

Capital Market Presentation Q3 2021

Daimler AG



Daimler: Key messages

- ▶ Business development Q3: strongly influenced by supply constraints due to semiconductor shortage; resilience of business further improved
- ▶ Favorable development of Net Industrial Liquidity & Free Cash Flow supporting financial flexibility
- ▶ Strategy execution: ramp-up of EV portfolio in all divisions
- ▶ Project Focus: 99.90% of shareholders in favour of Daimler Truck spin-off and renaming of Daimler AG. First stock-exchange listing of Daimler Truck Holding AG planned by end of 2021



Q3/Q4 Reporting Changes

Group P&L (Financial Statements)¹

Q3/Q4/FY

Continued Operations (CO)



Mainly: Mercedes-Benz Cars & Vans, Daimler Mobility², Reconciliation

Presented as usual line item

Discontinued Operations (DO)



Mainly: IB Daimler Trucks & Buses

Presented as separate single line item "Discontinued operations", covering EBIT, interest and taxes

Segment P&L

Until Q3 2021 (unchanged)

Mercedes-Benz Cars & Vans



Daimler Mobility



Daimler Trucks & Buses



Reconciliation

Q4 2021 (expected structure)

Mercedes-Benz Cars & Vans



Daimler Mobility³



Reconciliation
(incl. Daimler Trucks & Buses)

Internal and external reporting of Q4 2021 **changes** to reflect Group structure post spin-off

¹ In Consolidated Balance Sheet mainly IB Daimler Trucks and Buses business including DMO spin off is shown as assets/ liabilities held for distribution/ sale

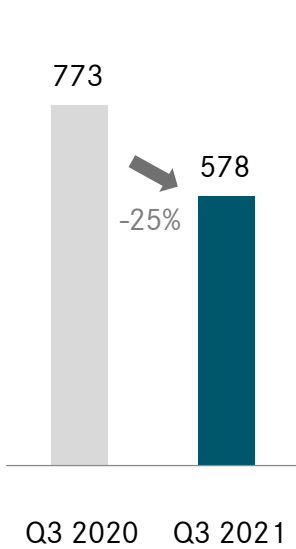
² DMO incl. Trucks DMO

³ Scope changes over time, Trucks DMO Portfolio successively carved out or ramped down

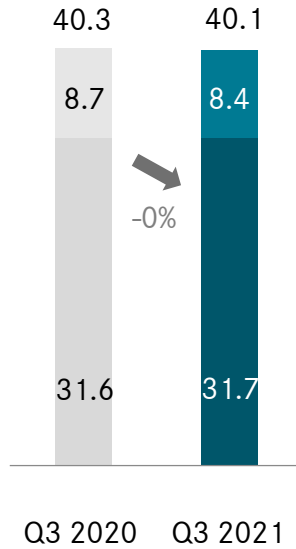
Disclaimer: This page is for illustration purposes only. It shows schematically the upcoming structural changes within Daimler's financial statements. More detailed information is provided in the interim report

Daimler: Key figures

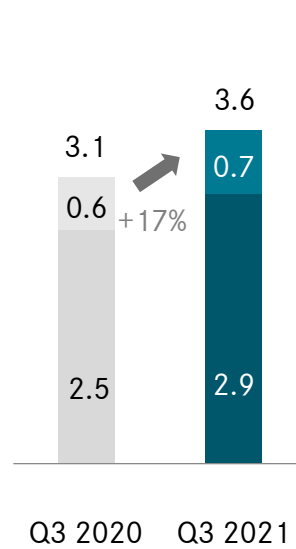
Sales
in thousand units



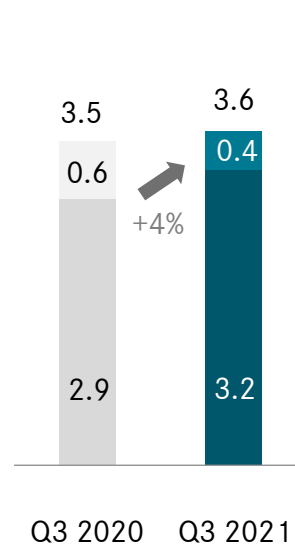
Revenue
in billion euros



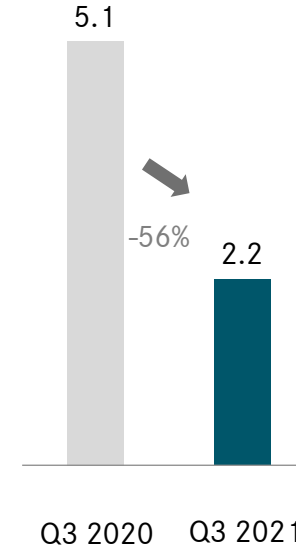
EBIT
in billion euros



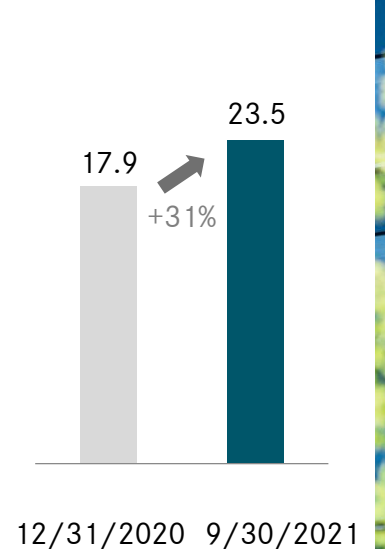
EBIT adj.
in billion euros



Free Cash Flow (IB)
in billion euros



Net Industrial Liquidity
in billion euros



discontinued operations
 continued operations

Mercedes-Benz Cars & Vans: Highlights

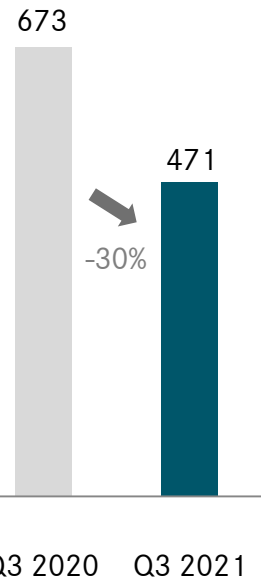
- ▶ Strong demand for Mercedes-Benz products in all markets. Especially electric and high-end vehicles with high growth rates
- ▶ Sales significantly restricted by ongoing semiconductor shortage
- ▶ Favorable mix and net pricing offset semi-driven supply constraints and raw material headwinds
- ▶ Acquisition of 33%-equity stake in battery cell JV ACC
- ▶ Transfer of compact and mid-size transmissions activities to Magna
- ▶ EV ramp-up: Introduction of 4 new EV products and concepts at IAA underlines focus on luxury and tech
- ▶ Successful Digital World Premiere of new Citan and eCitan. Start of sales Sprinter 4x4 and new battery variant for eVito Tourer



Mercedes-Benz Cars & Vans: Financials

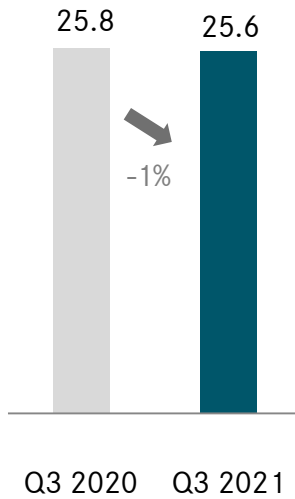
Sales

in thousand units



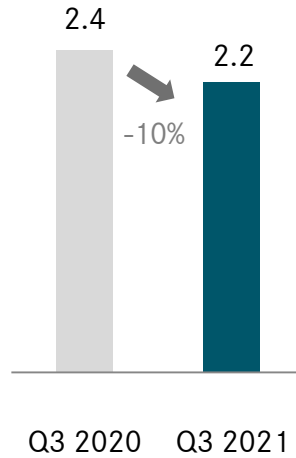
Revenue

in billion euros



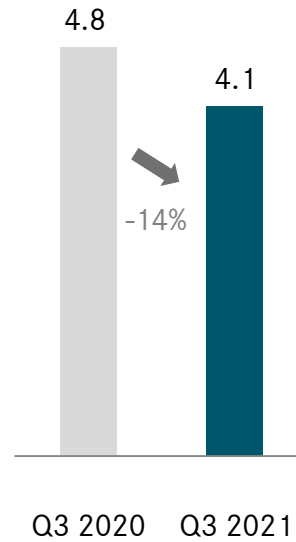
EBIT adj.

