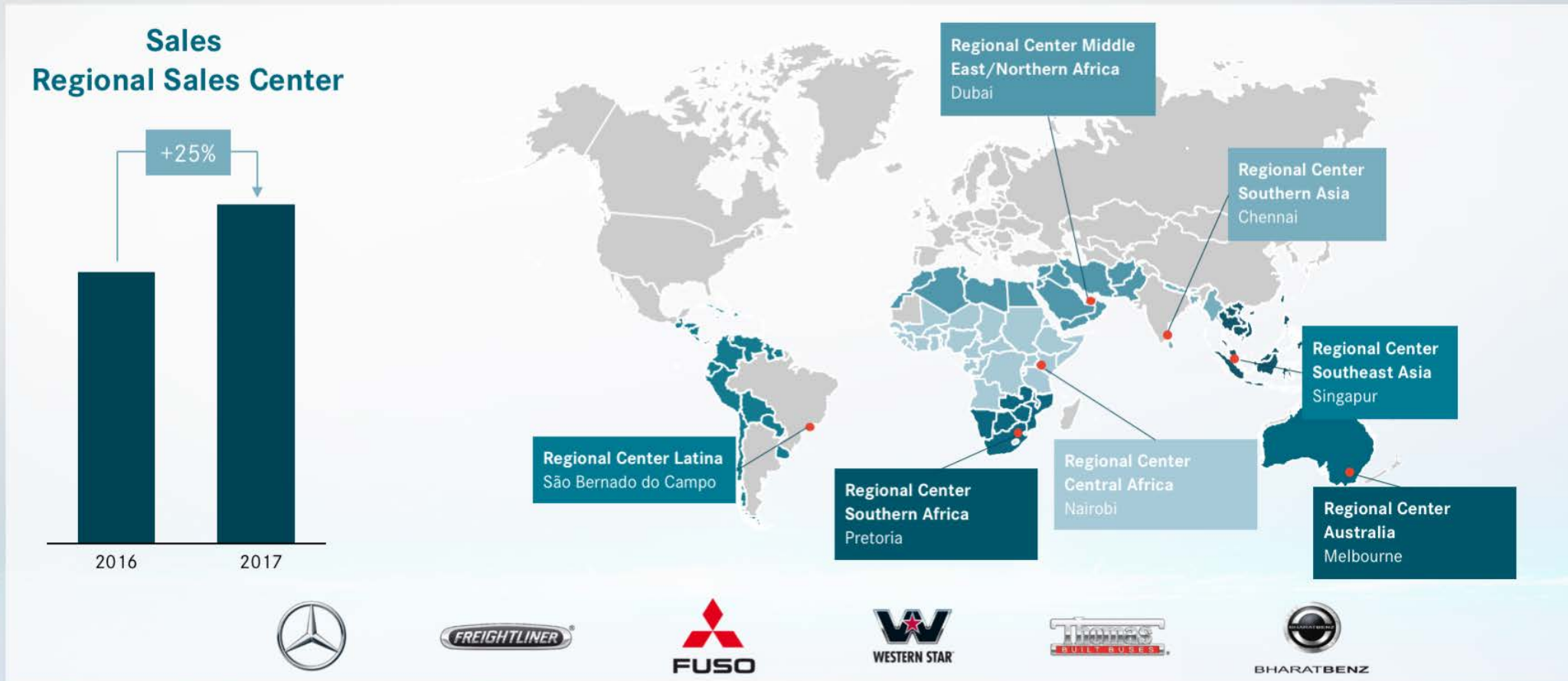
4 Stream

Net improvements
>1,400 mill €
Fully effective in 2019



1 Growth & Customer focus

Regional Centers successfully established, focus on offering the best global products to fulfill the local needs



