

DAIMLER



Interim Balance Sheet as of 30 June 2021
Daimler AG

Cover photo: The EQA¹ und EQB²

Whether for a large nuclear family or a small extended family, as a seven-seater, the new EQB offers space for many types of family and the most diverse transport needs. This gives it a unique position not only in the compact segment, but also among electric cars. After the EQA, it is already the second fully electric compact car from MercedesEQ. The powerful and efficient electric drive system, clever recuperation and predictive navigation with Electric Intelligence are just some of the features it shares with the EQA.

¹ EQA 250 (power consumption combined: 15.7 kWh/100 km;
CO₂ emissions combined: 0 g/km)

² EQB 350 4MATIC (power consumption combined: 16.2 kWh/100 km;
CO₂ emissions combined: 0 g/km)

Interim balance sheet of Daimler AG as of 30 June 2021

Assets	30 Jun. 2021	31 Dec. 2020
In millions of euros		
Non-current assets		
Intangible assets	58	62
Property, plant and equipment	124	147
Financial assets	53,074	55,952
	53,256	56,161
Current assets		
Trade receivables	2	4
Receivables from subsidiaries	16,573	22,166
Other receivables and other assets	1,140	1,397
Securities	4,384	4,904
Cash and cash equivalents	12,355	7,658
	34,454	36,129
Prepaid expenses	351	341
	88,061	92,631
Equity and liabilities		
In millions of euros		
Equity		
Share capital	3,070	3,070
(conditional capital €500 million)		
Capital reserves	11,480	11,480
Retained earnings	23,230	23,230
Net income for the period ¹⁾ / Distributable profit	1,943	1,444
	39,723	39,224
Provisions		
Provisions for pensions and similar obligations	184	193
Other provisions	1,543	1,550
	1,727	1,743
Liabilities		
Trade payables	246	140
Liabilities to subsidiaries	22,881	26,511
Other liabilities	23,472	24,976
	46,599	51,627
Deferred income	12	37
	88,061	92,631

1) period: 1 Jan. 2021 - 30 Jun. 2021

Information about the unaudited interim balance sheet of Daimler AG

General information

Daimler AG is entered in the Commercial Register of the Stuttgart District Court under No. HRB 19360 and its registered office is located at Mercedesstraße 120, 70372 Stuttgart, Germany.

The interim balance sheet as of 30 June 2021 of Daimler AG has been prepared in accordance with the accounting principles of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG).

The accounting policies applied for the interim balance sheet as of 30 June 2021 fundamentally correspond with those applied to Daimler AG's annual financial statements for the financial year 2020 (1 January 2020 to 31 December 2020). Detailed information on the accounting principles applied can be found in the notes to the annual financial statements of Daimler AG for the financial year 2020.

For the sake of clarity, the system of presentation according to Section 266 of the HGB has been modified. Other receivables and other assets comprise receivables from associated companies and other assets. Other provisions comprise provisions for taxes and miscellaneous provisions. Other liabilities comprise liabilities to associated companies, loans and bonds, liabilities to banks and miscellaneous liabilities.

This interim balance sheet does not contain all the elements and information necessary for a complete annual financial statement at the end of a financial year and has not been audited or subject to an audit review by an auditor.

The amounts shown are in millions of euros (€) and the comparable figures for the balance sheet refer to the year ending 31 December 2020 and with reference to the income statement comprise the period from 1 January to 31 December 2020.

Notes to the interim balance sheet

Intangible assets and non-current assets

The intangible assets primarily comprise purchased licenses. The property, plant and equipment of Daimler AG primarily consists of other equipment, operating and business equipment.

No unplanned depreciation was carried out during the reporting period.

Disposals of assets especially include disposals of software and disposals of other equipment, factory and office equipment.

Financial Assets

Significant additions to shares in subsidiaries primarily resulted from the increase in the carrying amount of the investment in Mercedes-Benz AG from the non-cash contributions of Mercedes-Benz France S.A.S. and Mercedes-Benz Portugal, S.A.

Significant disposals of shares in subsidiaries relate in particular to a capital repayment of Daimler International Nederland B.V. and the disposals of Mercedes-Benz France S.A.S. and Mercedes-Benz Portugal, S.A. in the context of non-cash contributions to Mercedes-Benz AG. In addition, Daimler AG sold the shares in Daimler India Commercial Vehicles Private Limited within the Group.

In 2021, shares in subsidiaries were impaired by an amount of €0 million (2020: €83 million) and shares in associated companies were impaired by an amount of €0 million (2020: €290 million).