in billion euros



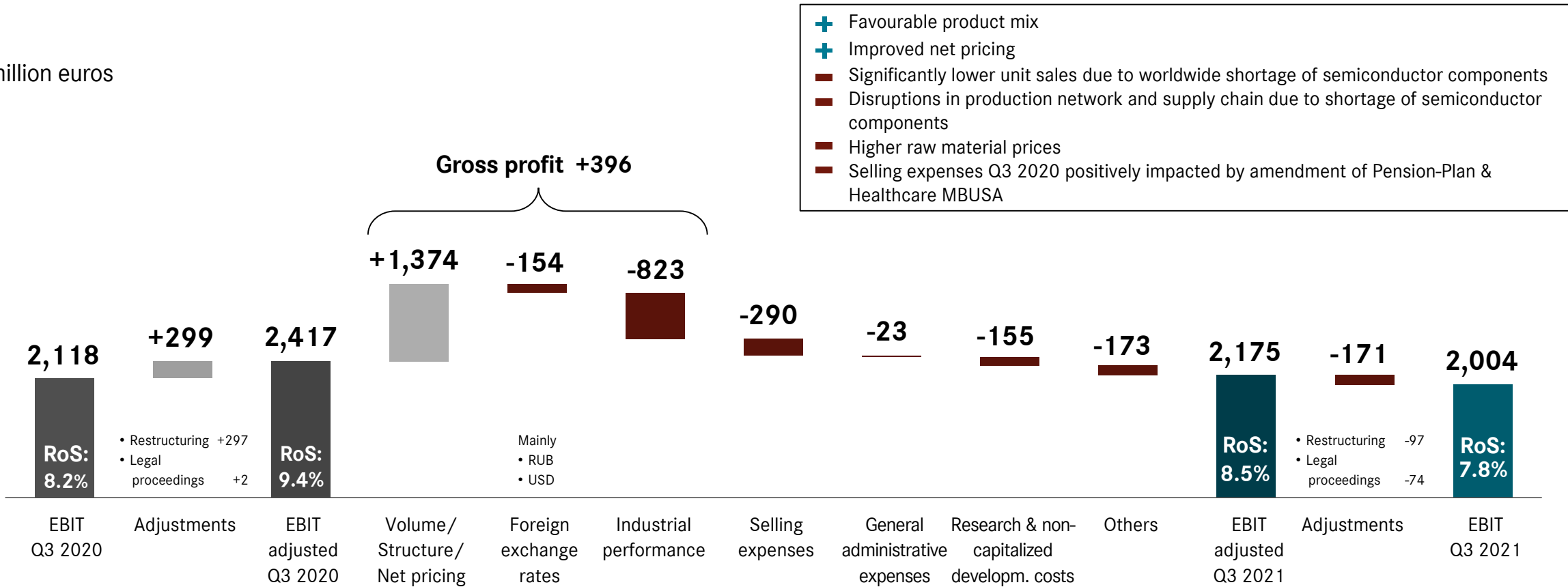
CFBIT adj.

in billion euros



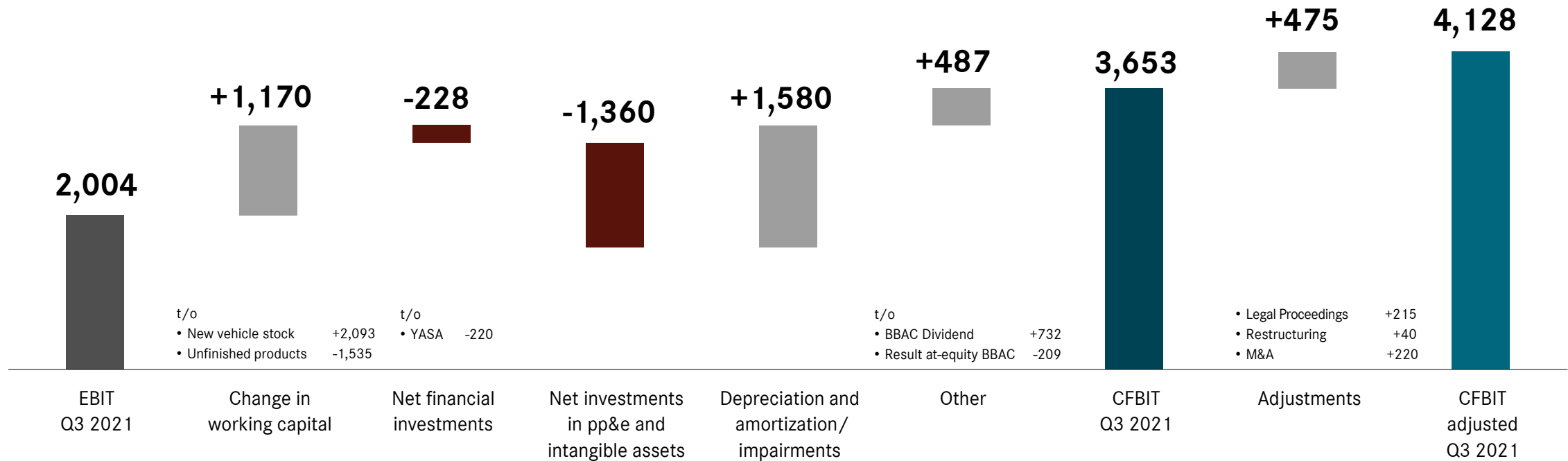
Mercedes-Benz Cars & Vans: EBIT & RoS

in million euros



Mercedes-Benz Cars & Vans: Reconciliation from EBIT to CFBIT

in million euros



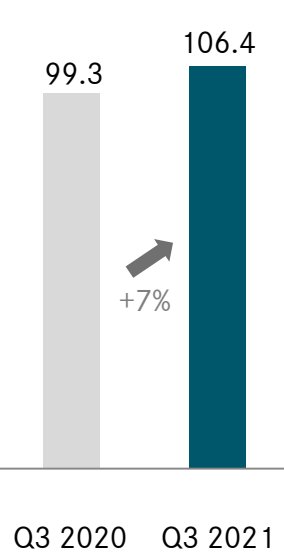
Daimler Trucks & Buses: Highlights

- ▶ Q3 sales significantly impacted by semi-conductor shortages with shortfall mostly felt in heavy duty markets North America and Europe; significant amount of trucks awaiting completion
- ▶ Order Book for 2022 opened for North America with record incoming orders during the first days reflecting strong continued demand
- ▶ Headwinds from raw material, partly offset by increased net pricing
- ▶ World Premiere of DTNAs newest addition to its purpose built vocational line-up, the all-new Western Star 47X
- ▶ Launch of the all new Mercedes-Benz Tourrider coach for North America
- ▶ Start of series production of battery-electric eActros