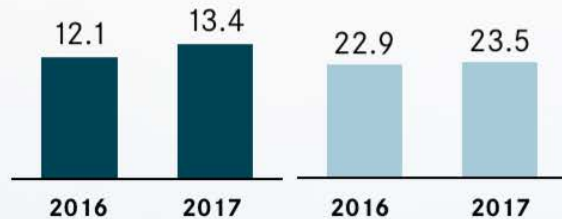
1 Growth & Customer focus

Leverage of global products supports market success in emerging markets



Brazil

Sales – in k units



SoM extra heavy segment – in %

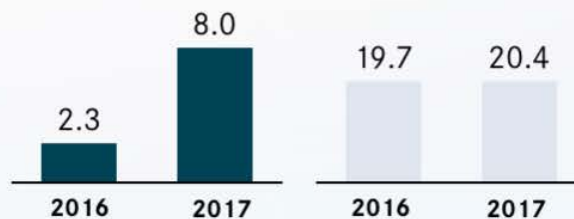


- #1 in Trucks & Bus segment in 2016 & 2017

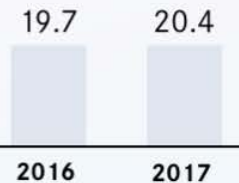


Russia

Sales – in k units



SoM H/MDT import segment – in %



- Significant increase of SoM over the last years



India

Sales – in k units



SoM HD Cab segment – in %



- BharatBenz in segment w/o Cowl already #3 in SoM

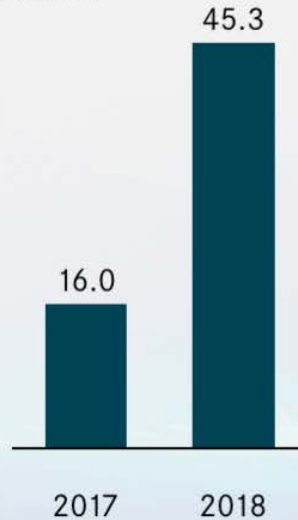
1 Growth & Customer focus

Superior products lead to customer demand

Freightliner Cascadia



