

DAIMLER

Full-Year 2015 Presentation



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Full-Year 2015 Presentation

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Bodo Uebber

February 18, 2016

The figures in this document have been adjusted subsequent to the disclosure on February 4, 2016 in order to reflect expenses from the recall in connection with Takata airbags.

Winning a championship is hard. Defending one is even harder



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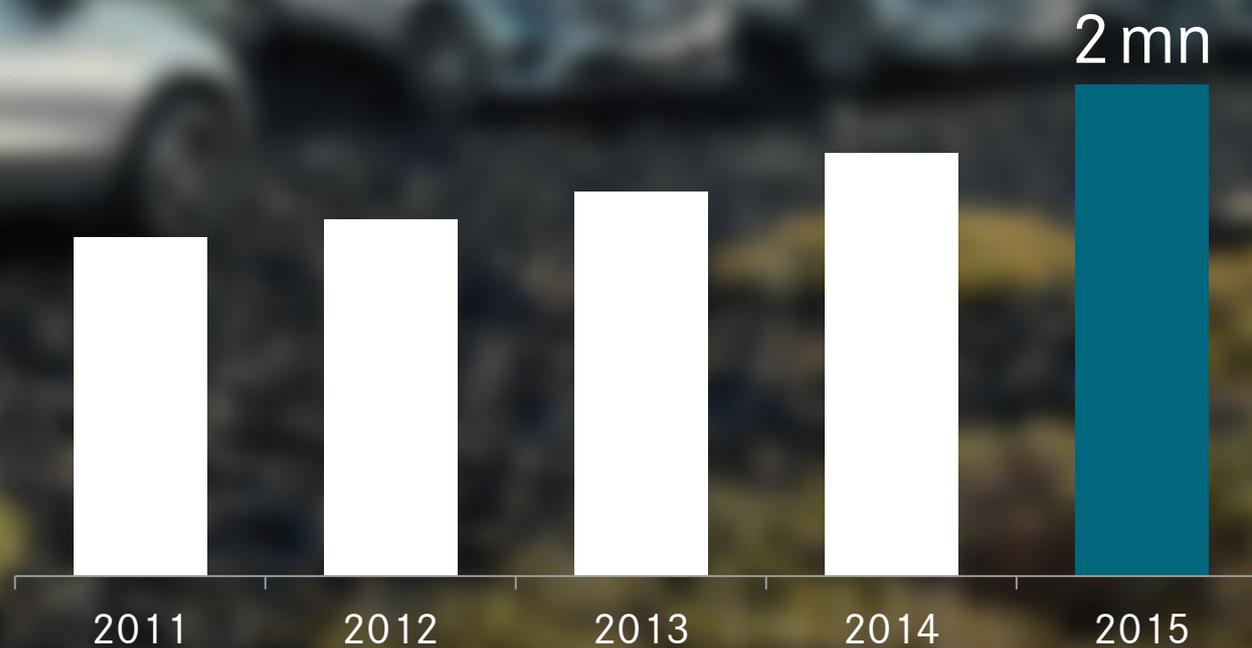
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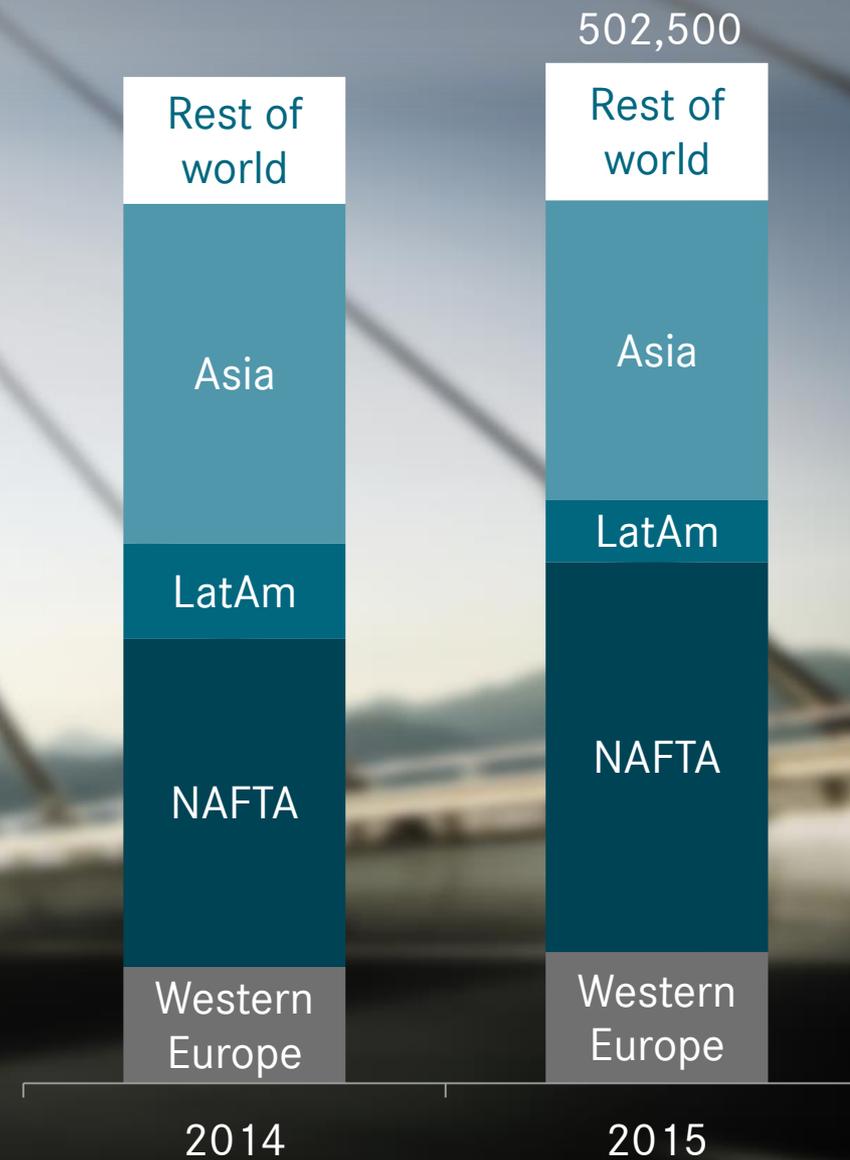
Mercedes-Benz Cars: All-time sales record. Again



Mercedes-Benz in China: Sales and local production up



Daimler Trucks: Sales top 500,000



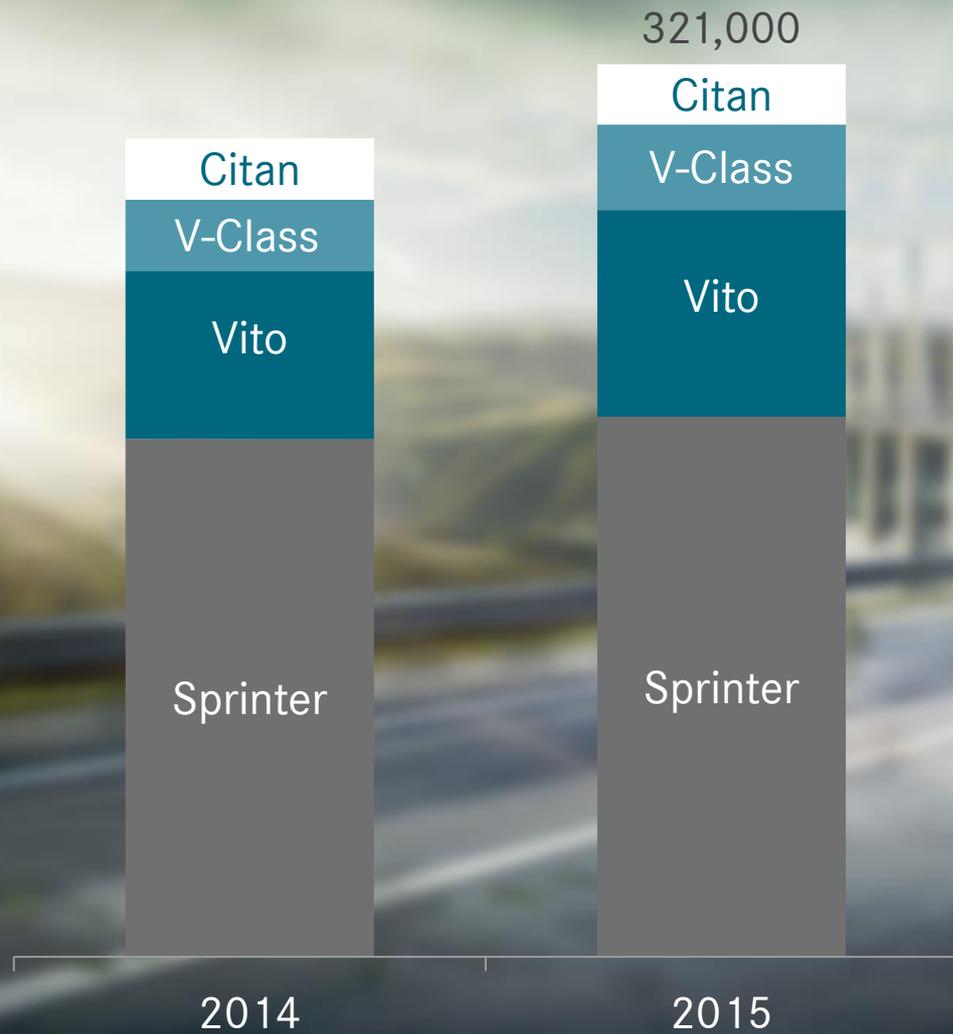
Daimler Buses: Leader in our core markets

Market shares (in percent)*



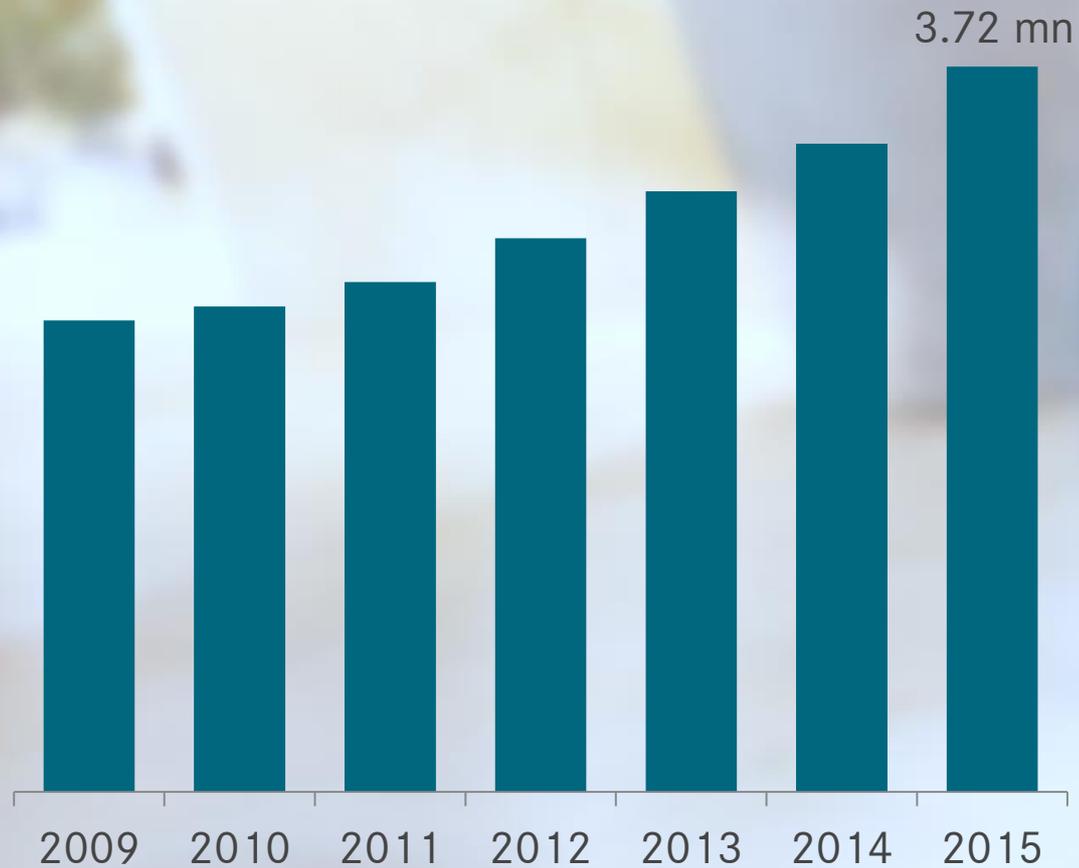
*Based on estimates in certain markets

Mercedes-Benz Vans: Sprinter – 20 years and counting



Daimler Financial Services: Engaging customers for life

Number of DFS customers



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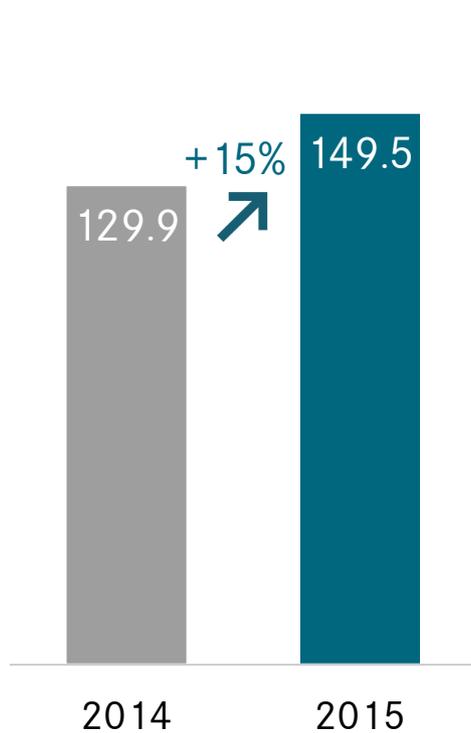
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Daimler 2015: Translating sales into profit