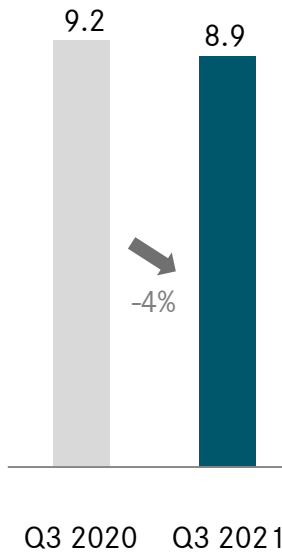


Daimler Trucks & Buses: Financials

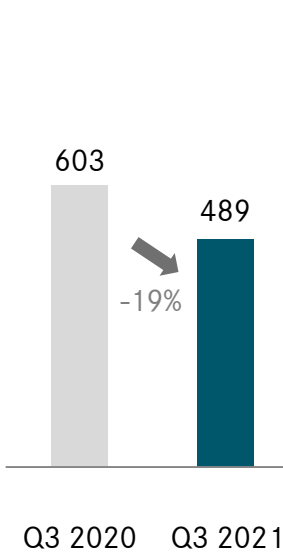
Sales
in thousand units



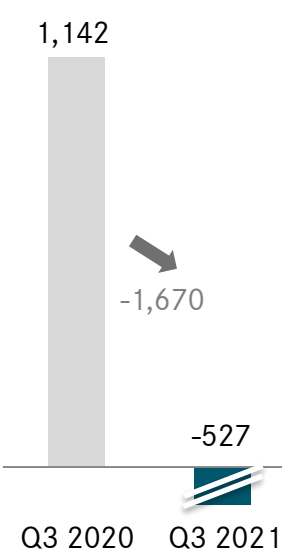
Revenue
in billion euros



EBIT adj.
in million euros



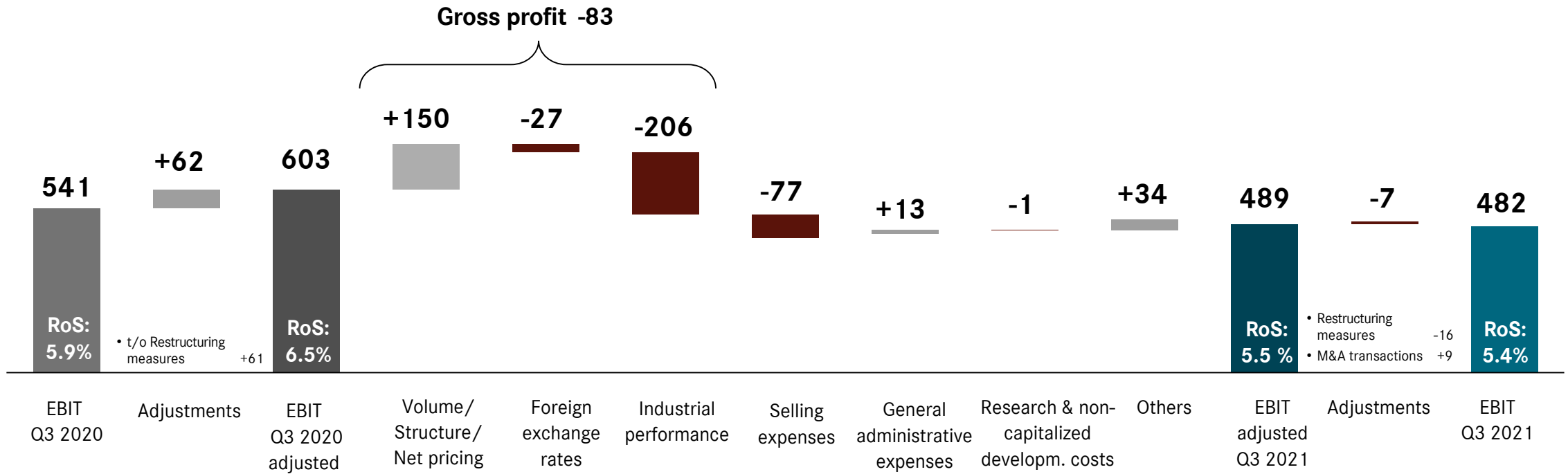
CFBIT adj.
in million euros



Daimler Trucks & Buses: EBIT & RoS

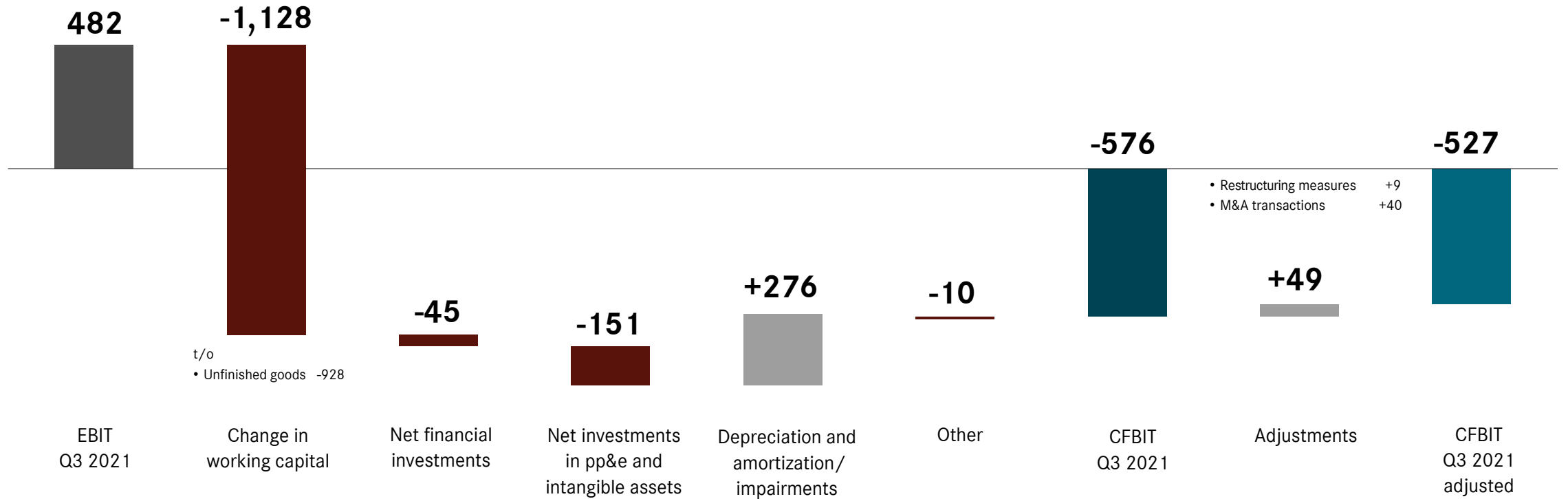
in million euros

- + Net pricing
- + Positive contributions from used vehicle business and from aftermarket
- + Positive one-time effects from BFDA Impairment reversal
- Unfavorable regional heavy duty sales mix due to supply chain constraints in North America and Europe
- Higher costs, mainly related to raw material



Daimler Trucks & Buses: Reconciliation from EBIT to CFBIT

in million euros

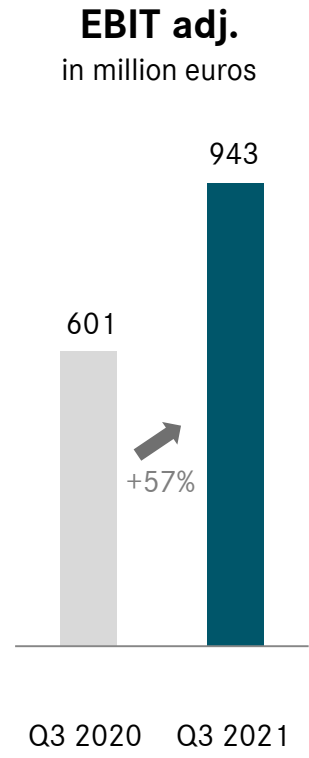
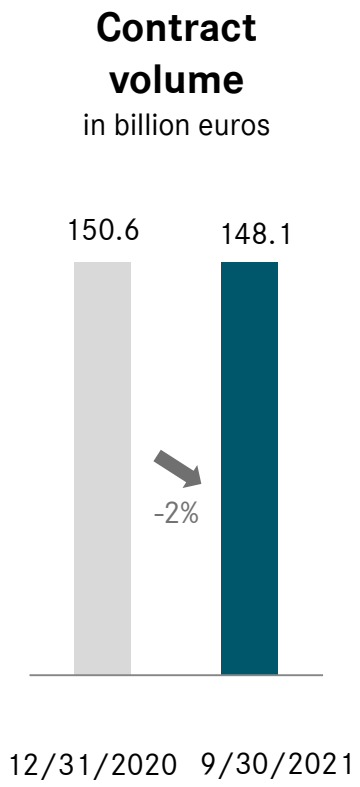
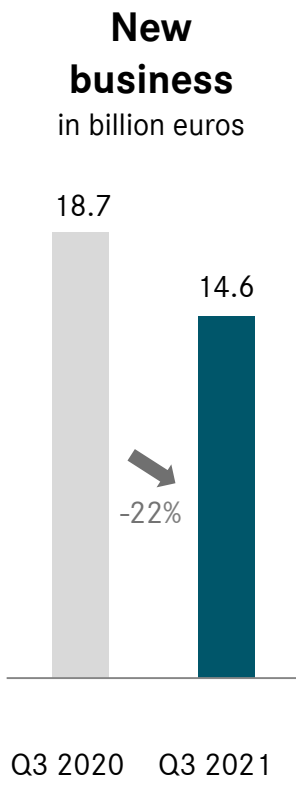


Daimler Mobility: Highlights

- ▶ Reduced portfolio due to semi-conductor shortage and lower dealer stock
- ▶ Support for EV-sales at level comparable to ICEs
- ▶ Interest result benefitting from lower refinancing cost
- ▶ No new credit risk provisions required in Q3 due to high portfolio quality
- ▶ Improved operative business performance at mobility services and fleet management



Daimler Mobility: Financials



Daimler Mobility: EBIT & RoE

in million euros

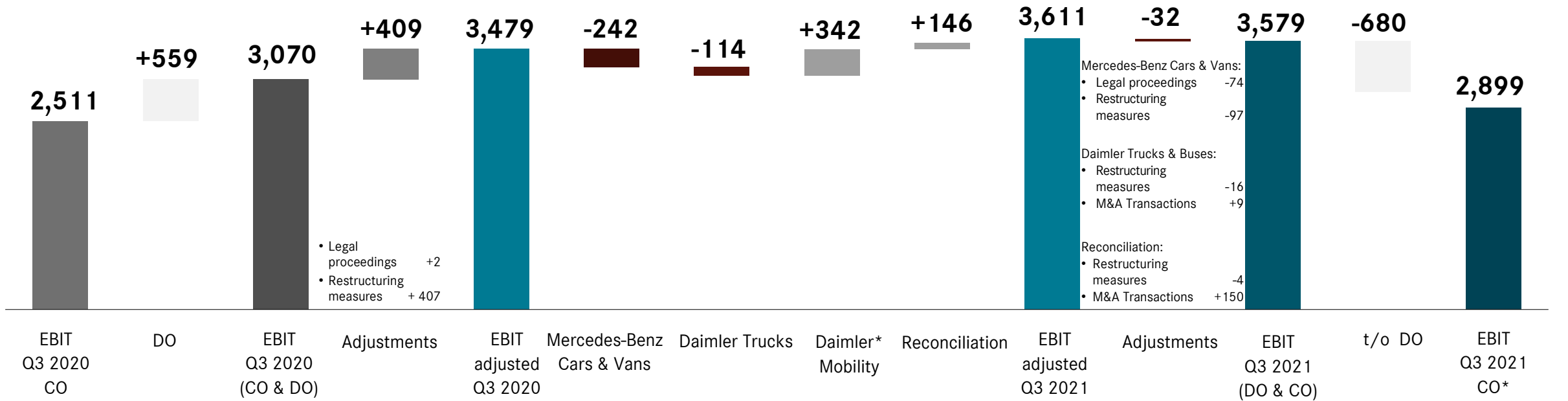


- + Margin benefiting from lower refinancing costs
- + Improved operative business performance at Mobility Services and Fleet Management
- + Negative impact in Q3 2020 due to impairment of software in context of streamlining IT Architecture

* excluding FX effects

Daimler Q3 2021: Group EBIT (incl. Discontinued Operations – DO)