Receivables and other assets

Receivables from subsidiaries (€16,573 million, 2020: €22,166 million) primarily comprise receivables that originally arose from the Group's internal transactions in connection with central finance and liquidity management (€16,140 million, 2020: €21,043 million) and from the supply of goods and services to German and foreign companies (€433 million, 2020: €226 million).

Receivables from associated companies primarily comprise receivables arising from the Group's internal transactions in connection with central financial and liquidity management with German and foreign associated companies (€22 million, 2020: €18 million).

Other assets include tax-refund claims (€759 million, 2020: €726 million), fixed-term deposits (€150 million, 2020: €400 million) and accrued interest (€79 million, 2020: €132 million).

Securities presented as current assets

Securities presented as current assets consist solely of miscellaneous securities, which include fixed or variable-interest marketable debt securities as well as money-market funds.

The decrease of €520 million to €4,384 million (2020: €4,904 million) is due in particular to the disposal of bonds.

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Receivables and other assets

	30 Jun. 2021	31 Dec. 2020
In millions of euros		
Trades receivables	2	4
thereof more than 1 year until maturity	-	-
Receivables from subsidiaries	16,573	22,166
thereof more than 1 year until maturity	3,175	5,119
Receivables from associated companies	28	23
thereof more than 1 year until maturity	-	-
Other assets	1,112	1,374
thereof more than 1 year until maturity	43	57
Receivables and other assets	17,715	23,567
thereof more than 1 year until maturity	3,218	5,176

Cash and cash equivalents

Cash and cash equivalents amount to €12,355 million at the end of the year (2020: €7,658 million) and consist of bank balances, cash in hand and checks. As well as cash and cash equivalents, liquidity also includes securities presented as current assets (€4,384 million, 2020: €4,904 million) and fixed-term deposits (€150 million, 2020: €400 million), which are presented under other assets.

Prepaid expenses

Prepaid expenses include discount amounts of €118 million (2020: €122 million). They result from the difference between the settlement amount and the lower issue amount of liabilities.

Equity

Share capital

The share capital (authorised capital) is divided into no-par-value shares. All shares are fully paid up. Each share confers the right to one vote at the Annual Shareholders' Meeting of Daimler AG and, if applicable, with the exception of any new shares potentially not entitled to dividends, to an equal portion of the profits as defined by the dividend distribution resolved at the Annual Shareholders' Meeting. Each share represents a proportionate amount of approximately €2.87 of the share capital. The number of shares outstanding/issued at 30 June 2021 is 1,070 million, unchanged from 31 December 2020.

Treasury shares

By resolution of the Annual Shareholders' Meeting held on 8 July 2020, the Board of Management was authorised, with the consent of the Supervisory Board, until 7 July 2025 to acquire treasury shares in a volume of up to 10% of the share capital issued as of the day of the resolution, or – if this is less – as of the day of

exercising the authorization, to be used for all legal purposes.

The shares can be used, among other things, with the exclusion of shareholders' subscription rights, for business combinations or to acquire companies, or to be sold to third parties for cash at a price that is not significantly lower than the stock-exchange price of the Company's shares. The acquired shares can also be used to fulfill obligations from issued convertible bonds and/or bonds with warrants and to be issued to employees of the Company and employees and board members of the Company's subsidiaries pursuant to Sections 15 et seq. of the German Stock Corporation Act (AktG). The treasury shares can also be canceled. In a volume of up to 5% of the share capital issued as of the day of the resolution of the Annual Shareholders' Meeting, the Company was authorised to acquire treasury shares also by using derivatives (put options, call options, forward purchases or a combination of these instruments), whereby the term of a derivative must not exceed 18 months and must not end later than 7 July 2025.

The authorization to acquire treasury shares was not utilised in the reporting period. As at 31 December 2020, no treasury shares were held by Daimler AG at 30 June 2021.

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Changes in Equity

	Share capital	Capital reserves	Other retained earnings	Distributable profit	Equity
In millions of euros					
Balance at 1 January 2020	3,070	11,480	22,541	963	38,054
Purchase of treasury shares	-	-	-	-	-
Transfer to the other retained earnings by the Annual Shareholders' Meeting	-	-	-	-	-
Transfer to the other retained earnings from net profit	-	-	689	-689	-
Transfer from other retained earnings	-	-	-	-	-
Dividend distribution	-	-	-	-963	-963
Net profit	-	-	-	2,133	2,133
Balance at 31 December 2020 / 1 January 2021	3,070	11,480	23,230	1,444	39,224
Purchase of treasury shares	-	-	-	-	-
Transfer to the other retained earnings by the Annual Shareholders' Meeting	-	-	-	-	-
Transfer to the other retained earnings from net profit	-	-	-	-	-
Transfer from other retained earnings	-	-	-	-	-
Dividend distribution	-	-	-	-1,444	-1,444
Net profit for the period ¹⁾	-	-	-	1,943	1,943
Balance at 30 June 2021	3,070	11,480	23,230	1,943	39,723