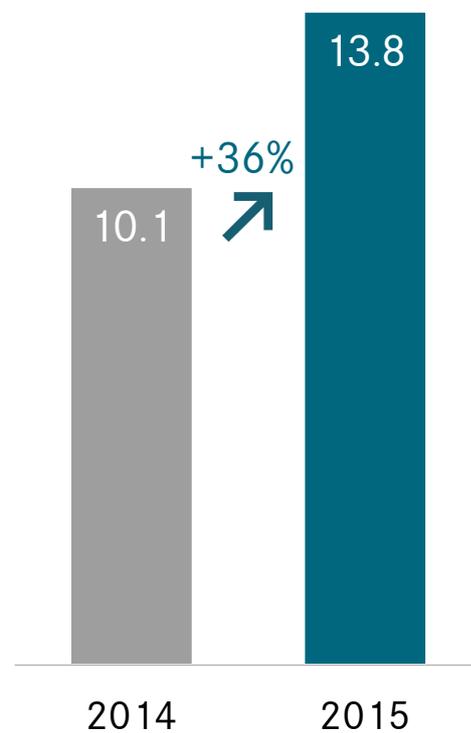
Revenue

- in bn. euros -



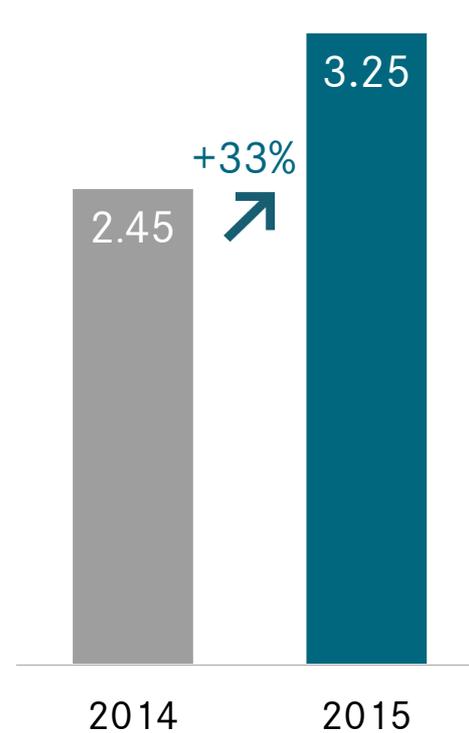
EBIT from ongoing business

- in bn. euros -



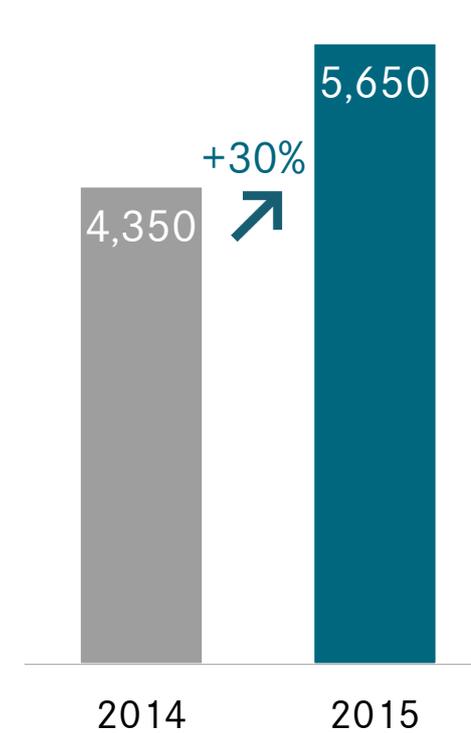
Dividend proposed

- in euros -



Profit-sharing payout

- in euros -



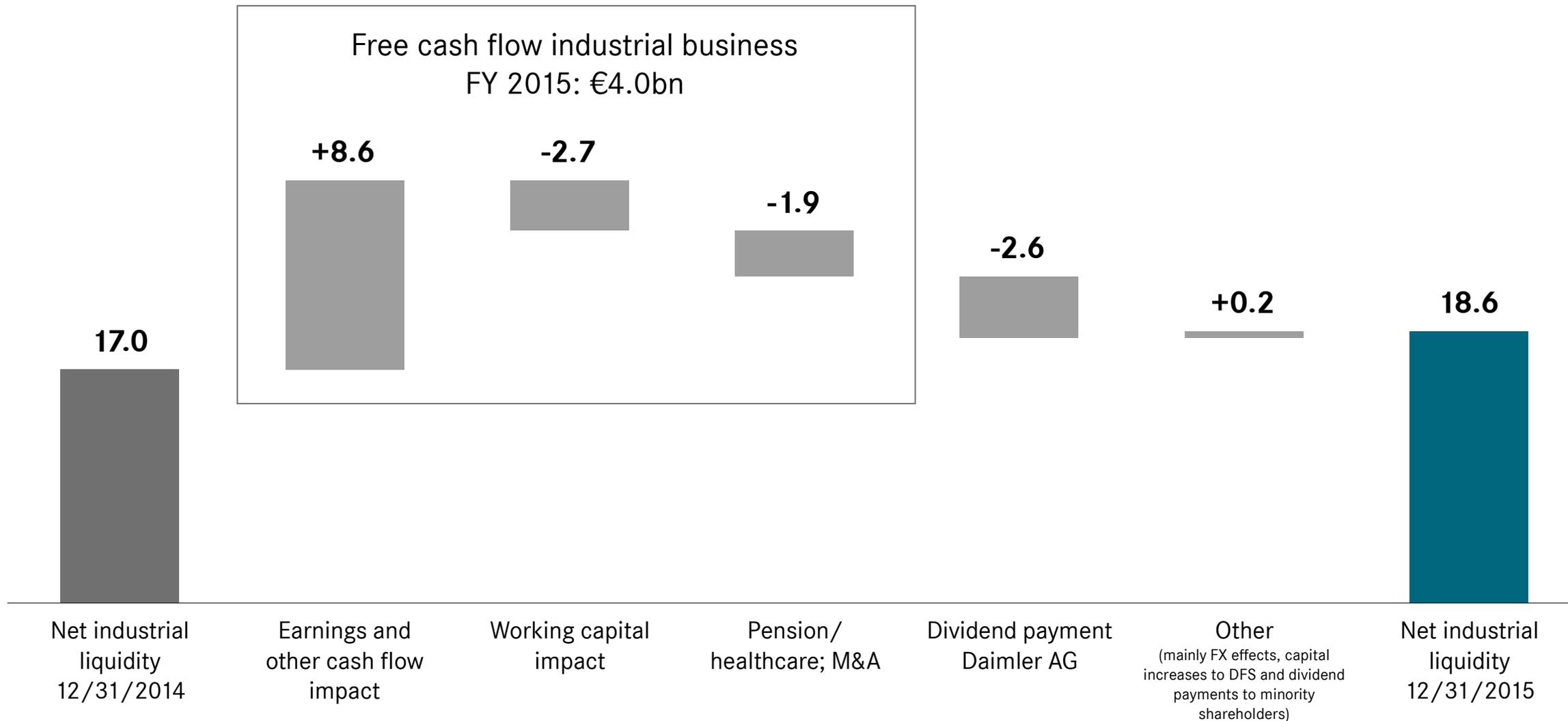
Key figures

	2014	2015
Unit sales (in thousands of units)	2,546.0	2,853.0
Revenue	129.9	149.5
EBIT		
as reported	10.8	13.2
from ongoing business	10.1	13.8
Net profit	7.3	8.7
Free cash flow of the industrial business	5.5	4.0
Earnings per share (in euros)	6.51	7.87
Dividend per share (in euros)	2.45	3.25

in billions of euros

Net industrial liquidity: development in 2015

- in billions of euros -



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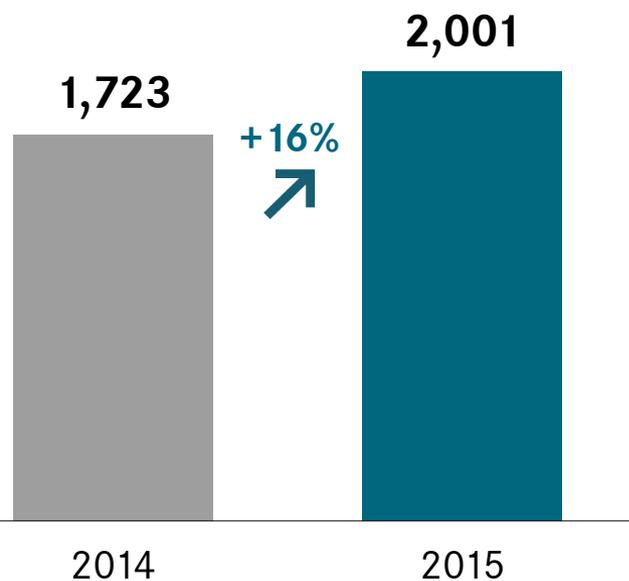
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Mercedes-Benz Cars: profitable growth through success of attractive models