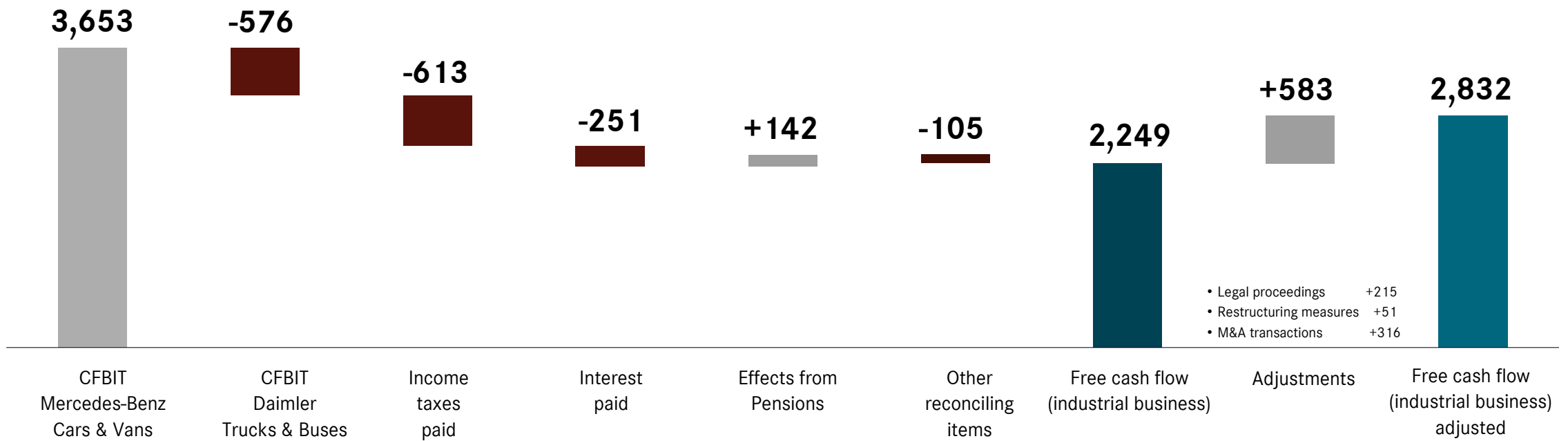
in million euros



*Incl. Truck DMO, to be gradually carved out or ramped down

Daimler Q3 2021: Reconciliation from CFBIT to Free Cash Flow*

in million euros

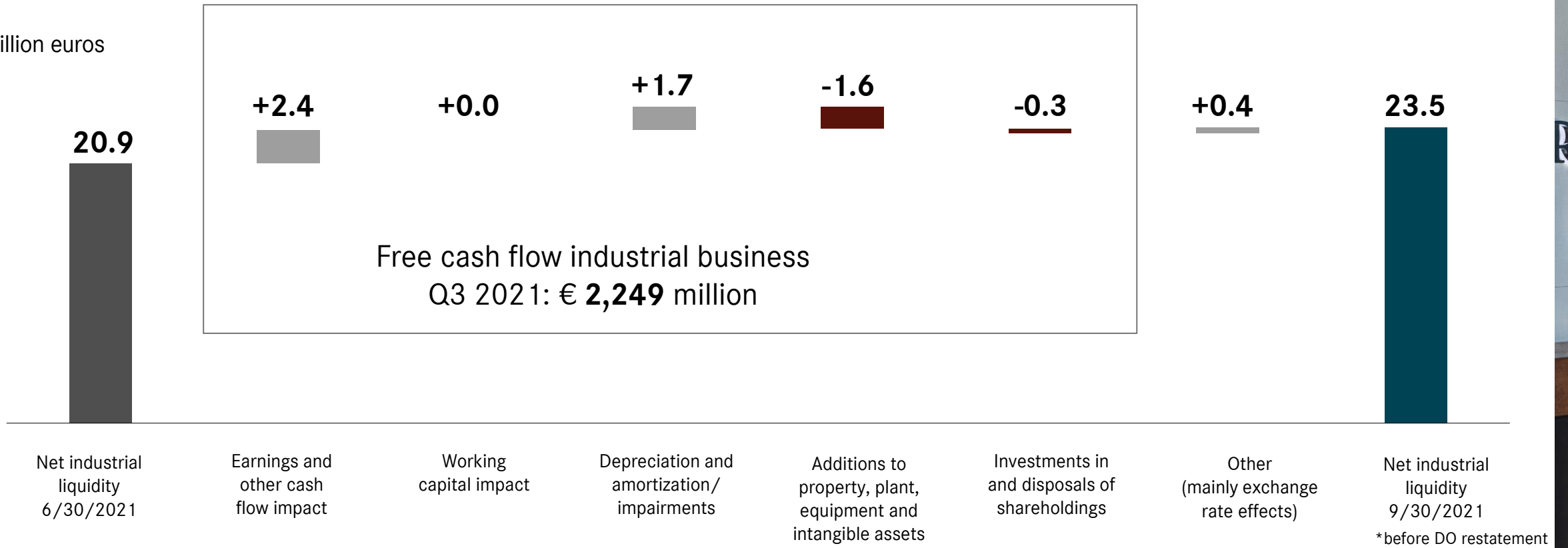


- Legal proceedings +215
- Restructuring measures +51
- M&A transactions +316

*before DO restatement

Daimler: Net Industrial Liquidity*

in billion euros





Outlook 2021

Market Guidance 2021

Assumption

The economic conditions for worldwide demand are likely to remain favourable during the rest of the year. One must assume, however, that strained supply chains and bottlenecks for key components will continue to have a considerable impact on worldwide vehicle production in the fourth quarter.

Furthermore, we assume in Q4 an improved semiconductor supply situation vs. Q3, despite the still limited visibility and high volatility.

Car Markets	Global	slight increase
	Europe	at prior-year level
	USA	slight increase
	China	at prior-year level
Van Markets	EU30	significant increase
	USA	at prior-year level
Heavy-Duty Truck Markets	North America	significant increase
	EU30	significant increase
	Japan	at prior-year level
	Brazil	significant increase



Divisional Guidance 2021

Assumption

The economic conditions for worldwide demand are likely to remain favourable during the rest of the year. One must assume, however, that strained supply chains and bottlenecks for key components will continue to have a considerable impact on worldwide vehicle production in the fourth quarter.

Furthermore, we assume in Q4 an improved semiconductor supply situation vs. Q3, despite the still limited visibility and high volatility.

Unit Sales	Cars	slightly below
	Vans	at prior-year level
	<i>Trucks & Buses¹</i>	<i>significantly above</i>
Return on Sales (adjusted*)	Mercedes-Benz Cars & Vans	10 to 12%
	<i>Daimler Trucks & Buses¹</i>	<i>6 to 8%</i>
	Daimler Mobility (RoE)	20 to 22%
Cash Conversion Rate** (adjusted)	Cars & Vans	0.8 to 1.0x
	<i>Trucks & Buses¹</i>	<i>0.8 to 1.0x</i>

¹ Shown as Reference only, includes Daimler Trucks & Buses activities for 12 months (assumed without any effect of the Spin-off) and is in line with previous Segment structure.

* The adjustments include material adjustments if they lead to significant effects in a reporting period. These material adjustments relate in particular to legal proceedings and related measures, restructuring measures and M&A transactions (e.g. Spin-off).

** Adjusted Cash Flow before Interest and Taxes (CFBIT) divided by adjusted EBIT.



Daimler Group Guidance 2021

Assumption

The economic conditions for worldwide demand are likely to remain favourable during the rest of the year. One must assume, however, that strained supply chains and bottlenecks for key components will continue to have a considerable impact on worldwide vehicle production in the fourth quarter.

Furthermore, we assume in Q4 an improved semiconductor supply situation vs. Q3, despite the still limited visibility and high volatility.

	<i>Reference Guidance¹</i>	Group Guidance²
Daimler Group Revenue	<i>significantly above</i>	significantly above
Daimler Group EBIT	<i>significantly above</i>	significantly above
Free Cash Flow (industrial business)	<i>at prior-year level</i>	slightly below
Investment in PP&E	<i>slightly below</i>	significantly below
R&D expenditure	<i>slightly above</i>	slightly above
CO₂ emission (g/km)*	<i>significantly below</i>	significantly below

¹ The Reference Guidance covers Daimler Group incl. Daimler Trucks & Buses for 12 months (assumed without any effect of the Spin-off), is in line with previous Group structure and shown as reference only.

² The Group Guidance covers Daimler Group for the full year incl. Daimler Trucks & Buses until expected spin-off in December for all KPIs. After Spin-off the respective 35% equity share is accounted for at-equity. We expect to have considerable positive effects on Group EBIT in the fourth quarter, especially from deconsolidation due to Spin-off, which cannot be reliably determined at present and is therefore not included in the Group Guidance so far.

* vs. the comparable figures for the previous year calculated according to WLTP (probably between 130 to 140 g/km, based on preliminary figures for fuel consumption in 2020 taking into account the statutory regulations of 2021)



DAIMLER



Appendix

Daimler Q3 2021

Unit sales by division

in thousand units

	Q3 2020	Q3 2021	% change
Daimler Group	773	578	-25
of which			
Mercedes-Benz Cars & Vans	673	471	-30
Daimler Trucks & Buses	99	106	+7

Daimler Q3 2021

Revenue by division

in billion euros

	Q3 2020		Q3 2021		% change	
Daimler Group	40.3	8.7*	40.1	8.4*	0	-3*
of which						
Mercedes-Benz Cars & Vans	25.8		25.6		-1	
Daimler Trucks & Buses	9.2		8.9		-4	
Daimler Mobility	6.9		6.9		0	

* thereof discontinued operations

Daimler Q3 2021

Revenue by region

in billion euros

	Q3 2020		Q3 2021		% change	
Daimler Group	40.3	8.7*	40.1	8.4*	-0	-3*
of which						
Europe	17.5		15.0		-15	
<i>of which Germany</i>	7.0		5.8		-18	
North America	10.9		11.5		+5	
<i>of which United States</i>	9.6		10.0		+4	
Asia	10.0		11.0		+10	
<i>of which China**</i>	5.5		6.2		+12	
Other markets	1.8		2.5		+41	

* thereof discontinued operations

** excluding revenue of not fully consolidated companies

Daimler Q3 2021

EBIT by division

EBIT in million euros; RoS/RoE in %

	Q3 2020			Q3 2021		
	EBIT		RoS/RoE**	EBIT		RoS/RoE**
Daimler Group	3,070	559*	7.4	3,579	680*	7.9
of which						
Mercedes-Benz Cars & Vans	2,118		8.2	2,004		7.8
Daimler Trucks & Buses	541		5.9	482		5.4
Daimler Mobility	589		16.2	943		23.3
Reconciliation	-178		-	150		-

* thereof discontinued operations

** Return on sales for automotive business, return on equity for Daimler Mobility; Daimler Group excluding Daimler Mobility.