Q1/17&18 Order income
in k units



FUSO Super Great



Q1/17&18 HDT Order income
in k units



Fuel Economy advantage



New Safety feature



Implementation
Truck Data Center

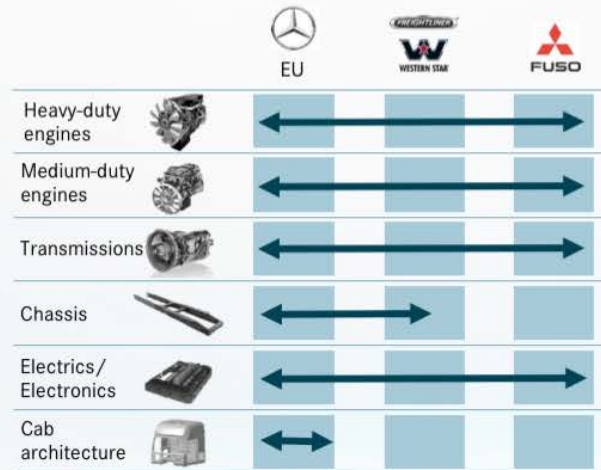
2 Global optimized network

Product simplification addressed on component, module and parts level

Component

Part

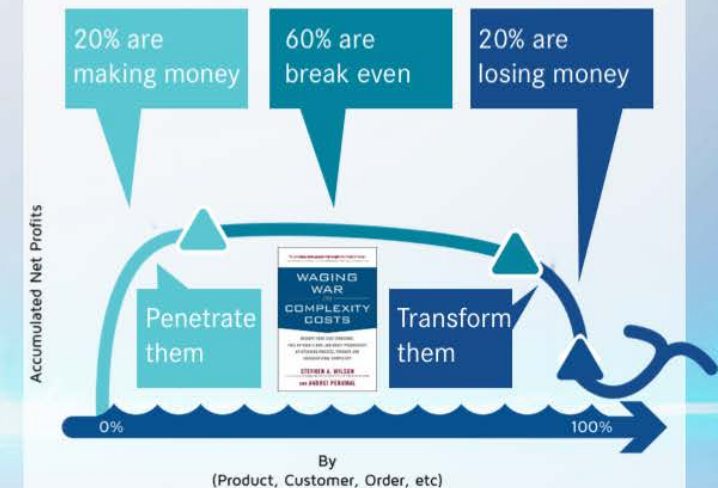
Component strategy



Module Strategy cost reduction



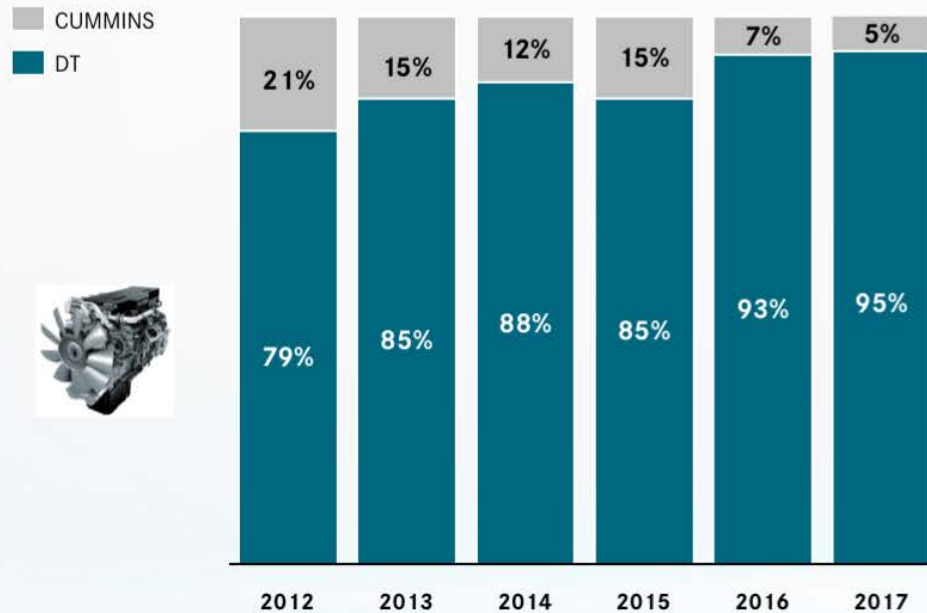
Part Strategy „Smart simplicity“



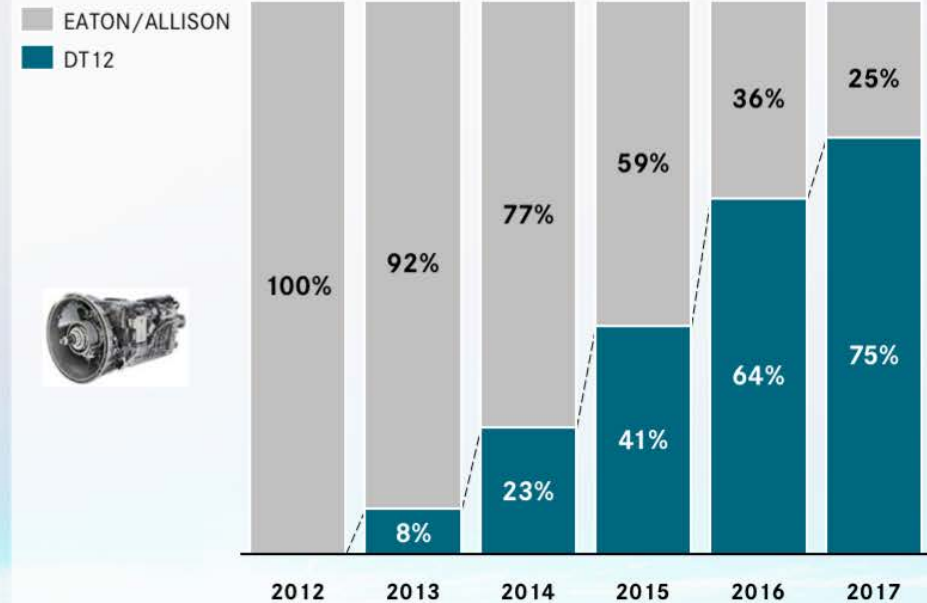
2 Global optimized network

Global Platform rollout in triad completed by 2017; global rollout expected in 2020

Heavy Duty Engines Penetration (US/CAN)