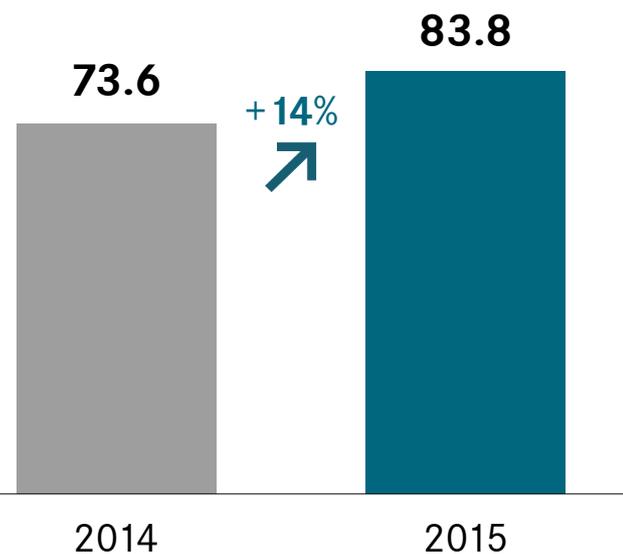
Unit sales

- in thousands of units -



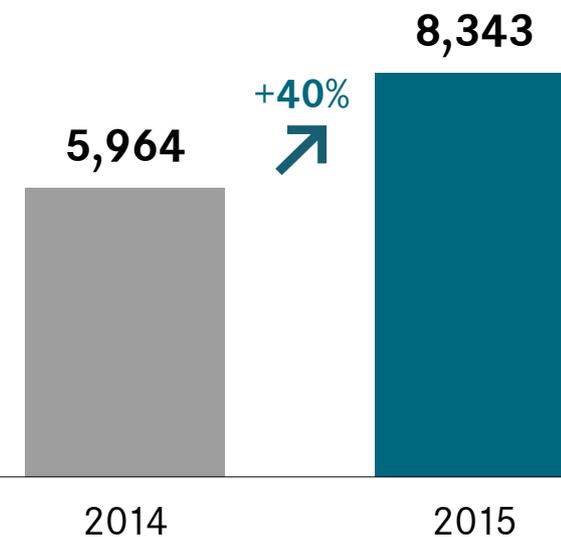
Revenue

- in billions of euros -



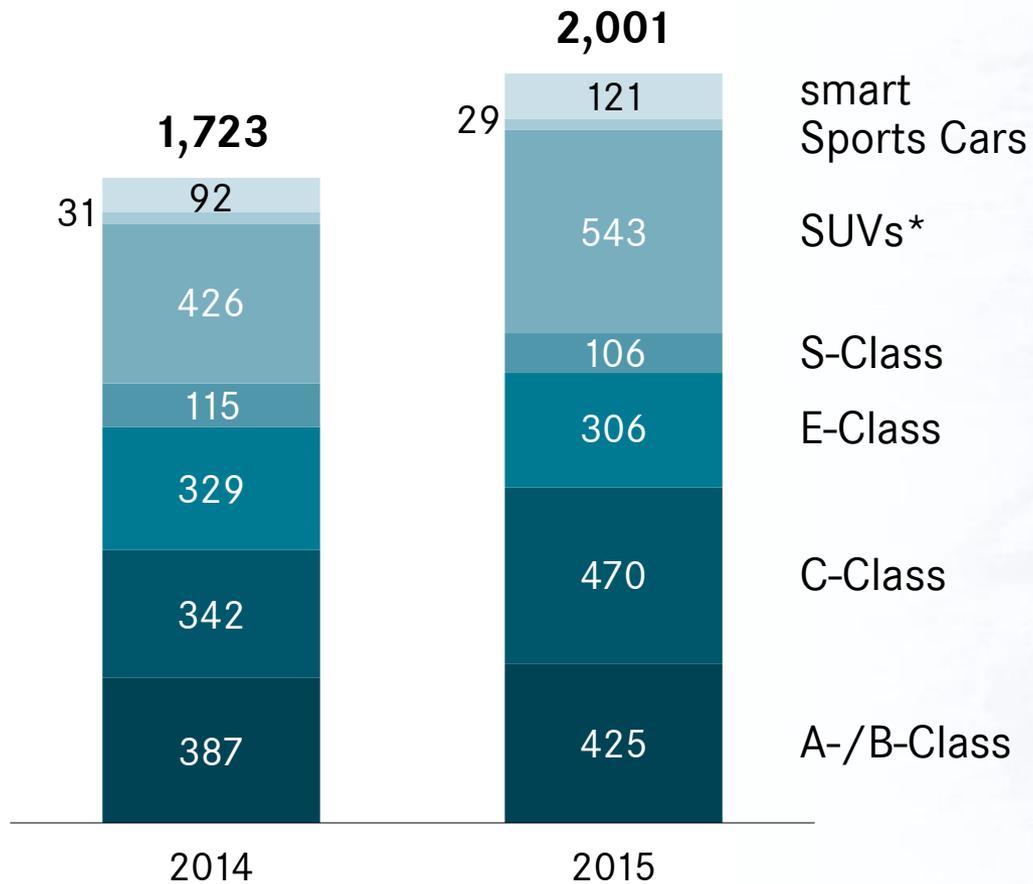
EBIT from ongoing business

- in millions of euros -



Mercedes-Benz Cars: sales volume at new record level

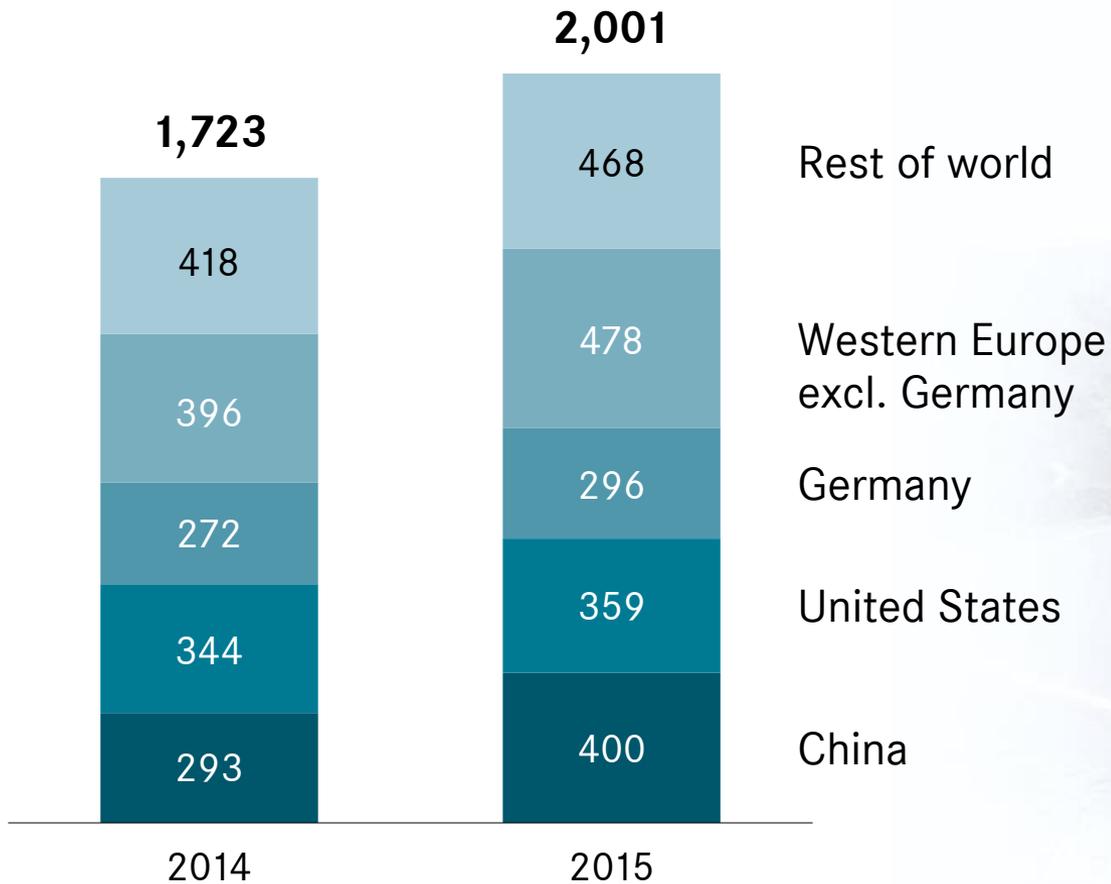
- in thousands of units -



* incl. GLA

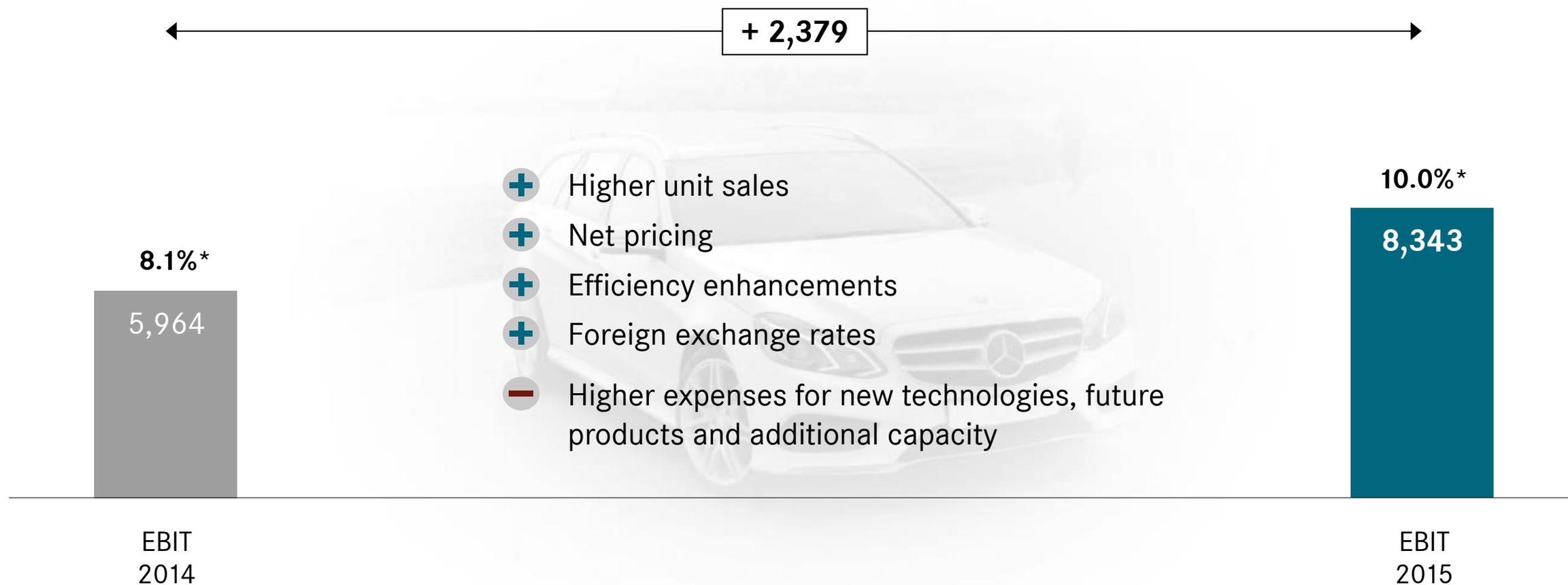
Mercedes-Benz Cars: balanced sales structure

- unit sales in thousands -



Mercedes-Benz Cars: EBIT from ongoing business

- in millions of euros -

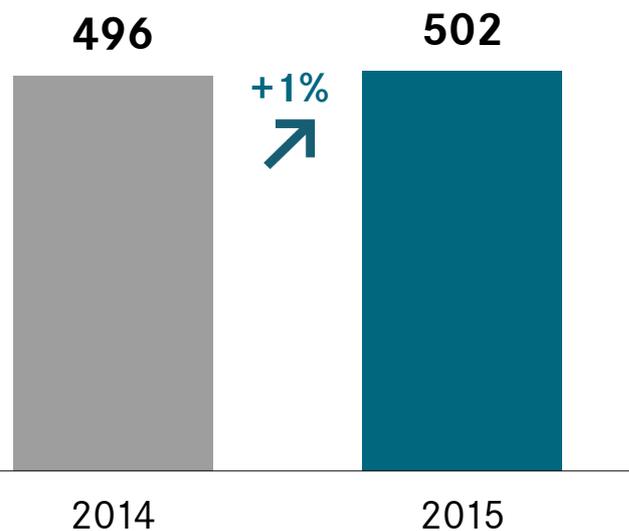


* Return on sales

Daimler Trucks: successful development in heterogeneous market environment

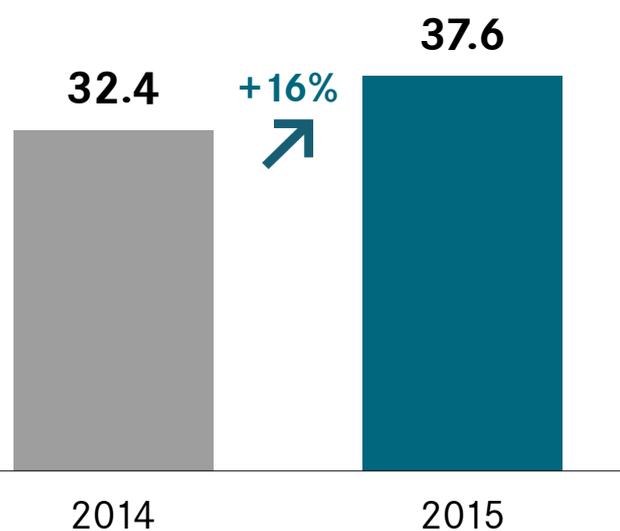
Unit sales

- in thousands of units -



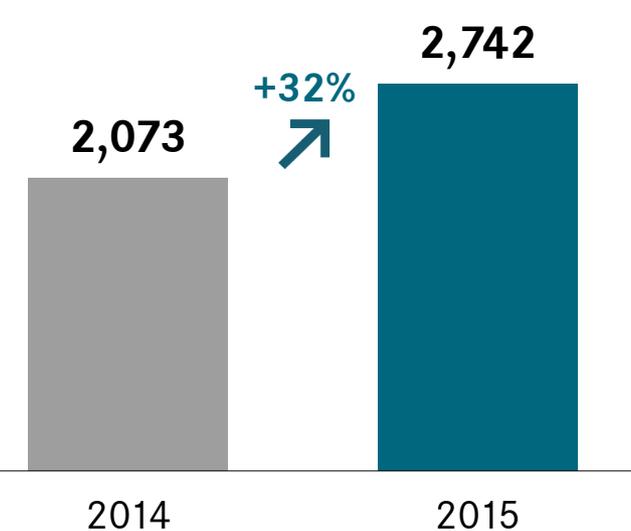
Revenue

- in billions of euros -



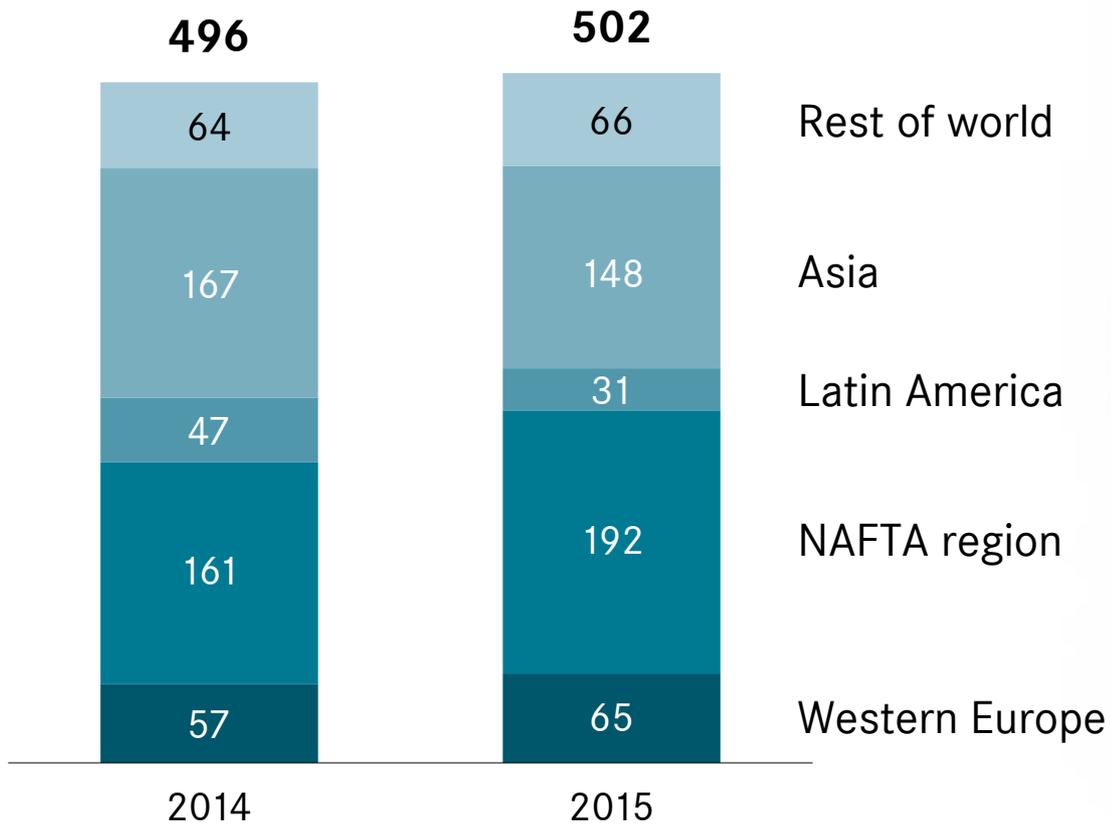
EBIT from ongoing business

- in millions of euros -



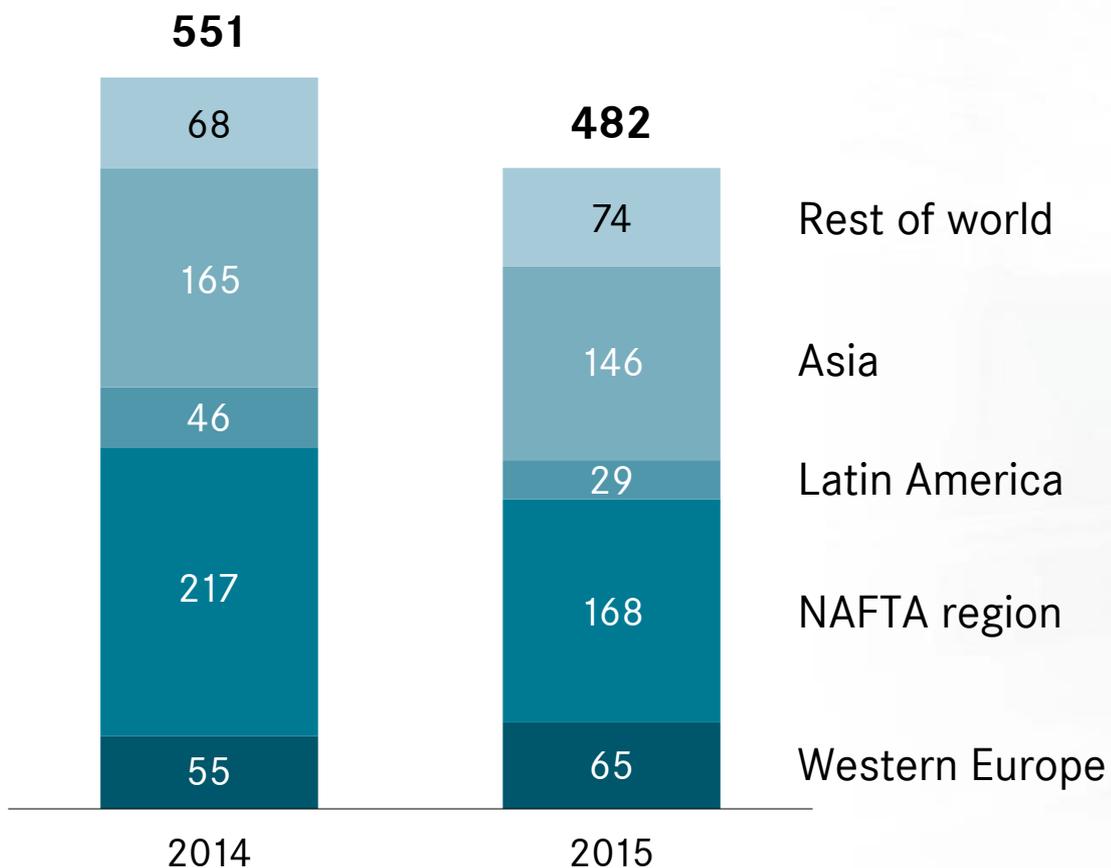
Daimler Trucks: sales growth in NAFTA region and Western Europe