Daimler Q3 2021

Reconciliation of EBIT reported to EBIT adjusted

in million euros

	Mercedes-Benz Cars & Vans	Daimler Trucks & Buses	Daimler Mobility	Reconciliation	Daimler Group	
EBIT as reported Q3 2021	2,004	482	943	150	3,579	680*
Legal proceedings and related measures	74	-	-	-	74	
Restructuring measures	97	16	-	4	117	
M&A transactions	-	-9	-	-150	-159	
EBIT adjusted Q3 2021	2,175	489	943	4	3,611	

* thereof discontinued operations

Daimler Q3 2021

EBIT adjusted by division

EBIT in million euros; RoS/RoE in %

	Q3 2020		Q3 2021	
	EBIT	RoS/RoE*	EBIT	RoS/RoE*
Daimler Group	3,479	8.6	3,611	8.0
of which				
Mercedes-Benz Cars & Vans	2,417	9.4	2,175	8.5
Daimler Trucks & Buses	603	6.5	489	5.5
Daimler Mobility	601	16.5	943	23.3
Reconciliation	-142	-	4	-

* thereof discontinued operations ** Return on sales for automotive business, return on equity for Daimler Mobility; Daimler Group excluding Daimler Mobility.

Daimler Q3 2021

Key balance sheet and financial figures

in billion euros

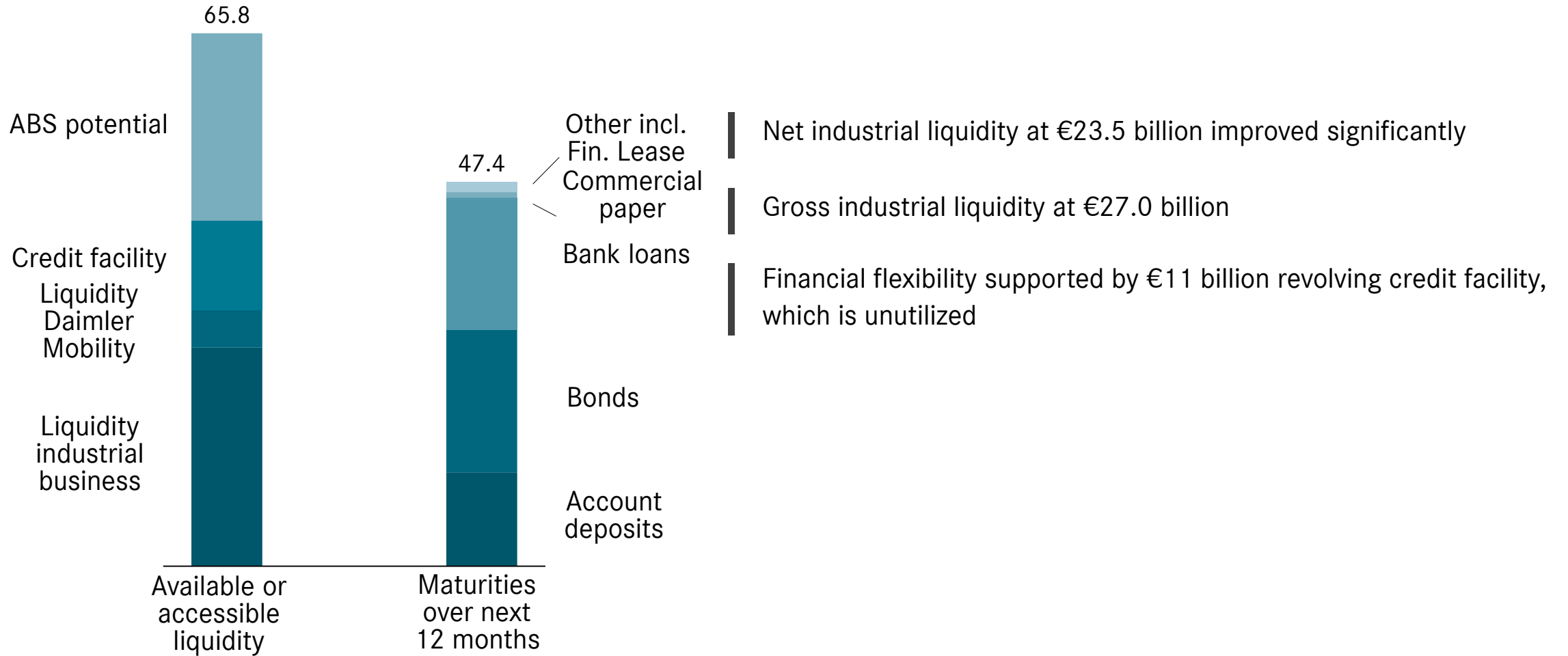
Daimler Group	Dec. 31, 2020	Sep. 30, 2021
Equity ratio	21.3%	26.0%
Gross liquidity	29.4	31.6
Funded status of pension obligations	-11.0	-5.2
<i>Funding ratio</i>	<i>72.4%</i>	<i>81.8%*</i>
Industrial business		
Equity ratio	37.3%	44.9%
Net liquidity	17.9	23.5
Free cash flow (January-September)	3.5	6.6

* change in Funding ratio driven by rising discount rates and the spin-off of Daimler's commercial vehicles business.

Daimler Q3 2021

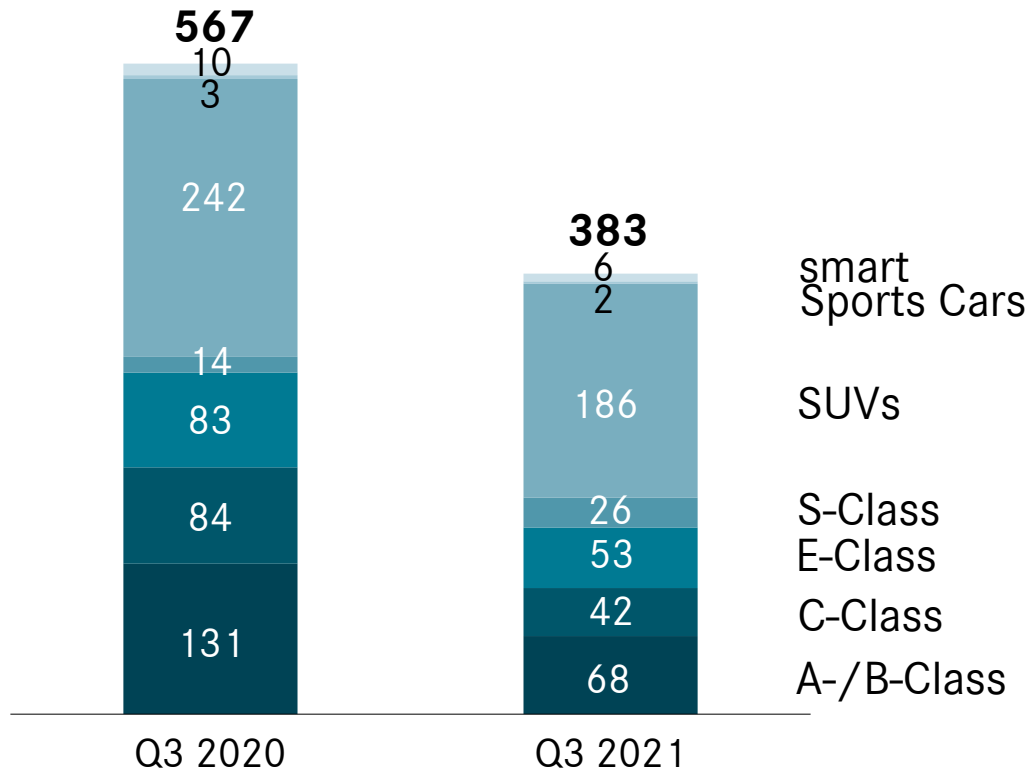
Financial flexibility over a 12-month period