Heavy Duty Transmission Penetration (US/CAN)



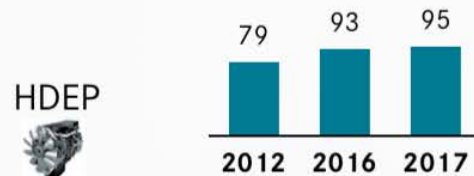
Medium Duty
US just launched

2 Global optimized network

Aftersales push is a major pillar of DT profitability growth

Powertrain penetration

Penetration rate (US/CAN) in %



Global optimization network/ Customer focus aftersales

Customer Programs

Customer satisfaction #1, customer conquest and retention program

Retail Sales Initiatives

Target Campaigns to increase CM for potential customers

Service Excellence

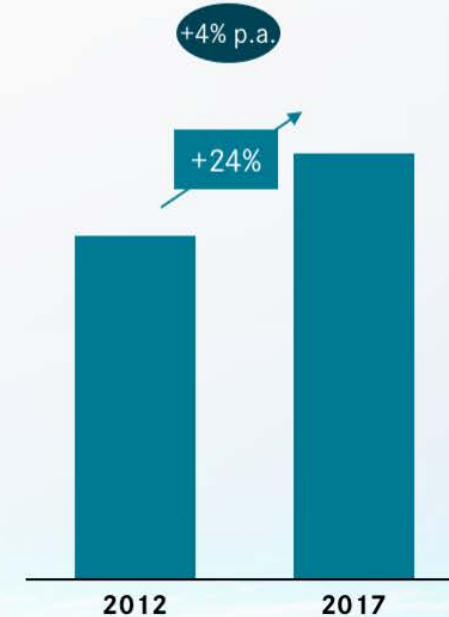
Make service cost efficient by insourcing, fix it first time & lower throughput time