- in thousands of units -



Daimler Trucks: incoming orders below prior-year level

- in thousands of units -



Daimler Trucks: EBIT from ongoing business

- in millions of euros -

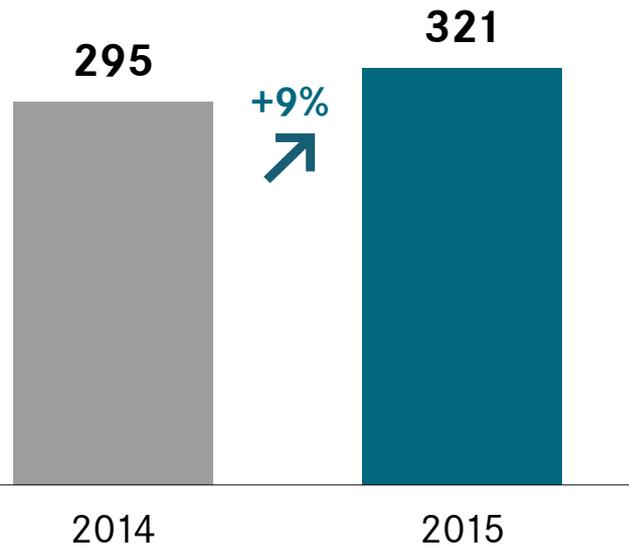


* Return on sales

Mercedes-Benz Vans: success in volatile markets

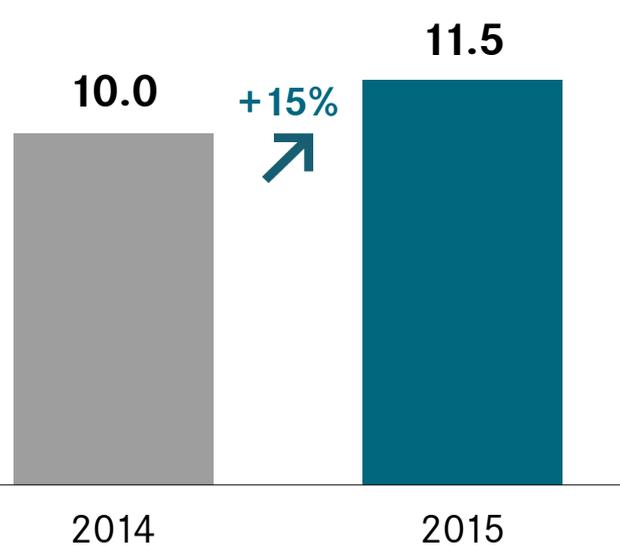
Unit sales

- in thousands of units -



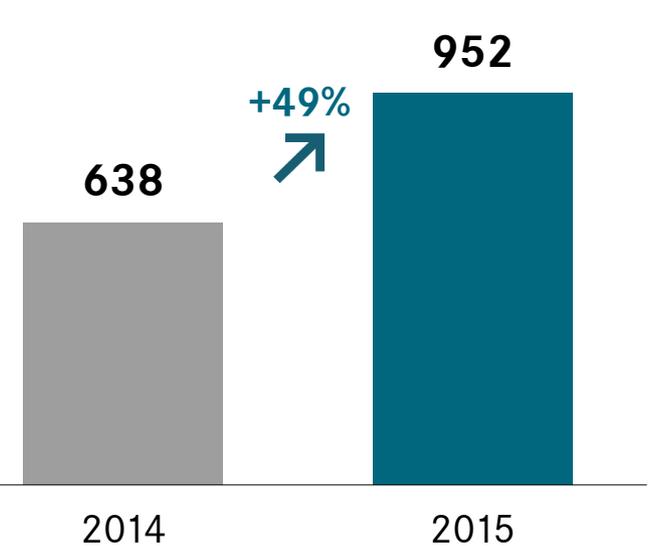
Revenue

- in billions of euros -



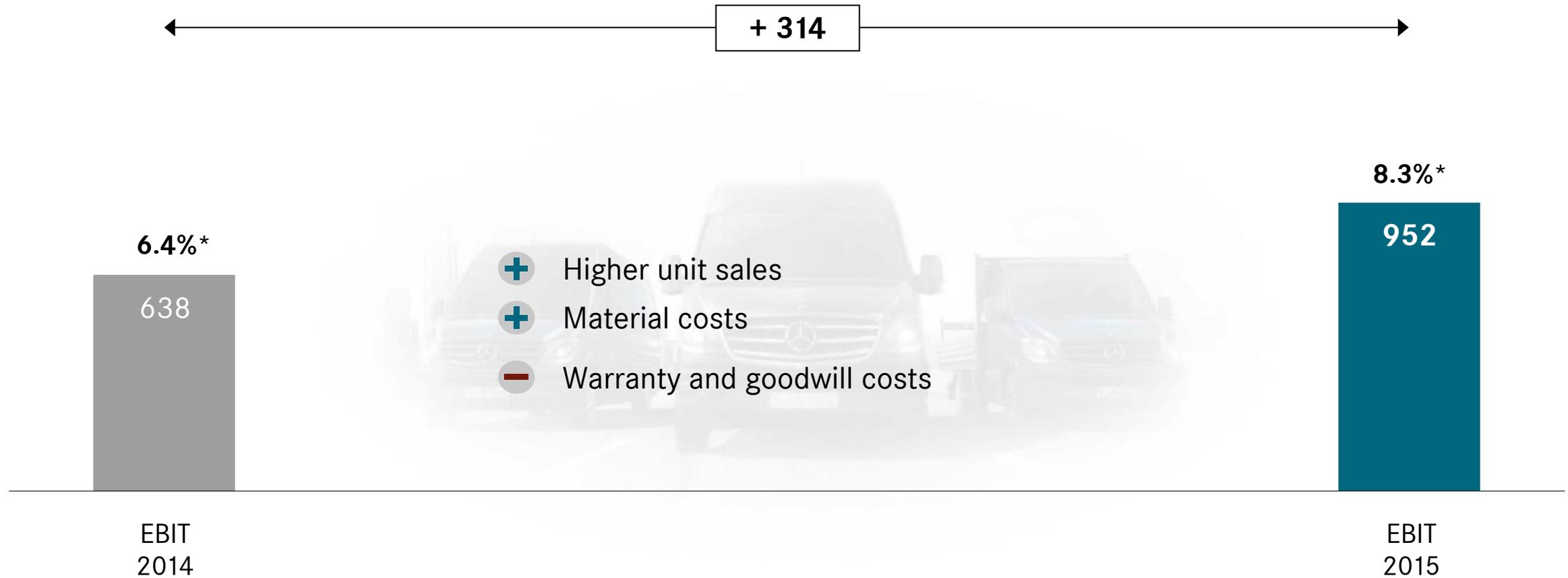
EBIT from ongoing business

- in millions of euros -



Mercedes-Benz Vans: EBIT from ongoing business

- in millions of euros -

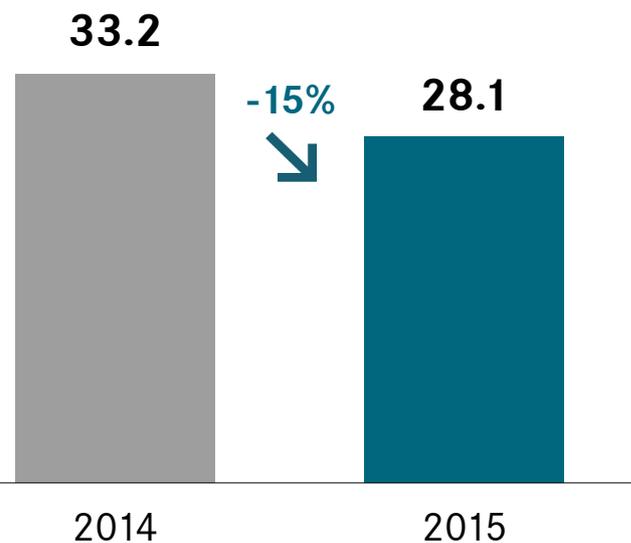


* Return on sales

Daimler Buses: strong EBIT despite significant market contraction in Latin America