in billion euros



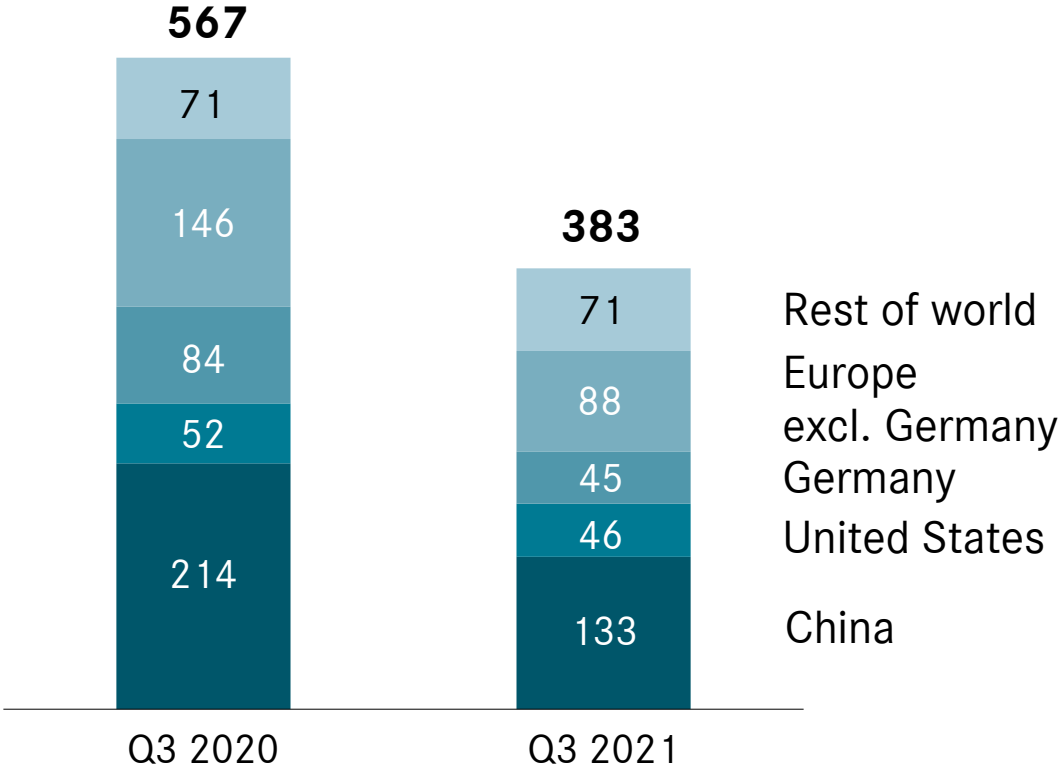
Mercedes-Benz Cars: unit sales by segments

in thousand units



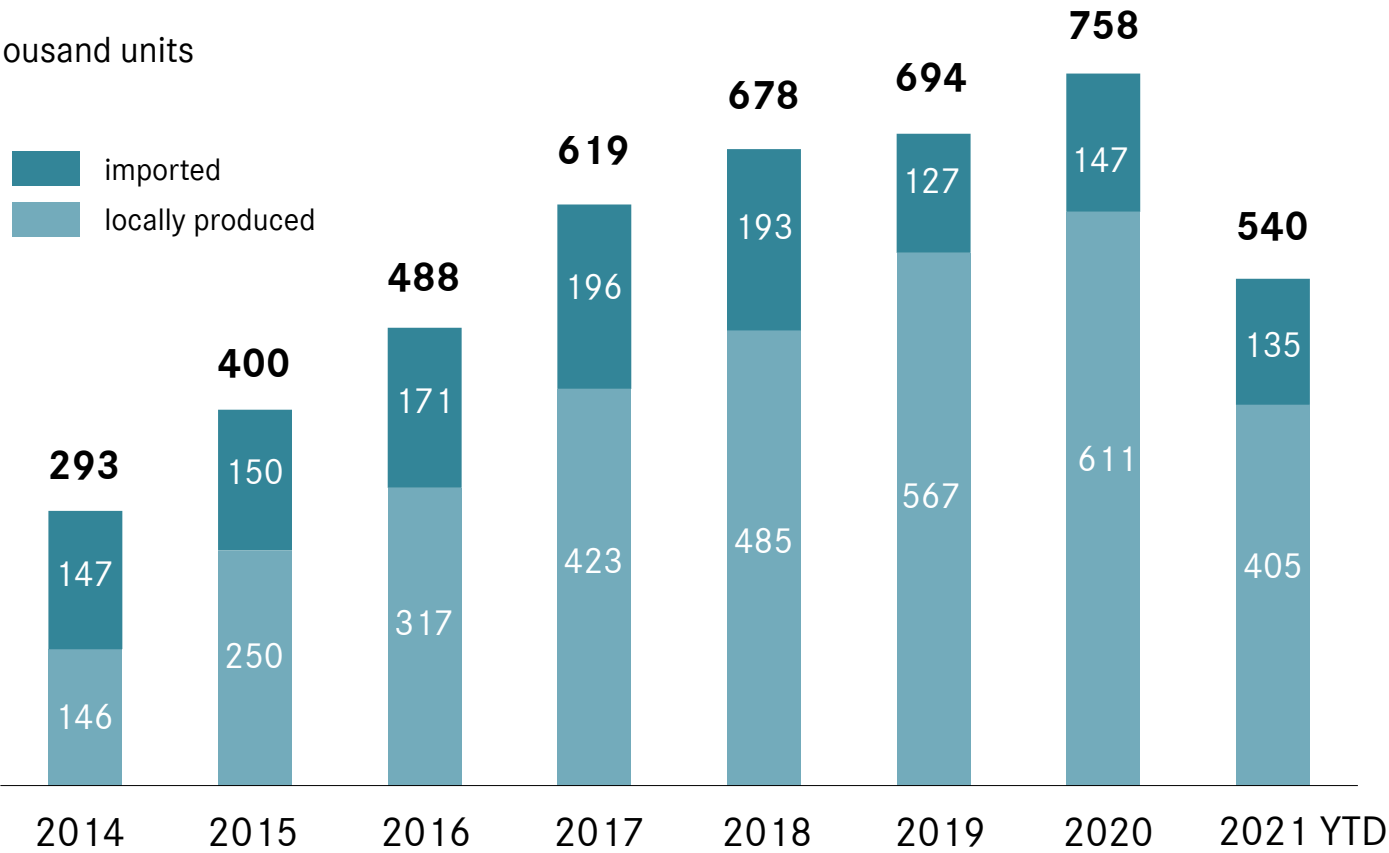
Mercedes-Benz Cars: unit sales by regions