¹⁾ Period 1 January 2021 to 30 June 2021

Approved capital

The Annual Shareholders' Meeting held on 5 April 2018 authorised the Board of Management, with the consent of the Supervisory Board, to increase the share capital of the Company in the period until 4 April 2023 by a total of €1,000 million in one lump sum or by separate partial amounts at different times by issuing new, registered no-par-value shares in exchange for cash and/or noncash contributions (Approved Capital 2018). The new shares are generally to be offered to the shareholders for subscription (also by way of indirect subscription pursuant to Section 186 Subsection 5 Sentence 1 of the German Stock Corporation Act (AktG)). The Board of Management was also authorised, among other things, with the consent of the Supervisory Board to exclude shareholders' subscription rights under certain conditions and within defined limits. Approved Capital 2018 has not yet been utilised.

Conditional capital

By resolution of the Annual Shareholders' Meeting on 8 July 2020, the Board of Management was authorised, with the consent of the Supervisory Board, until 7 July 2025 to issue convertible and/or warrant bonds or a combination of these instruments ("bonds") with a total face value of up to €10,000 million and a maturity of no more than ten years. The Board of Management is allowed to grant the holders of these bonds conversion or warrant rights for new registered no-par-value shares in Daimler AG with an allocable portion of the share capital of up to €500 million in accordance with the details defined in the terms and conditions of the bonds. The bonds can be offered in exchange for cash and/or non-cash contributions, in particular for shares in other companies. The terms and conditions of the bonds can include warranty obligations or conversion obligations. The bonds can be issued once or several times, wholly or in installments, or simultaneously in various tranches, as well as by subsidiaries of the Company within the meaning of Sections 15 et seq. of the German Stock Corporation Act (AktG). Among other things, the Board of Management was authorised, with the consent of the Supervisory Board, to exclude shareholders' subscription rights for the bonds under certain conditions and within defined limits.

In order to fulfill the conditions of the above-mentioned authorization, the Annual Shareholders' Meeting on 8 July 2020 also resolved to increase the share capital conditionally by an amount of up to €500 million (Conditional Capital 2020). This authorization to issue convertible and/or warrant bonds has not yet been utilised.

Dividend

The Annual Shareholders' Meeting held on 31 March 2021 authorised Daimler AG to pay a dividend of €1,444 million (equivalent to €1.35 per no-par-value share entitled to a dividend) from the distributable profit of Daimler AG (parent company only) for the year 2020 (2020: €963 million and €0.90 per no-par-value share entitled to a dividend, respectively). The dividend was paid out on 7 April 2021.

Share-based payment

As of June 30, 2021, Daimler AG has Performance Phantom Share Plans (PPSP) 2018 through 2021 in operation. As instruments of share-based payment with cash settlement, the PPSP are measured at their fair values on the balance sheet date. They are paid out at the end of their contractually defined periods; an earlier, proportionate payout is only possible under certain conditions when a beneficiary leaves the company. PPSP 2017 was paid out as planned in the first quarter of 2021.

Performance Phantom Share Plan

In 2021, Daimler AG adopted a Performance Phantom Share Plan similar to that used in prior years, under which eligible board members and employees are granted phantom shares entitling them to receive cash payments provided that predefined targets are met in the three-year performance period. The amount of cash paid to eligible persons is based on the number of vested phantom shares (determined depending on target achievement over a three-year performance period) multiplied by the quoted price of Daimler's ordinary shares (calculated as an average price over a specified period at the end of the four-year plan period). The determination of target achievement is based on the relative share performance, which measures the development of a share-price index of a group of competitors including Daimler, and the return on sales (RoS) of Daimler compared with the average RoS of a group of competitors.

Since PPSP 2018, the average RoS of the group of competitors is additionally revenue-weighted. In this context, special regulations apply to the members of the Board of Management to the extent that Daimler has to achieve a higher RoS than the average of its competitors in order to obtain the same target achievement that the other plan participants obtain in the case of a RoS equal to the average of the competitors.

Provisions for pensions and similar obligations

Provisions for pensions and similar obligations amount to €184 million at 30 June 2021 (2020: €193 million).

The settlement amount for obligations that provide for a defined benefit during retirement is €1,454 million (2020: €1,455 million).