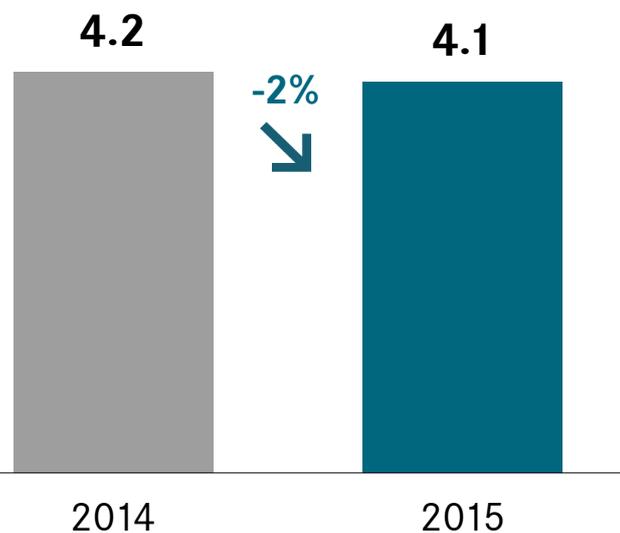
Unit sales

- in thousands of units -



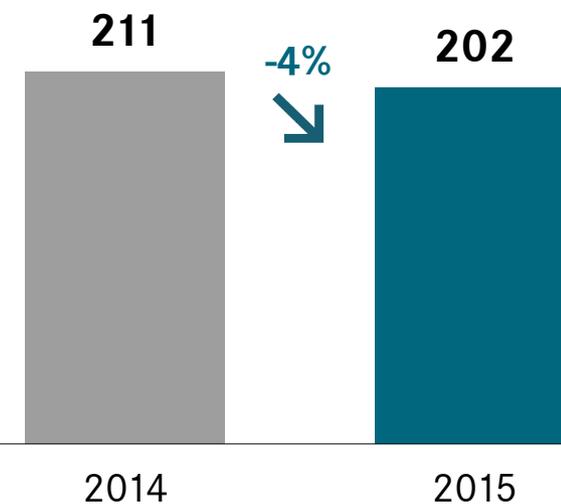
Revenue

- in billions of euros -



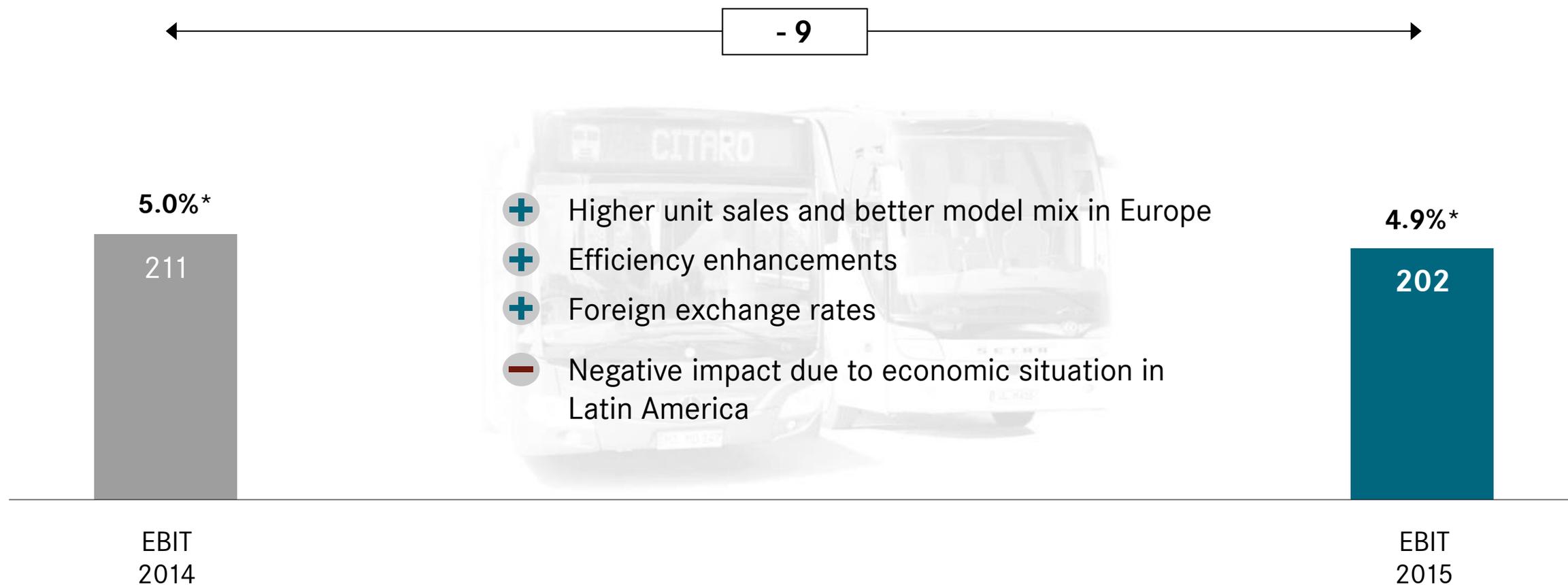
EBIT from ongoing business

- in millions of euros -



Daimler Buses: EBIT from ongoing business

- in millions of euros -

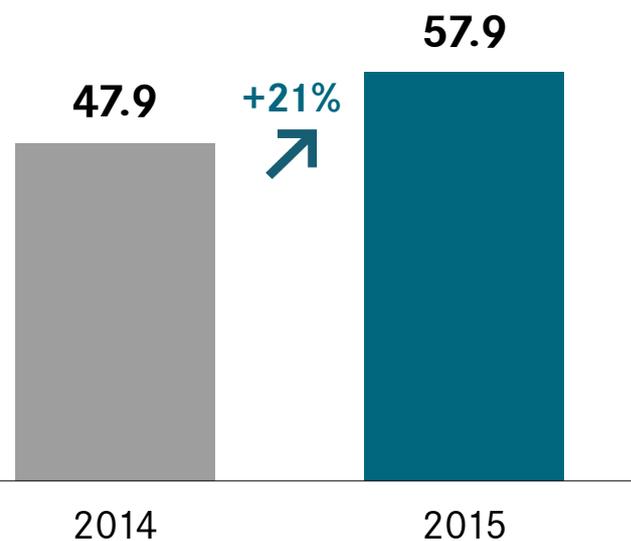


* Return on sales

Daimler Financial Services: further business growth

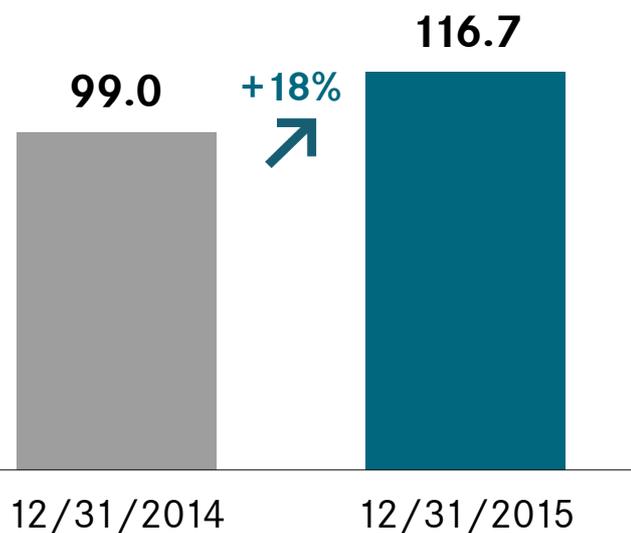
New business

- in billions of euros -



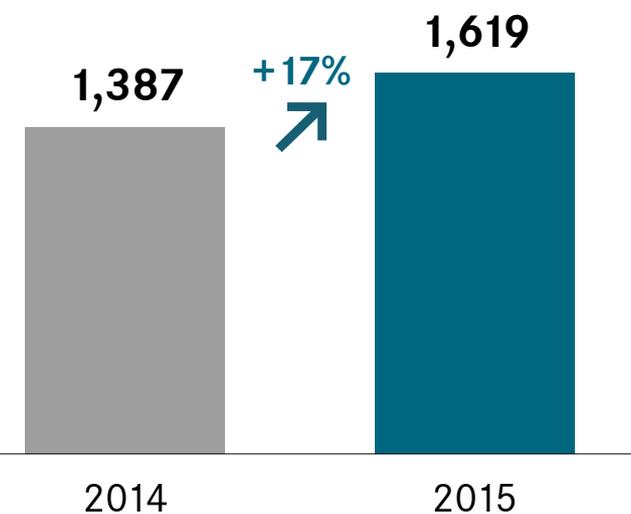
Contract volume

- in billions of euros -



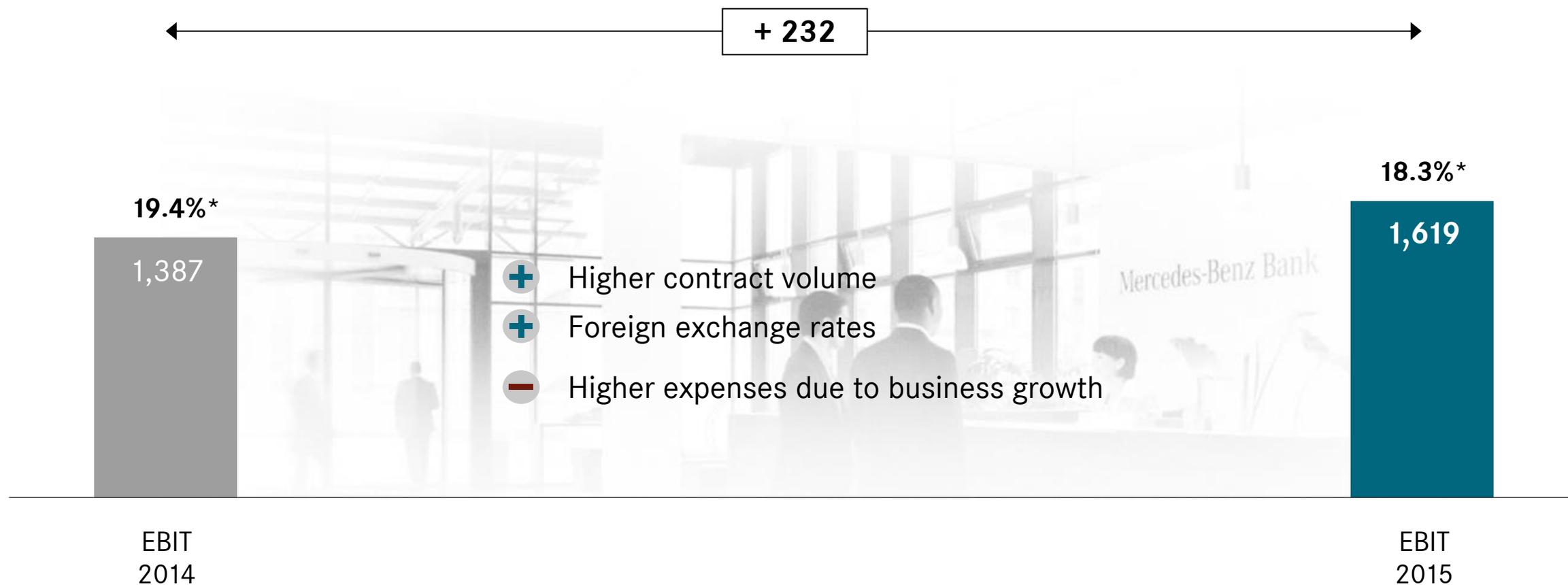
EBIT from ongoing business

- in millions of euros -



Daimler Financial Services: EBIT from ongoing business

- in millions of euros -



* Return on equity

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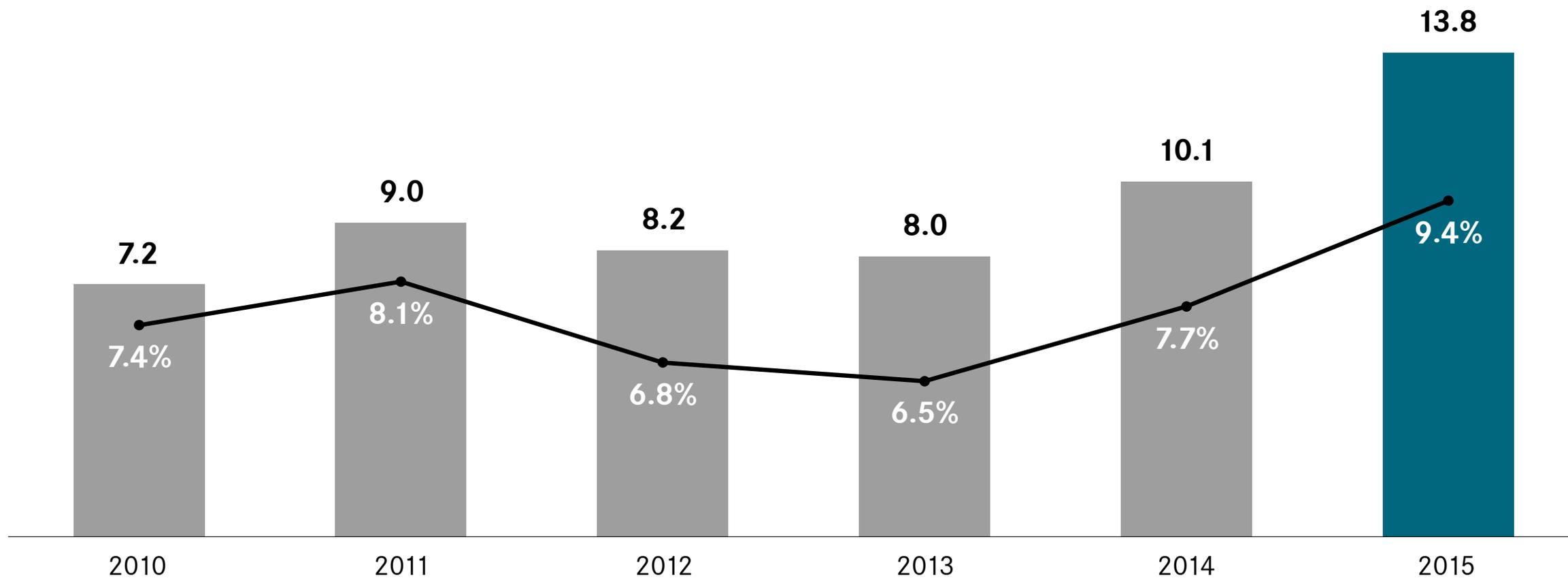
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Development of EBIT and RoS from ongoing business*

- EBIT in billions of euros; RoS in % -

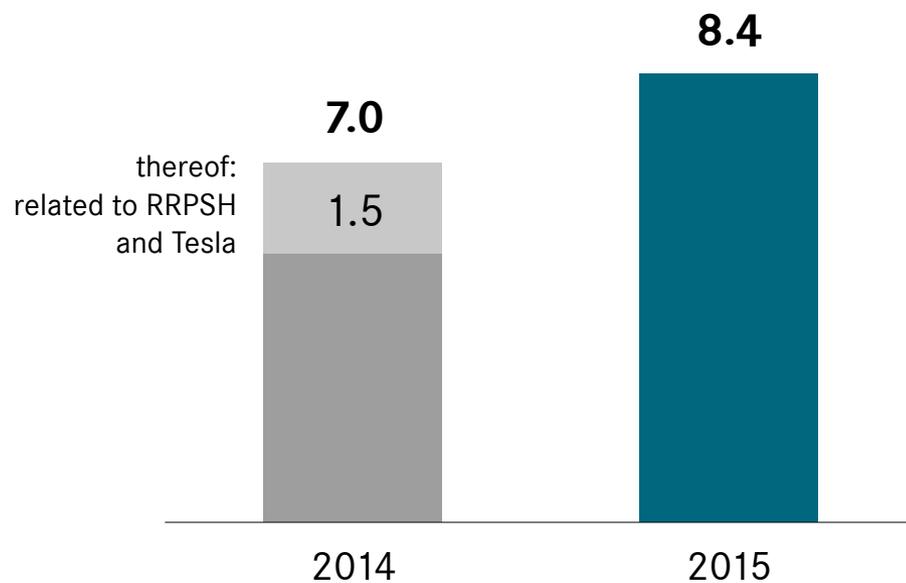


* EBIT from ongoing business of Daimler Group; return on sales from ongoing business of Daimler Group excluding Daimler Financial Services