Parts/Aggregates Portfolio

Market specific portfolio with competitive pricing

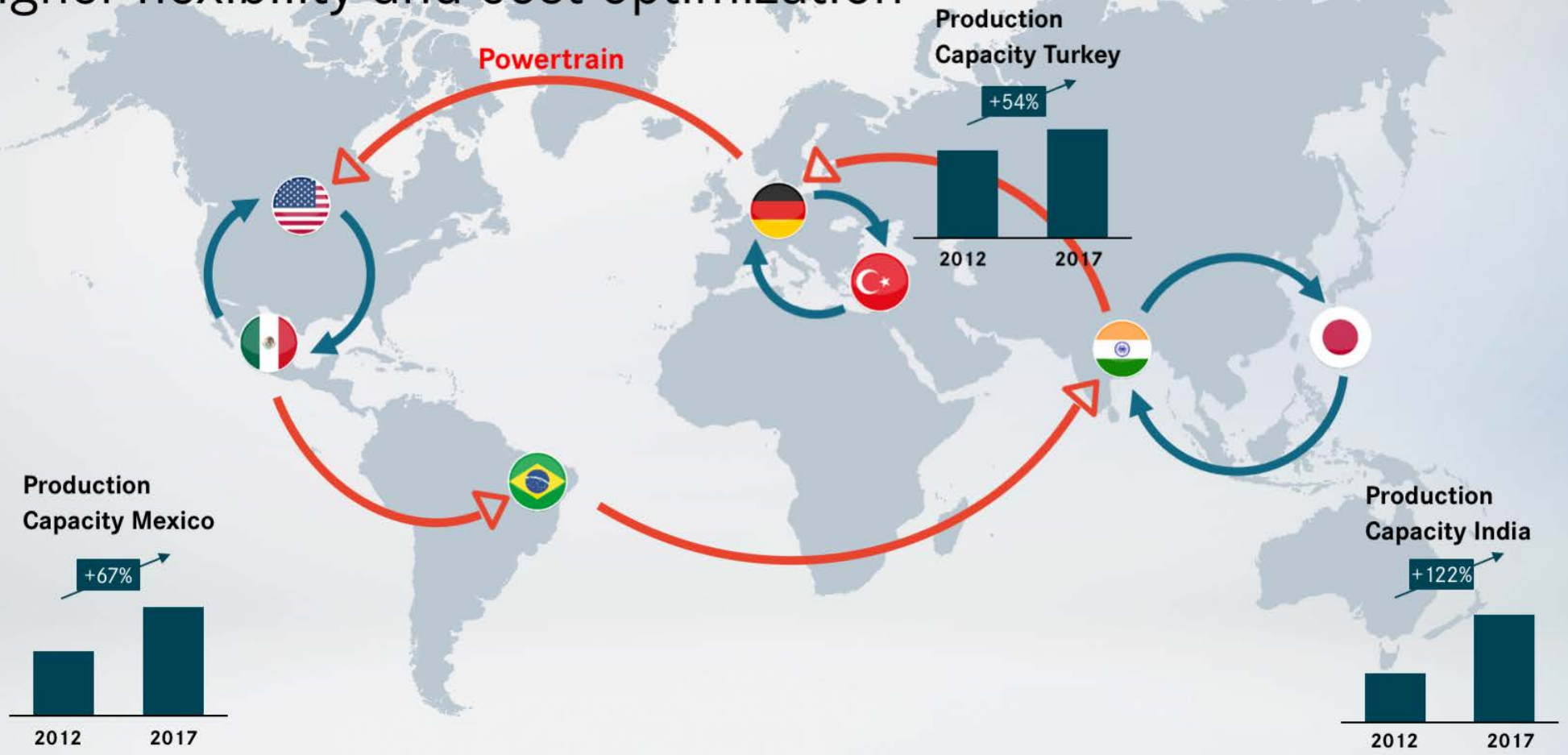
Profitable growth

DT Aftersales EBIT



2 Global optimized network

Significant investment in capacity in emerging markets led to higher flexibility and cost optimization



3 Cost reduction initiative

Strategic levers

Best Cost
Country
share
increase

20%

25%

Module
Strategy

Smart simplicity

1.2 bn €
AVOB
covered

Average
savings
-10%

Dual sourcing
Strategy

- Reduce REC (reference calculation) gap for critical components
- Optimize currency balance (e.g. Europe/USA)