in thousand units



Mercedes-Benz Cars: Unit sales in China

in thousand units



礼待天下

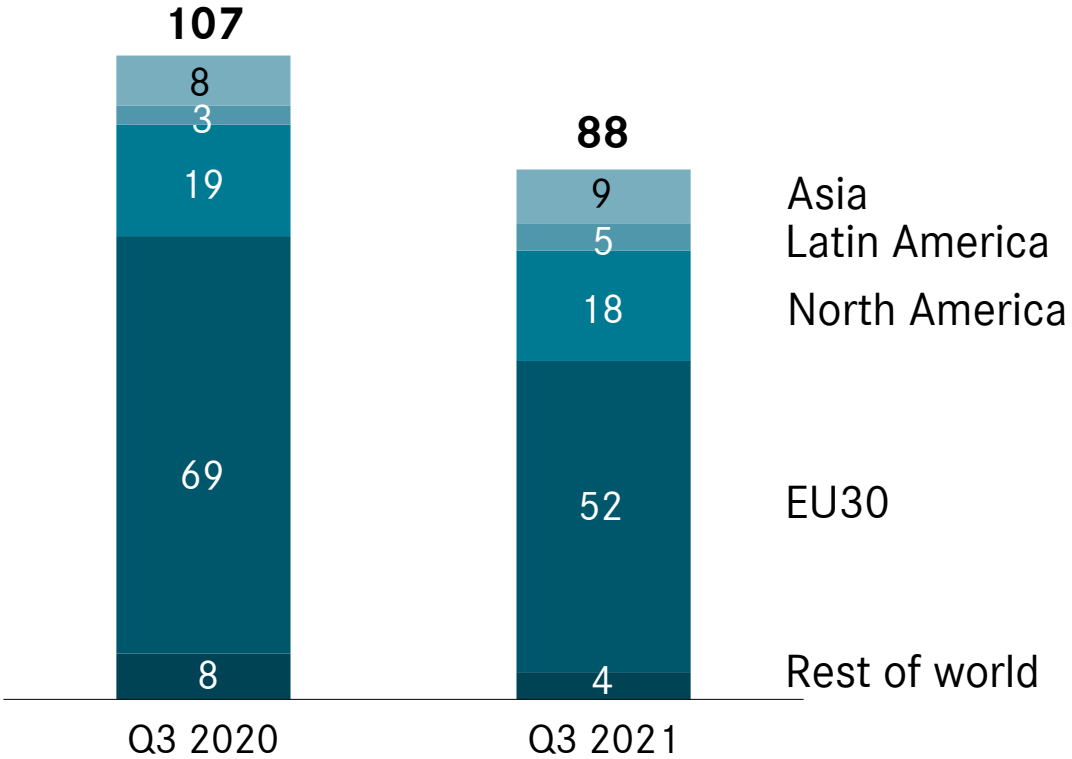
全新梅赛德斯-迈巴赫S级轿车全球首发

All-new Mercedes-Maybach S-Class World Premiere



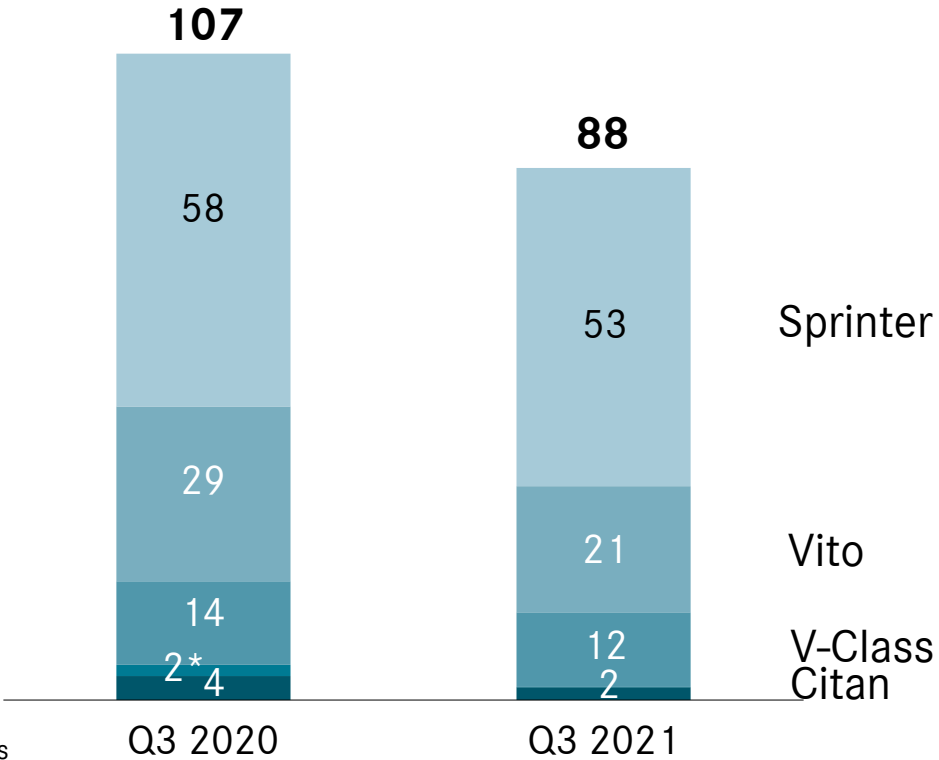
Mercedes-Benz Vans: Unit sales by regions

in thousand units



Mercedes-Benz Vans: Unit sales by segments

in thousand units

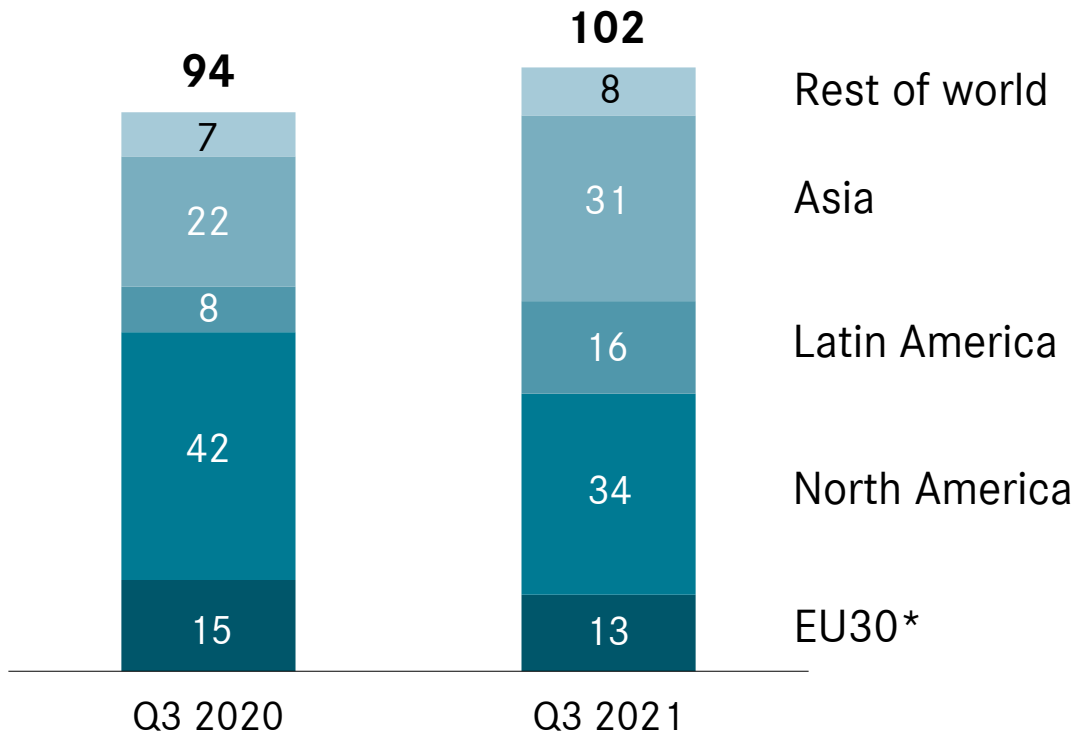


*X-Class



Daimler Trucks: Unit sales by regions

in thousand units

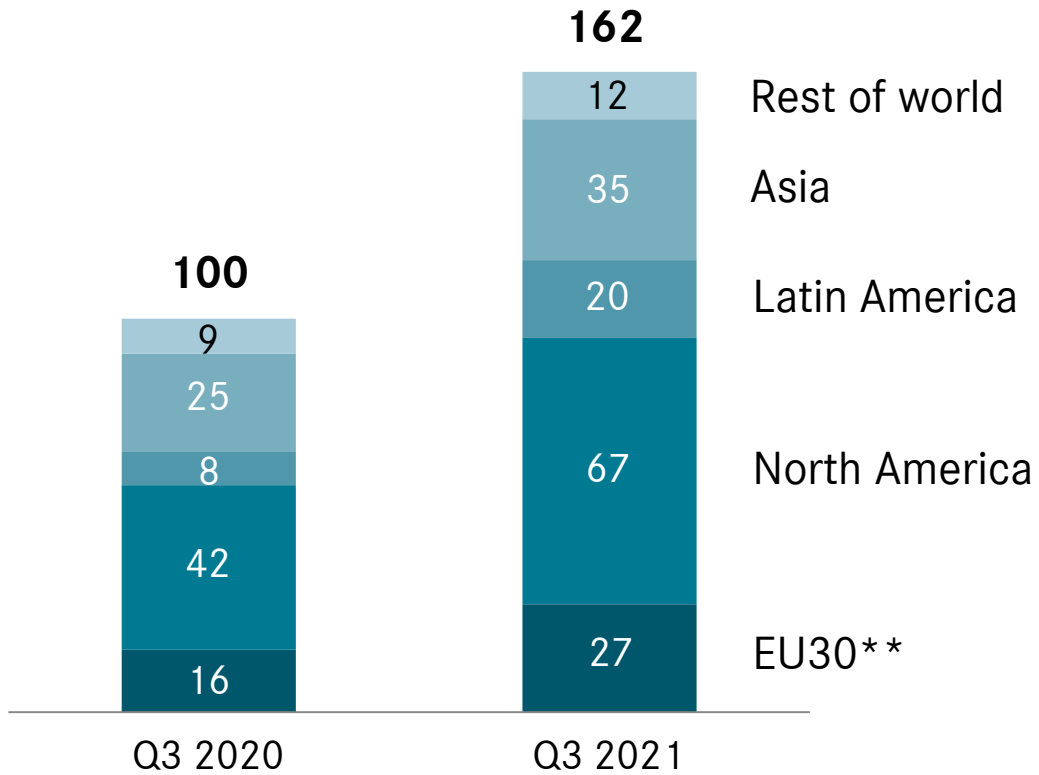


* European Union, UK, Switzerland and Norway



Daimler Trucks: Incoming Orders*

in thousand units



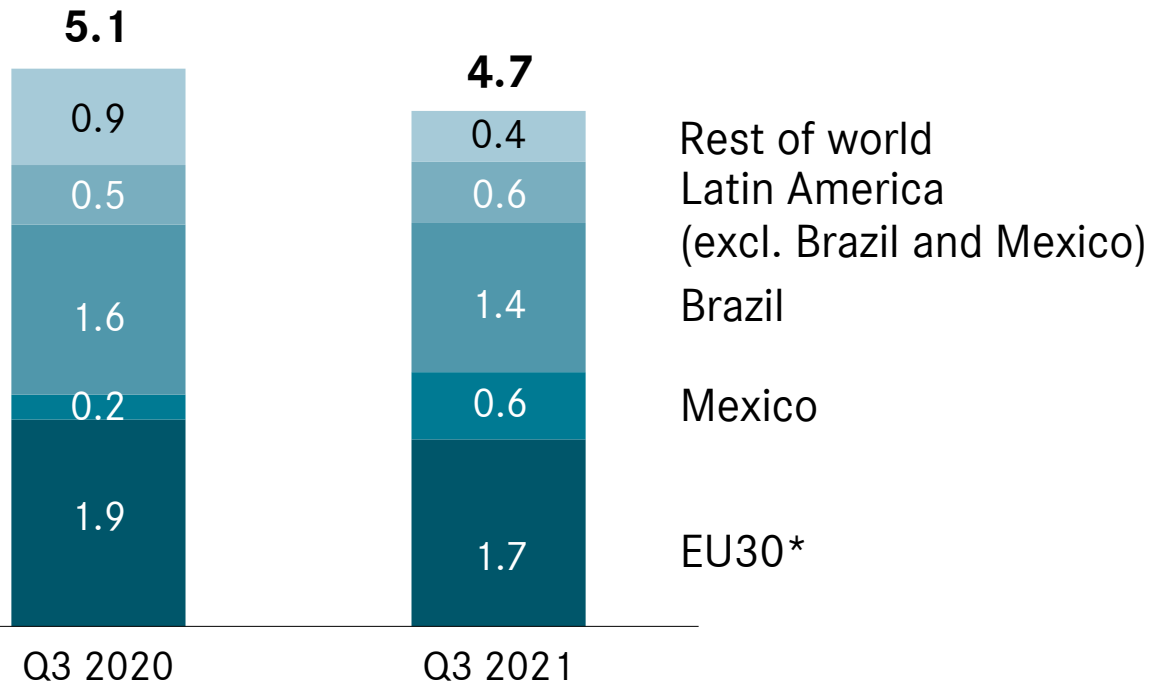
* Net order intake, adjusted for cancellations