Dividend at record level based on strong net profit

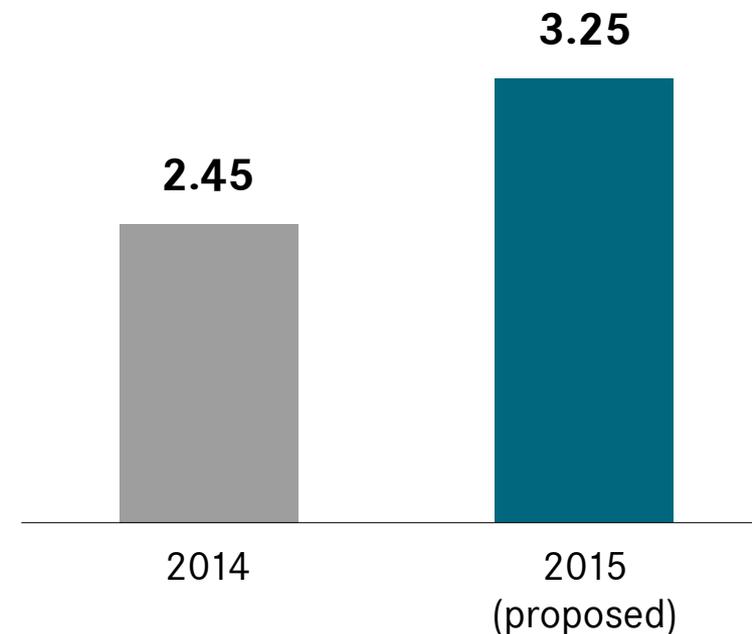
Net profit*

- in billions of euros -



Dividend per share

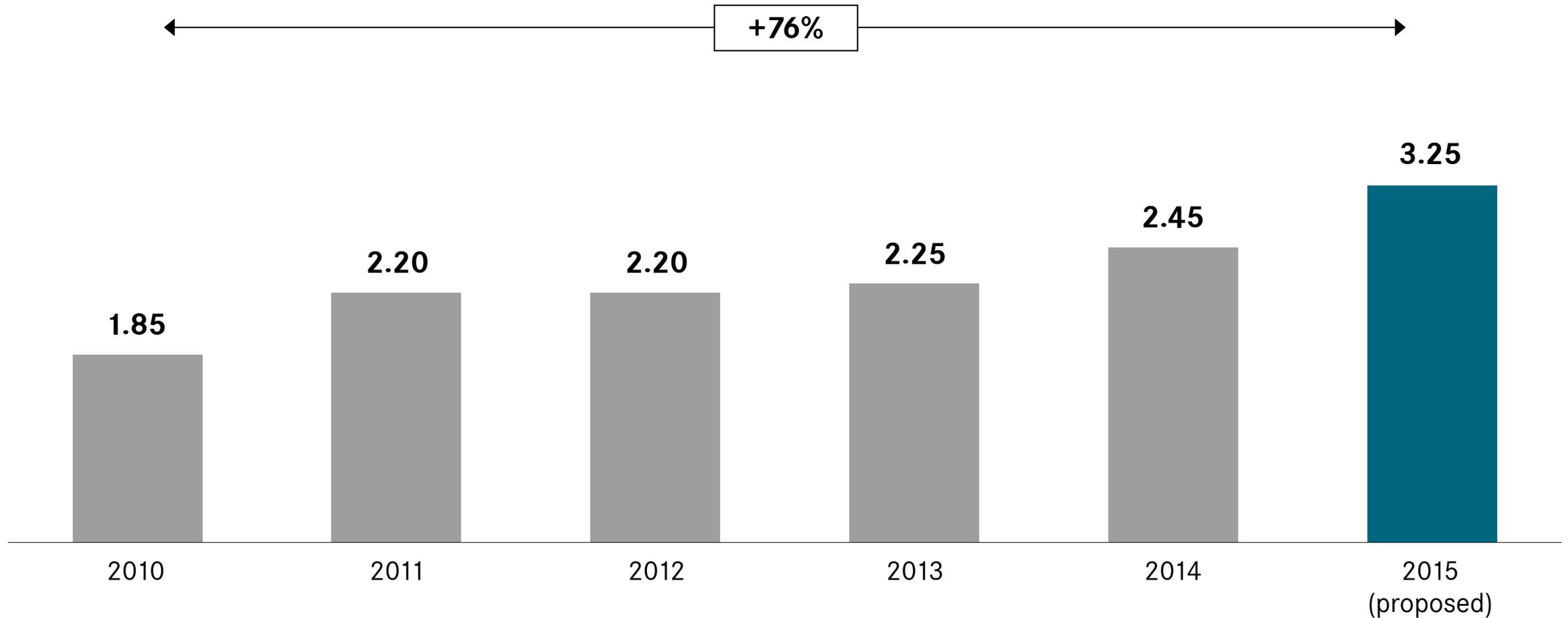
- in euros -



* attributable to shareholders of Daimler AG

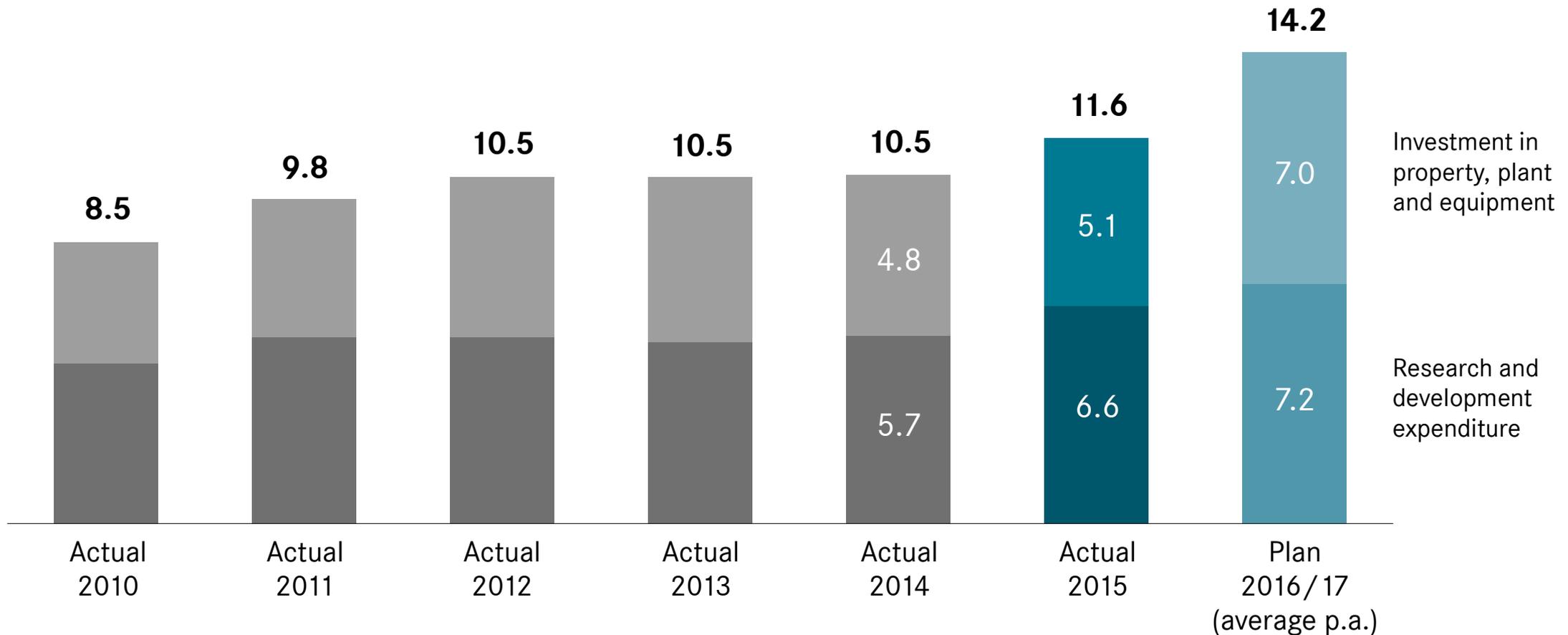
Development of dividend per share

- in euros -



Increased investment as a basis for profitable growth

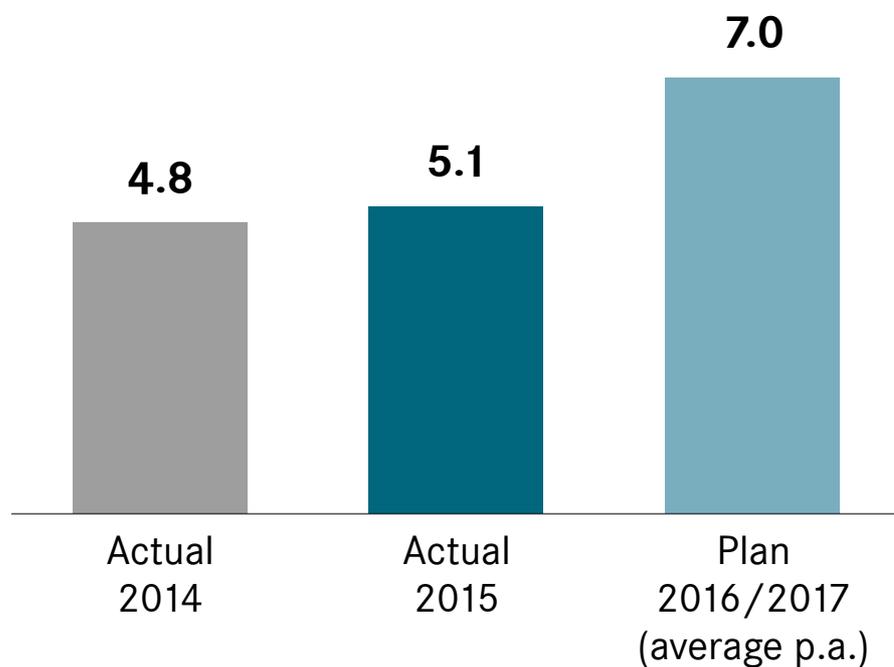
- in billions of euros -



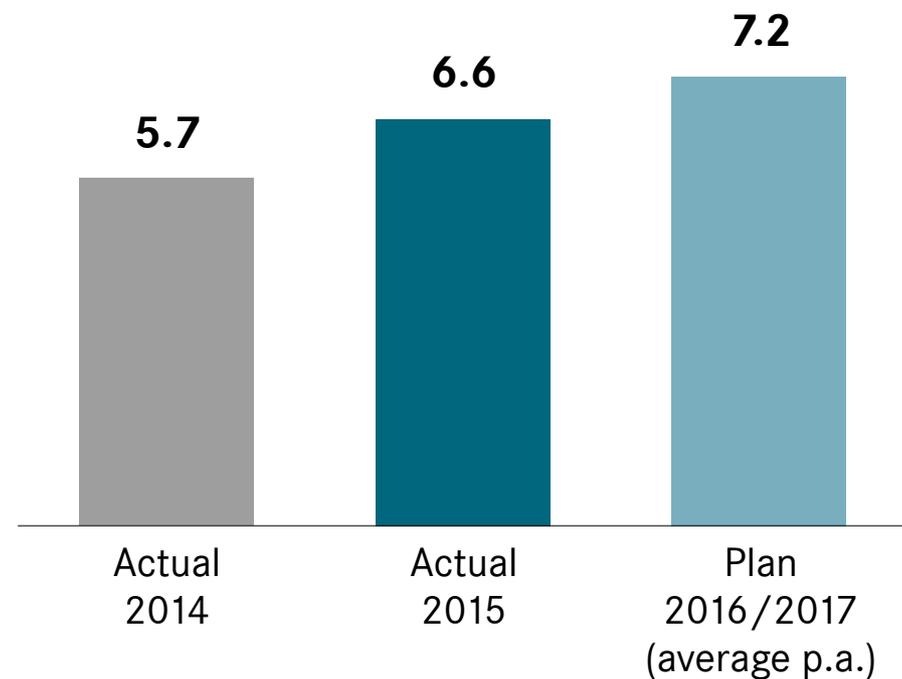
Capital expenditure / Research and development

- in billions of euros -

Investment in property, plant and equipment



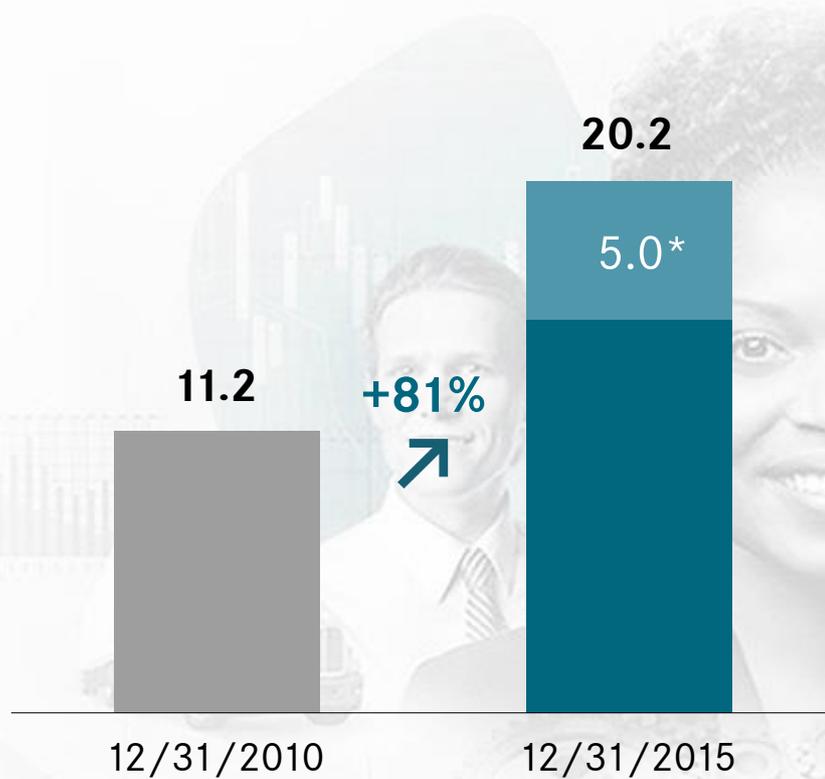
Research and development expenditure



Attractive employer ...

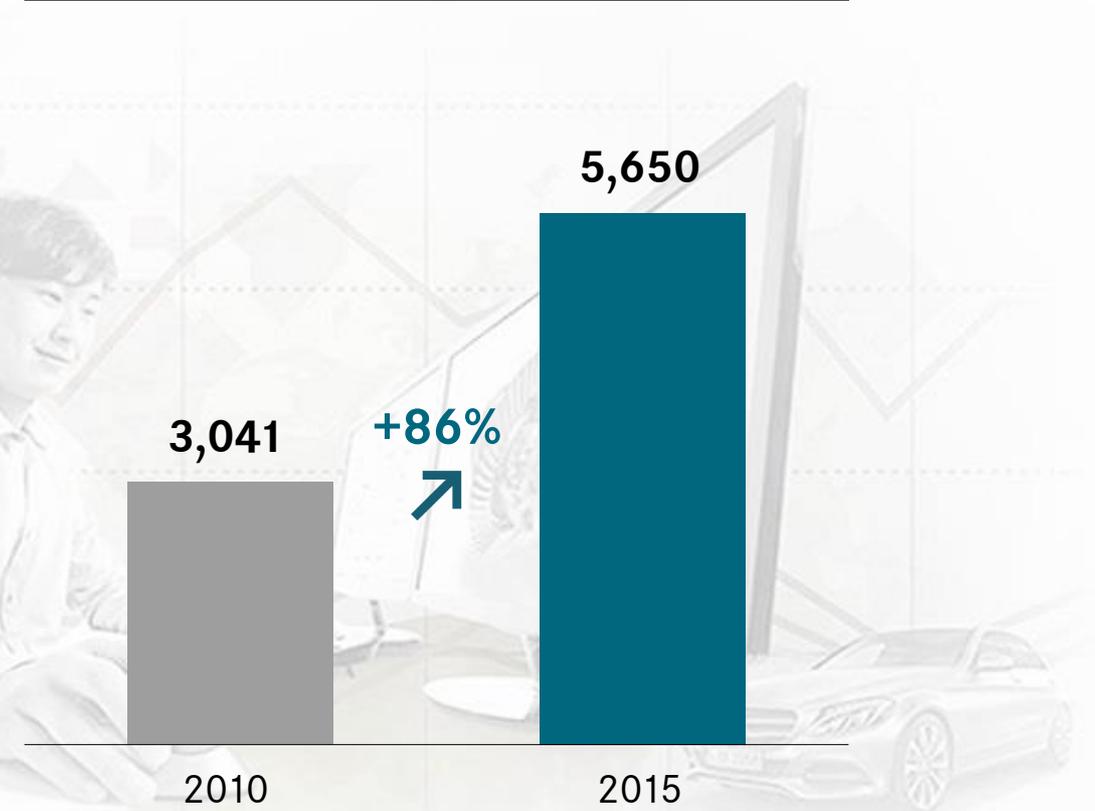
Fair value of pension plan assets

- in billions of euros -



Profit sharing**

- in euros -



* related to extraordinary contributions to the German pension fund assets in 2011, 2014 and 2015

** paid out to each eligible employee of Daimler AG for the respective financial year

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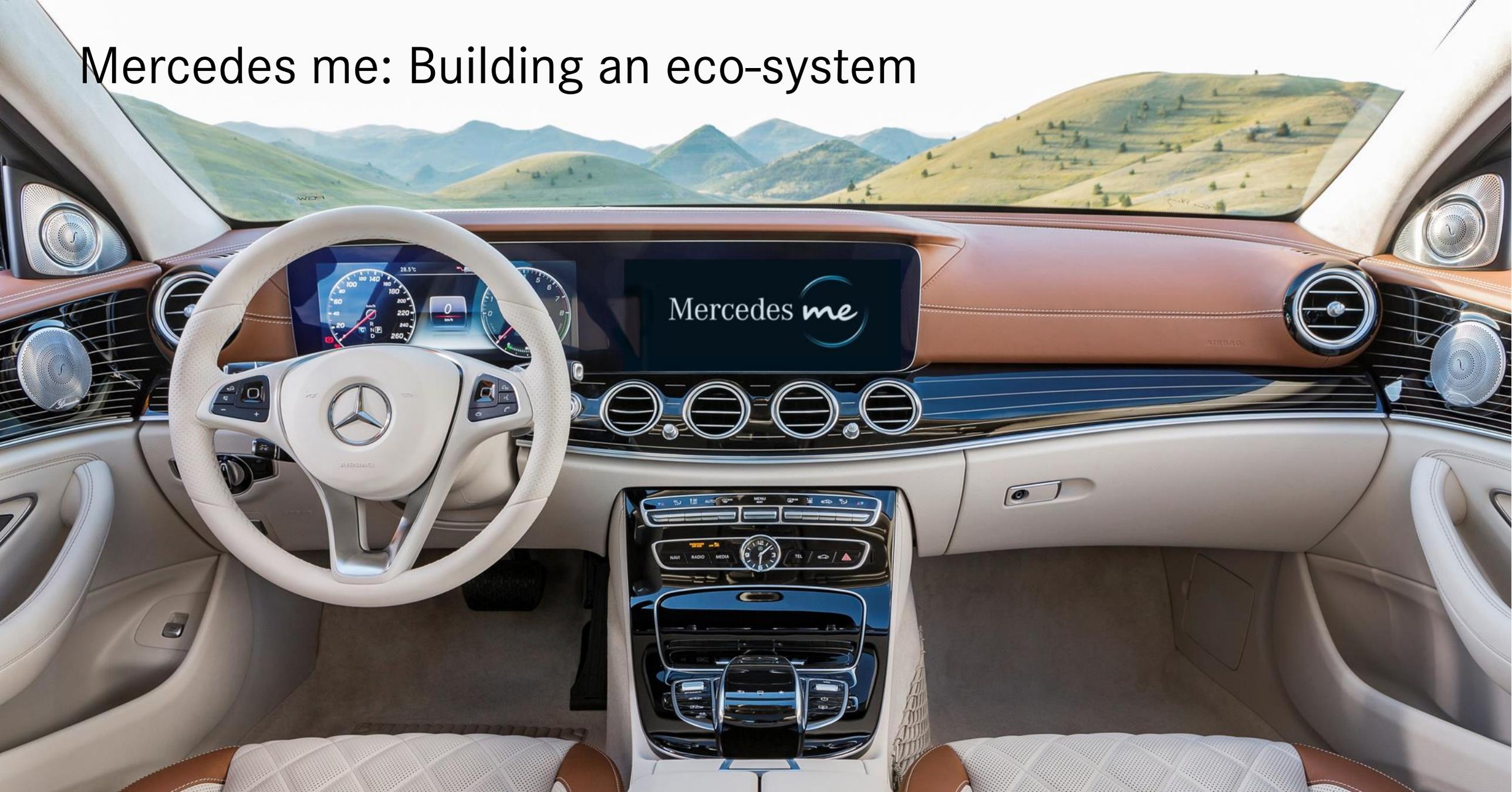
2016: The product offensive continues



Mercedes-Benz E-Class: Masterpiece of intelligence



Mercedes me: Building an eco-system



Identifying new business opportunities



smart: Summer in the city



Bringing e-mobility to everyday life



Commercial vehicles: Staying the course and accelerating



Investing in our future growth



Rethinking Leadership



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2016 sales outlook



Mercedes-Benz Cars

Significantly higher unit sales

Strong momentum from renewed SUV portfolio and further plug-in hybrid models
Launch of all-new E-Class, C-Class Coupé, S-Class Cabriolet and smart fortwo cabrio



Daimler Trucks

Unit sales at the prior-year level

Sustained market leadership in softening NAFTA market, strong product portfolio across all regions, expansion of global market presence with regional centers



Mercedes-Benz Vans

Significantly higher unit sales

Significant growth in core market Western Europe
Continued momentum from “Mercedes-Benz Vans goes global” strategy



Daimler Buses

Unit sales at the prior-year level

Maintain market leadership in core markets
Positive development in Western Europe and Mexico, lower demand in Brazil

2016 outlook for EBIT from ongoing business

DAIMLER

We expect Group EBIT for FY 2016 to increase slightly based on the following expectations for divisional EBIT:



Mercedes-Benz Cars

Slightly above the prior-year level



Daimler Trucks

At the prior-year level



Mercedes-Benz Vans

Slightly above the prior-year level



Daimler Buses

Slightly above the prior-year level



Daimler Financial Services

Slightly above the prior-year level



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Full-Year 2015 Presentation

Appendix

Key balance sheet and financial figures

Daimler Group	Dec. 31, 2014	Dec. 31, 2015
Equity ratio	22.1%	23.6%
Gross liquidity	16.3	18.2
Industrial business		
Equity ratio	40.8%	44.2%
Net liquidity	17.0	18.6
Free cash flow	5.5	4.0

in billions of euros

Unit sales

	2014	2015	% change
Daimler Group	2,546.0	2,853.0	+12
of which			
Mercedes-Benz Cars	1,722.6	2,001.4	+16
Daimler Trucks	495.7	502.5	+1
Mercedes-Benz Vans	294.6	321.0	+9
Daimler Buses	33.2	28.1	-15

in thousands of units

Revenue by division

	2014	2015	% change
Daimler Group	129.9	149.5	+15
of which			
Mercedes-Benz Cars	73.6	83.8	+14
Daimler Trucks	32.4	37.6	+16
Mercedes-Benz Vans	10.0	11.5	+15
Daimler Buses	4.2	4.1	-2
Daimler Financial Services	16.0	19.0	+19
Contract volume of Daimler Financial Services*	99.0	116.7	+18