Risk

Cost down
initiatives



Ref. Type TG09E01 incl. Options



OM 471 Euro VI

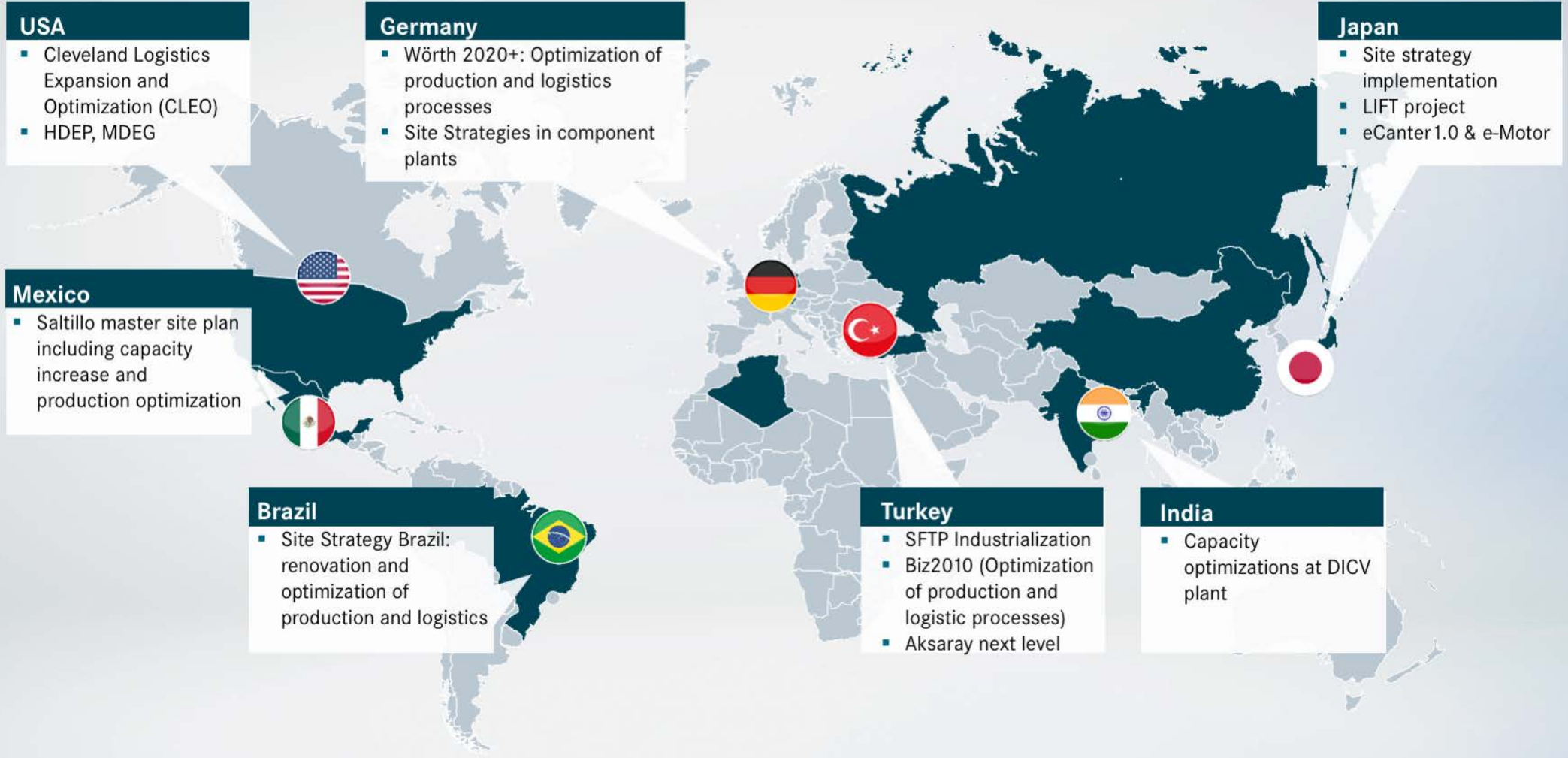


Euro VI HD - 316 K7D

Yearly
improvement
rate ~3%

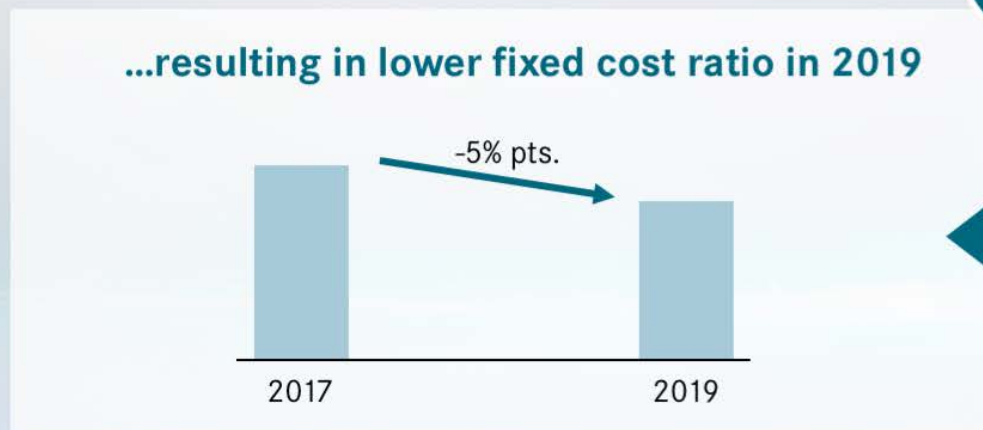
3 Cost reduction initiative

Production



4 STREAM MB Trucks

Fixed costs targets will be achieved with significantly lower one-time costs



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- 2 Global optimized network
- 3 Cost reduction initiative
- 4 Stream

Ebit Impact



Net improvements
>1,400 mill €
Fully effective in 2019



Summary



All-time high in
Sales & Profitability



Successful implementation
of 1.4 bn € cost savings



Continuous improvement
as part of Daimler Trucks
DNA

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.