** European Union, UK, Switzerland and Norway



Daimler Buses: Unit sales by regions

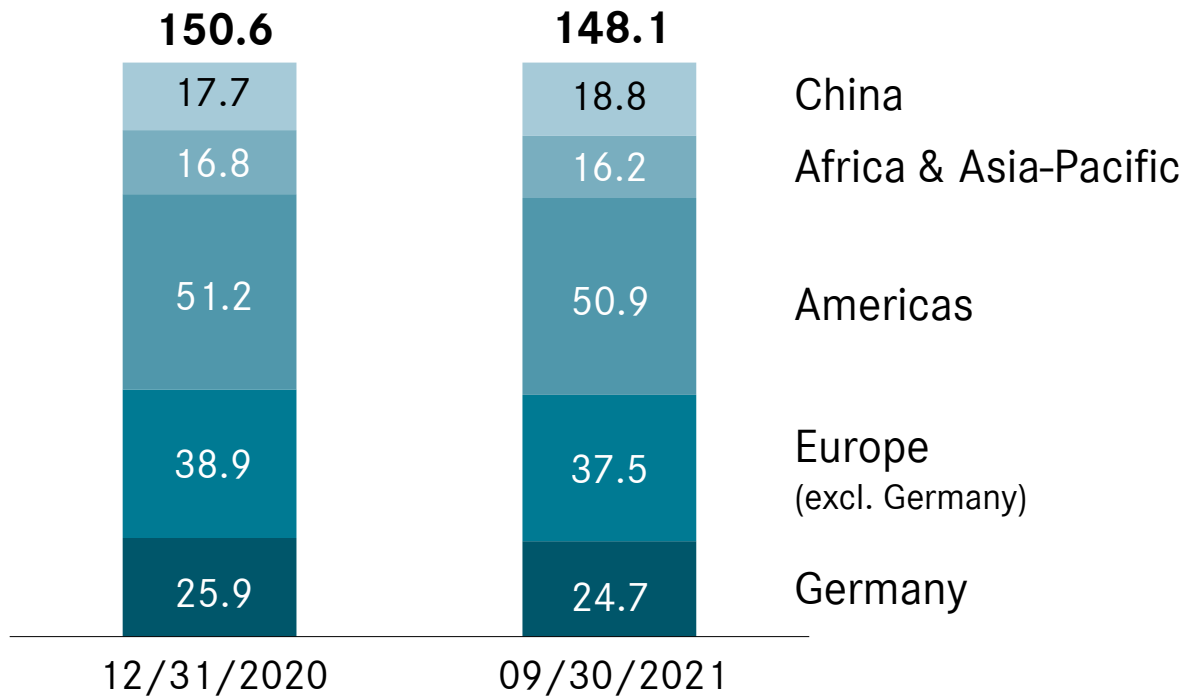
in thousand units



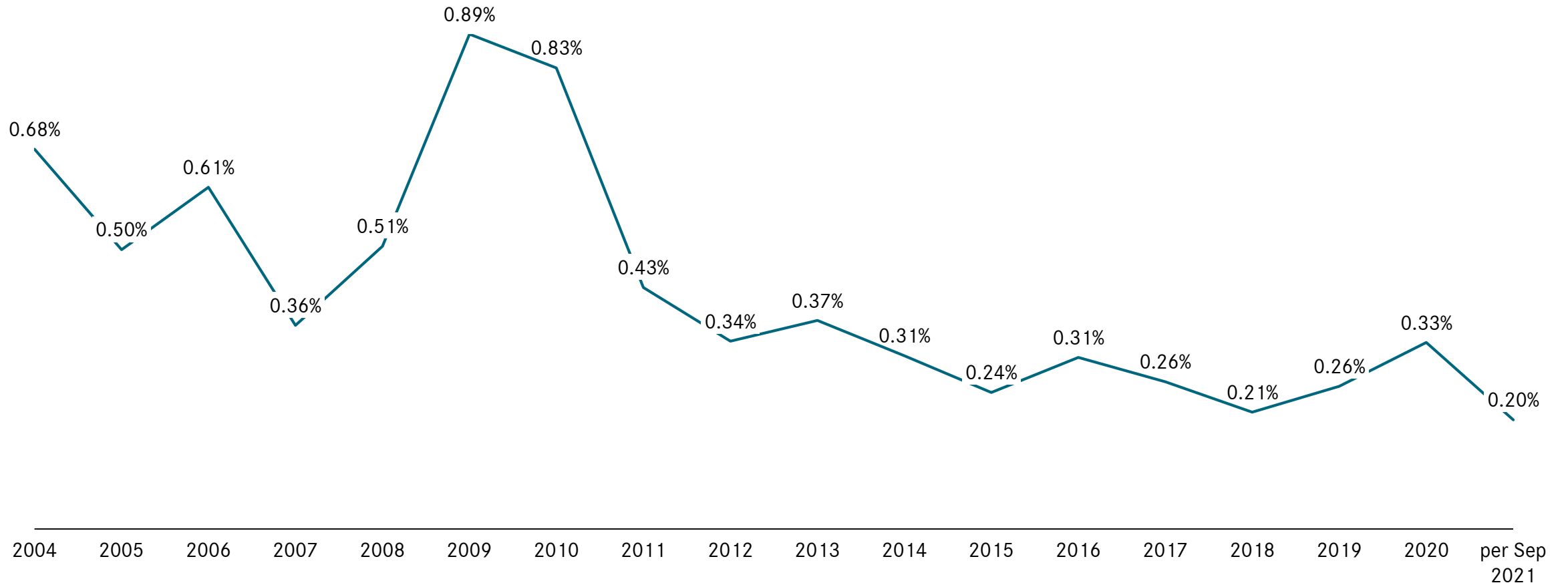
* European Union, UK, Switzerland and Norway

Daimler Mobility: Contract volume

in billion euros

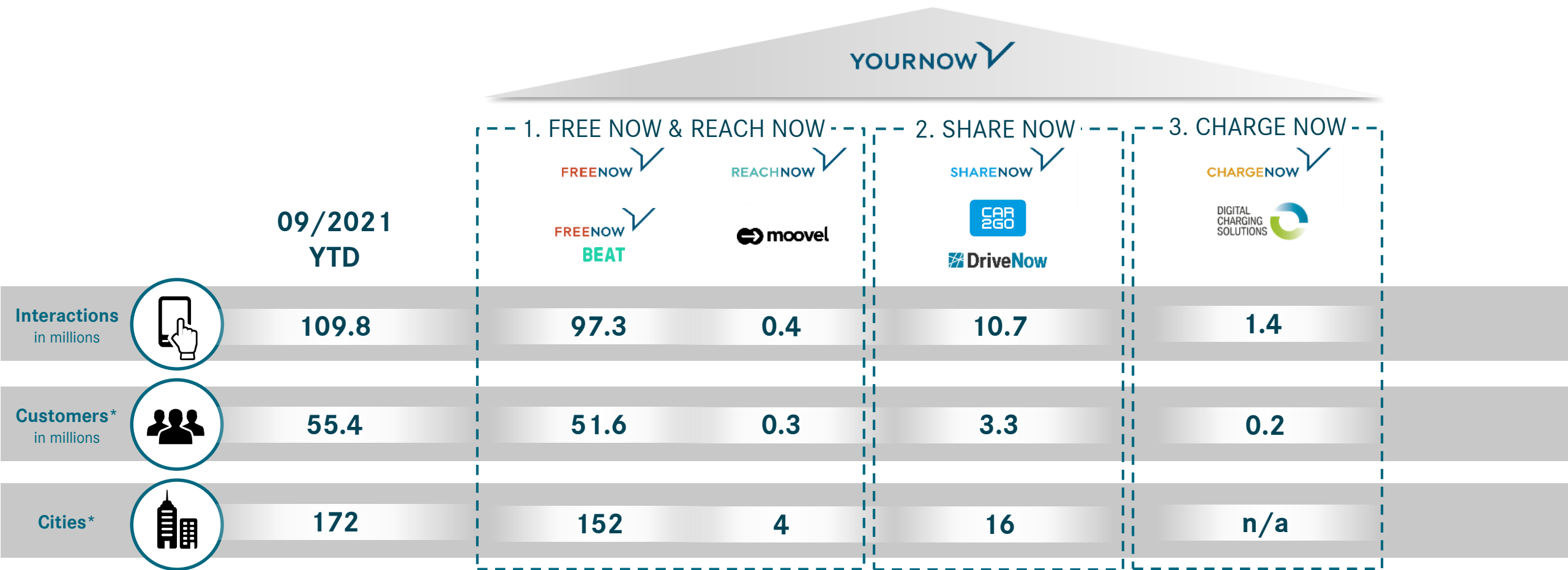


Daimler Mobility Net credit losses*



* as a percentage of portfolio, subject to credit risk

YOUR NOW Joint Ventures Q3 2021



* Partially, data summation w/o consideration of possible redundancies

Daimler Q3 2021

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, pandemics, 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, customs and foreign trade provisions; 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 governmental investigations or of investigations requested by governments and the outcome of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading “Risk and Opportunity Report” in the current Annual Report or in the Interim 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.