in billions of euros

* at year-end

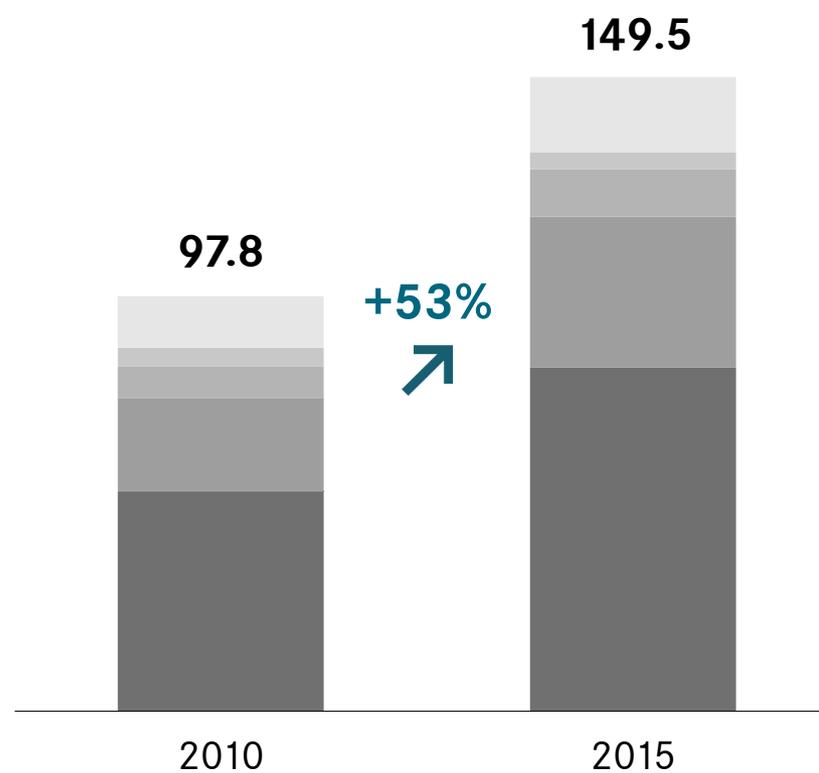
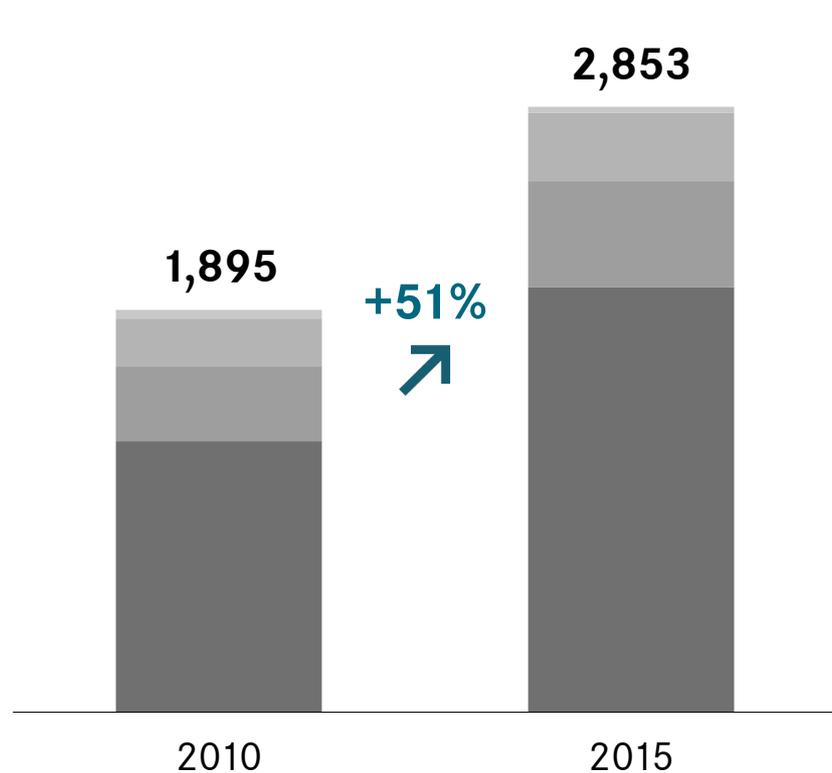
Development of unit sales and revenue by divisions since 2010

Sales

- in thousands of units -

Revenue

- in billions of euros -



- Daimler Financial Services
- Daimler Buses
- Mercedes-Benz Vans
- Daimler Trucks
- Mercedes-Benz Cars

Revenue by region

	2014	2015	% change
Daimler Group	129.9	149.5	+15
of which			
Western Europe	43.7	49.6	+13
<i>of which Germany</i>	20.4	22.0	+8
NAFTA	38.0	47.7	+25
<i>of which United States</i>	33.3	41.9	+26
Asia	29.4	33.7	+15
<i>of which China*</i>	13.3	14.7	+10
Other markets	18.7	18.5	-1

in billions of euros

* excluding revenue of not fully consolidated companies

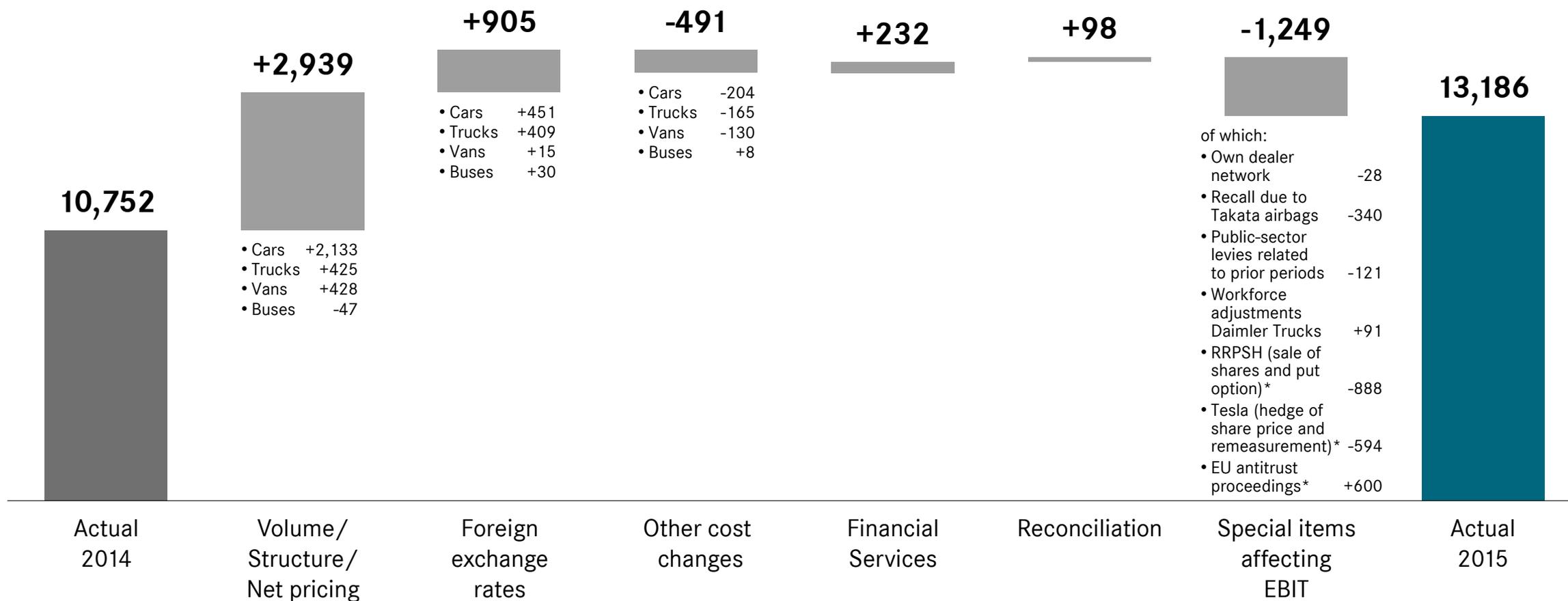
EBIT by division

- EBIT in millions of euros; RoS in % -	2014		2015	
	EBIT	RoS*	EBIT	RoS*
Daimler Group	10,752	8.2	13,186	8.9
of which				
Mercedes-Benz Cars	5,853	8.0	7,926	9.5
Daimler Trucks	1,878	5.8	2,576	6.9
Mercedes-Benz Vans	682	6.8	880	7.7
Daimler Buses	197	4.7	214	5.2
Daimler Financial Services	1,387	-	1,619	-
Reconciliation	755	-	-29	-

* Return on sales; Daimler Group excluding Daimler Financial Services

Group EBIT in 2015

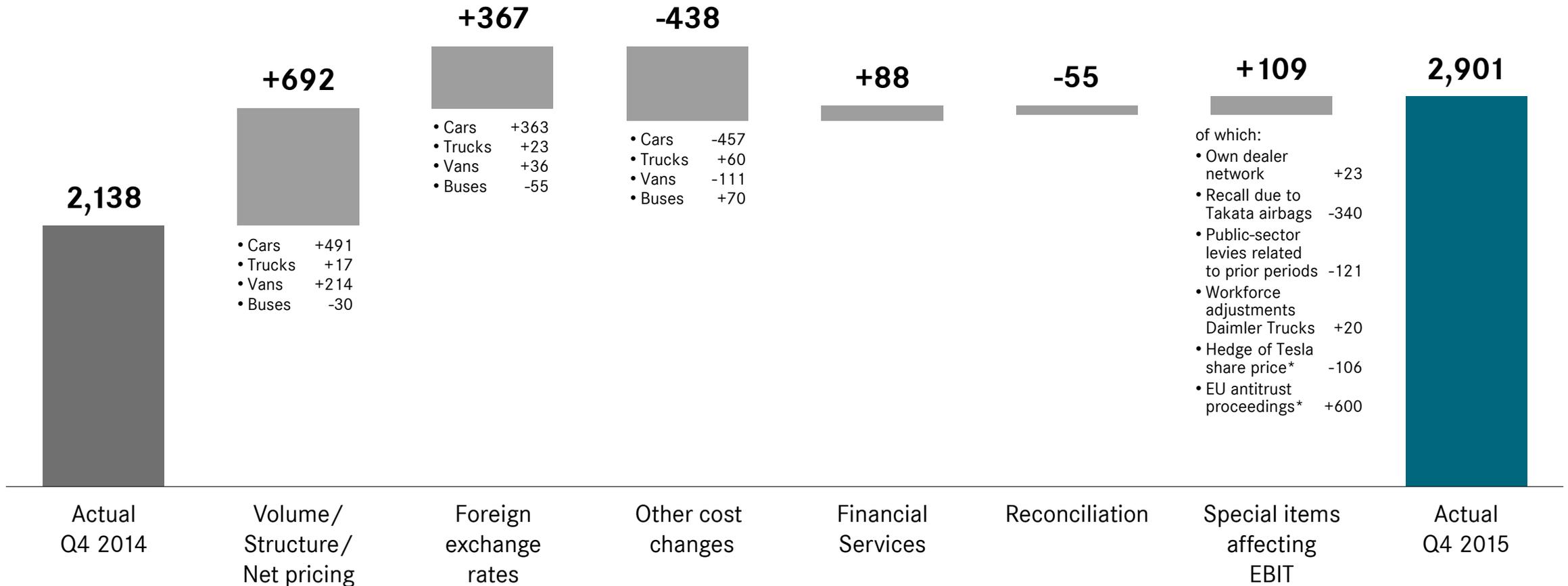
- in millions of euros -



* in 2014

Group EBIT in Q4 2015

- in millions of euros -



* in Q4 2014

Special items affecting EBIT

	Q4		Full year	
	2014	2015	2014	2015
Mercedes-Benz Cars				
Restructuring of own dealer network	-81	-49	-81	-64
Relocation of headquarters of MBUSA	-	-9	-	-19
Sale of real estate in the United States	-	-	-	+87
Impairment of investments in the area of alternative drive systems	-	-	-30	-
Recall in connection with Takata airbags	-	-300	-	-300
Public-sector levies related to prior periods	-	-121	-	-121
Daimler Trucks				
Workforce adjustments	-43	-23	-149	-58
Restructuring of own dealer network	-16	-24	-16	-47
Sale of Atlantis Foundries	-	-6	-	-61
Impairment of investment in Kamaz	-30	-	-30	-

in millions of euros

Special items affecting EBIT

	Q4		Full year	
	2014	2015	2014	2015
Mercedes-Benz Vans				
Restructuring of own dealer network	-17	-18	-17	-29
Relocation of headquarters of MBUSA	-	-1	-	-3
Reversal of impairment of investment in FBAC	-	-	+61	-
Recall in connection with Takata airbags	-	-40	-	-40
Daimler Buses				
Business repositioning	-3	-	-12	-
Restructuring of own dealer network	-2	-2	-2	-4
Sale of investment in New MCI Holdings Inc.	-	+16	-	+16
Reconciliation				
Measurement of put option for RRPSH	-	-	-118	-
Sale of shares in RRPSH	-	-	+1,006	-
Remeasurement of Tesla shares	-	-	+718	-
Sale of Tesla shares and hedge of Tesla share price	+106	-	-124	-
Expenses related to EU antitrust proceedings	-600	-	-600	-

in millions of euros

EBIT from ongoing business

	2014		2015	
- EBIT in millions of euros; RoS in % -	EBIT	RoS*	EBIT	RoS*
Daimler Group	10,146	7.7	13,829	9.4
of which				
Mercedes-Benz Cars	5,964	8.1	8,343	10.0
Daimler Trucks	2,073	6.4	2,742	7.3
Mercedes-Benz Vans	638	6.4	952	8.3
Daimler Buses	211	5.0	202	4.9
Daimler Financial Services	1,387	-	1,619	-
Reconciliation	-127	-	-29	-

* Return on sales; Daimler Group excluding Daimler Financial Services

Q4 2015: EBIT from ongoing business

- EBIT in millions of euros; RoS in % -	Q4 2014		Q4 2015	
	EBIT	RoS*	EBIT	RoS*
Daimler Group	2,824	8.0	3,478	8.7
of which				
Mercedes-Benz Cars	1,758	8.7	2,154	9.6
Daimler Trucks	583	6.6	684	6.8
Mercedes-Benz Vans	158	5.8	297	8.5
Daimler Buses	35	2.7	20	1.7
Daimler Financial Services	299	-	387	-
Reconciliation	-9	-	-64	-

* Return on sales; Daimler Group excluding Daimler Financial Services

Assumptions for automotive markets in 2016

Car markets	Global	+3 to 4%
	Western Europe	slight growth
	USA	slight growth
	China	significant growth
Medium- and heavy-duty truck markets	NAFTA region	around -10%
	Europe	slight growth
	Japan*	around the prior-year level
	Brazil	around -10%
	Indonesia*	around the prior-year level
Van markets	Europe	slight growth for mid-size and large vans
	USA	slight growth
Bus markets	Western Europe	slight growth
	Brazil	significant decrease

* including light-duty trucks

Capital expenditure / Research and development

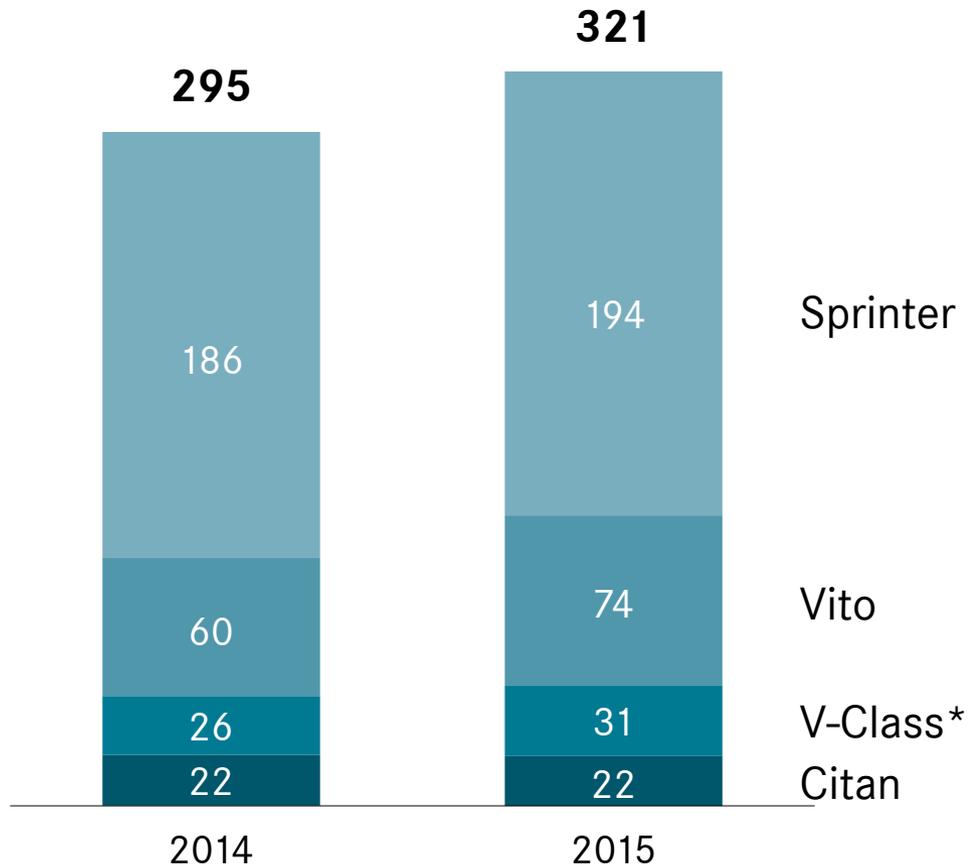
	Investment in property, plant and equipment			Research and development expenditure		
	Actual 2014	Actual 2015	Plan* 2016-2017	Actual 2014	Actual 2015	Plan* 2016-2017
Daimler Group	4.8	5.1	7.0	5.7	6.6	7.2
of which						
Mercedes-Benz Cars	3.6	3.6	5.0	4.0	4.7	5.4
Daimler Trucks	0.8	1.1	1.4	1.2	1.3	1.3
Mercedes-Benz Vans	0.3	0.2	0.6	0.3	0.4	0.4
Daimler Buses	0.1	0.1	0.1	0.2	0.2	0.2
Daimler Financial Services	0.02	0.03	0.02	–	–	–

in billions of euros

* average p.a.