The measurement of the pension obligations is based on an interest rate of 2.09% (2020: 2.30%). Life expectancy is calculated on the basis of the 2018 Heubeck mortality tables. The mortality tables take into account the latest statistics of the statutory pension insurance and the Federal Statistical Office. In addition, the measurement is based on annual increases in the cost of living and annual increases in future entitlements of unchanged 1.80% and expected annual wage and salary increases of unchanged 3.00%.

These obligations are offset against the special-purpose assets, which as at 30 June 2021 have a fair value of €1,277 million (2020: €1,262 million).

The obligations for the pension plans, the amounts of which are determined by the fair value of securities or comparable assets at the end of the fiscal year, are recognised with €101 million as of 30 June 2021 (2020: €92 million). The obligations are offset with these corresponding special-purpose assets amounting to €94 million as of 30 June 2021 (2020: €92 million).

The difference according to section 253 Subsection 6 Sentence 3 of the HGB between the recognition of the retirement benefit obligations with the average market interest rate of the past ten financial years and the recognition of the retirement benefit obligations with the average market interest rate of the past seven financial years amounts to € 149 million as of 30 June 2021 (2020: € 162 million) and may not be distributed.

Other provisions

Provisions for taxes relate primarily to income taxes for years not yet finally assessed.

Other provisions primarily relate to personnel and social obligations as well as impending losses from derivative transactions.

Within the fiscal unity, Daimler AG is the controlling company. All provisions for income taxes are with Daimler AG.

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Other Provisions

	30 Jun. 2021	31 Dec. 2021
in millions of euros		
Provisions for taxes	1,095	1,070
Miscellaneous provisions	448	480
	1,543	1,550

Liabilities recognised

Notes, bonds and commercial papers primarily comprise European medium-term notes in the amount of €21,640 million (2020: €22,367 million).

Liabilities to banks of €59 million (2020: €25 million) primarily comprise loans of €25 million (2020: €25 million).

Liabilities to subsidiaries (€22,881 million, 2020: €26,511 million) are liabilities that originally arose from transactions within the Group in the context of central finance and liquidity management (€22,738 million, 2020: €26,183 million) and the supply of goods and services with German and foreign companies of the Group (€143 million, 2020: €31 million).

Liabilities to associated companies are liabilities that originally arose from transactions within the Group in the context of central finance and liquidity management (€2 million, 2020: €1 million).

Miscellaneous liabilities of €363 million (2020: €396 million) mainly comprise accrued and deferred interest, liabilities from wages and salaries, and tax liabilities.

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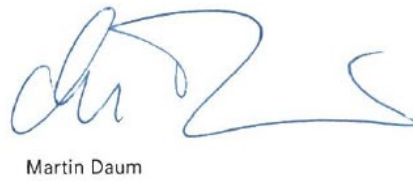
Liabilities recognised

	30 Jun. 2021	31 Dec. 2020
in millions of euros		
Notes/bonds and commercial papers	23,047	24,554
of which due in less than 1 year	1,463	3,172
of which due in 1 year to 5 years	8,345	8,140
of which due in more than 5 years	13,239	13,242
Liabilities to banks	59	25
of which due in less than 1 year	59	-
of which due in 1 year to 5 years	-	25
of which due in more than 5 years	-	-
Trade payables	246	140
of which due in less than 1 year	246	140
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Liabilities due to subsidiaries	22,881	26,511
of which due in less than 1 year	21,381	20,796
of which due in 1 year to 5 years	1,500	5,715
of which due in more than 5 years	-	-
Liabilities due to associated companies	3	1
of which due in less than 1 year	3	1
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
Other liabilities	363	396
of which due in less than 1 year	363	396
of which due in 1 year to 5 years	-	-
of which due in more than 5 years	-	-
of which tax liabilities	29	14
of which obligations concerning social security	2	3
Liabilities recognised	46,599	51,627
of which due in less than 1 year	23,515	24,505
of which due in 1 year to 5 years	9,845	13,880
of which due in more than 5 years	13,239	13,242

Stuttgart, 30 July 2021



Ola Källenius



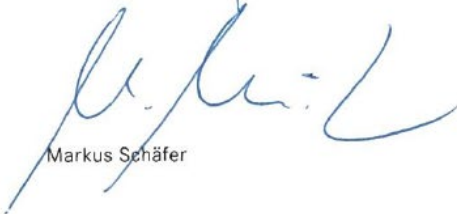
Martin Daum



Renata Jungo Brüngger




Wilfried Porth



Markus Schäfer



Britta Seeger



Hubertus Troska



Harald Wilhelm