Mercedes-Benz Vans: market success of mid-size vans

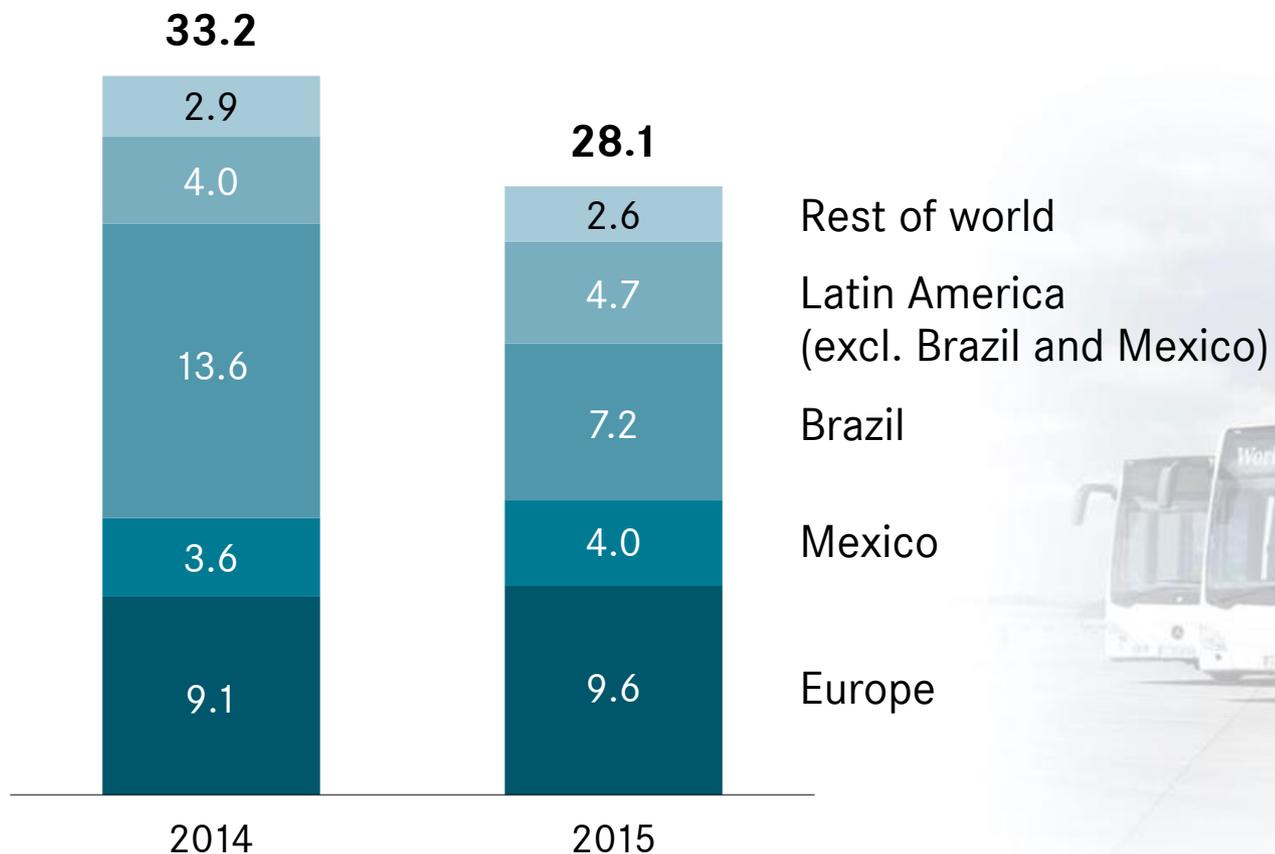
- in thousands of units -



* incl. Viano

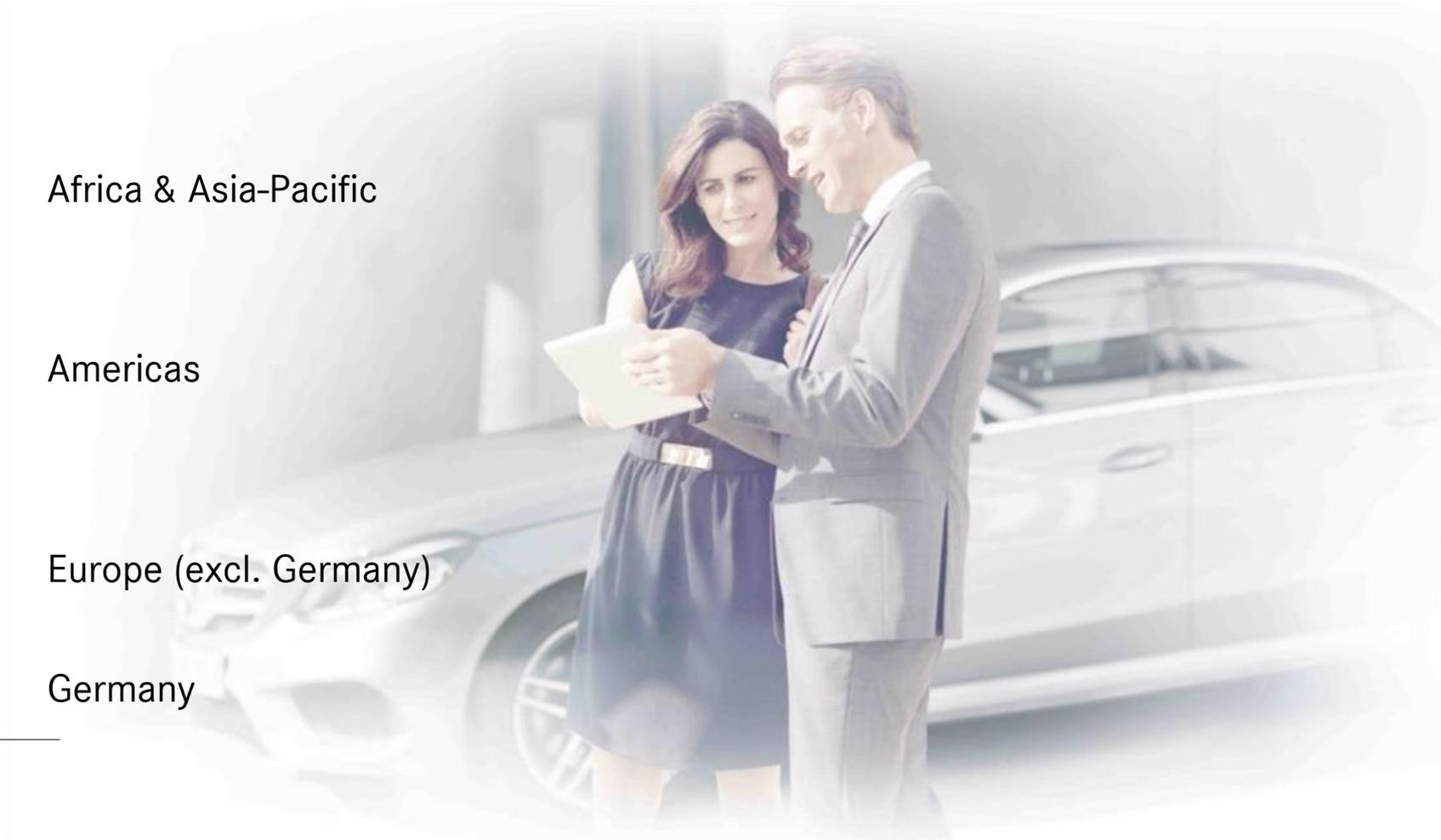
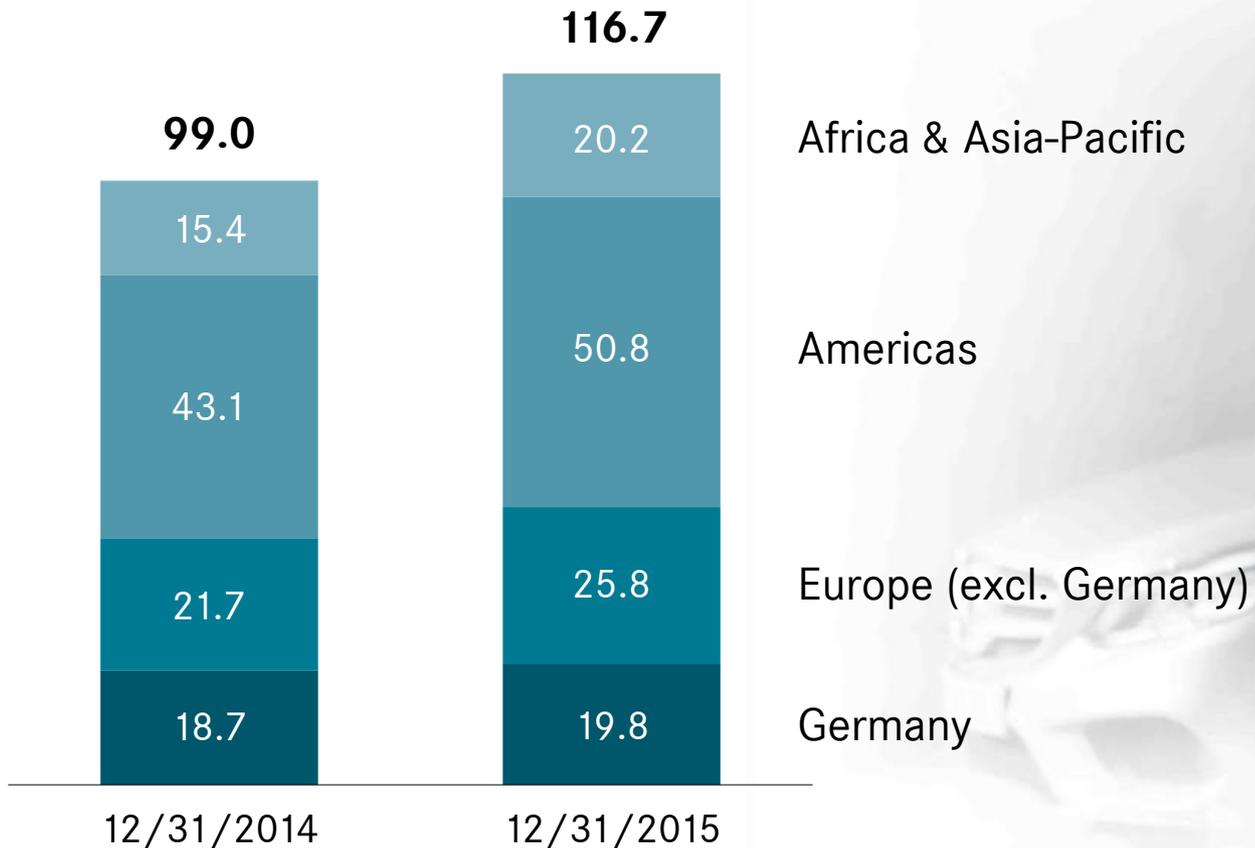
Daimler Buses: lower demand for bus chassis in Brazil

- unit sales in thousands -

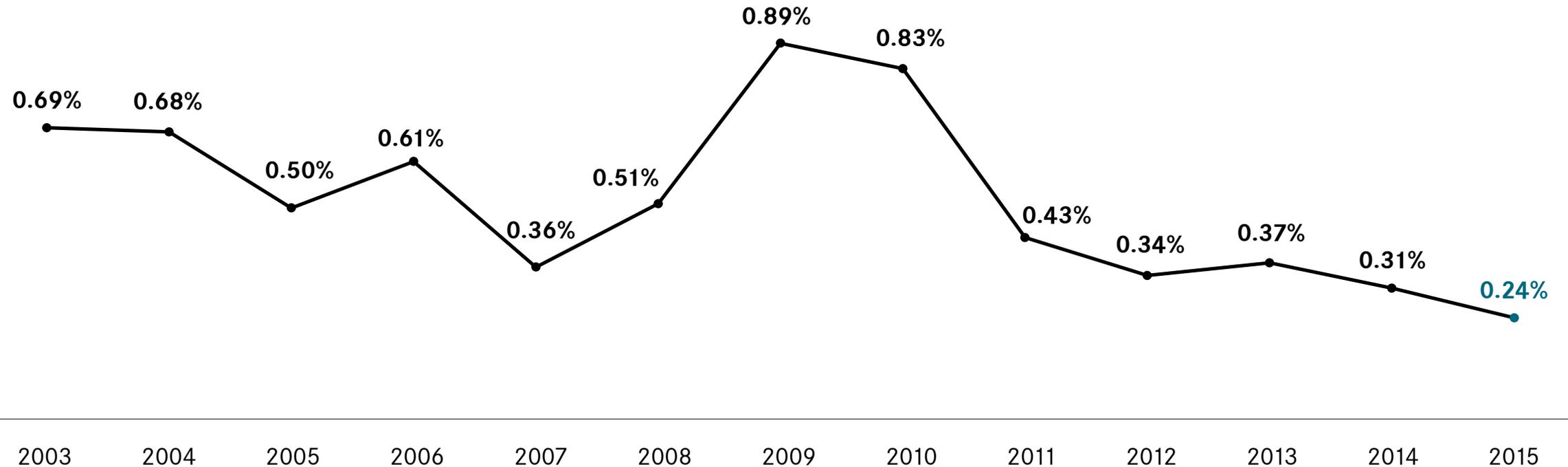


Daimler Financial Services: growth in all regions

- contract volume in billions of euros -



Daimler Financial Services: net credit losses* at low level



* 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 worsening of the sovereign-debt crisis in the euro zone; an increase in political tension in Eastern Europe; 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 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.

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