

Fixed Income Presentation

Q2 2022

Mercedes-Benz Group AG



# AGENDA

I. MERCEDES-BENZ GROUP REVIEW Q2 2022

II. DIVISIONAL REVIEW Q2 2022

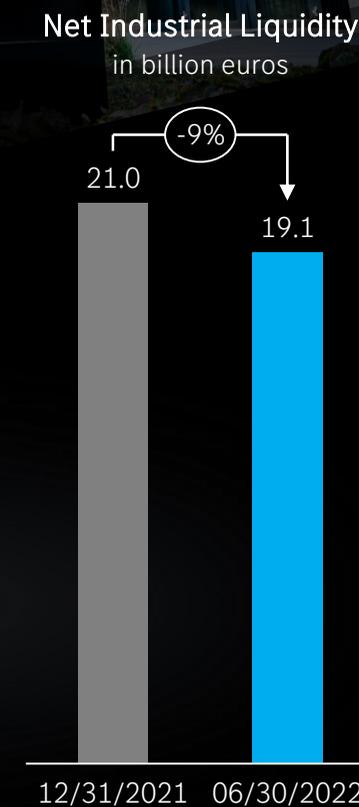
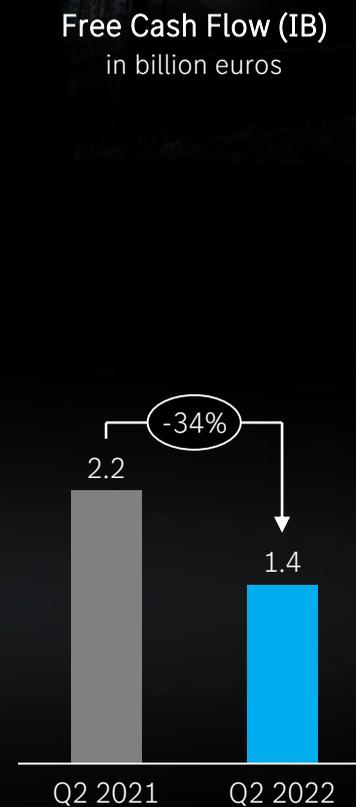
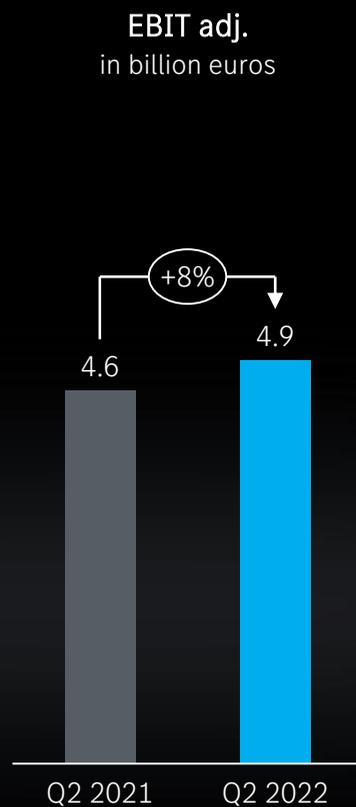
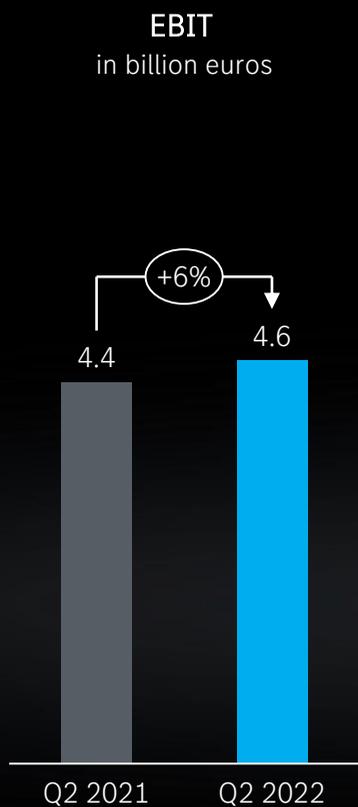
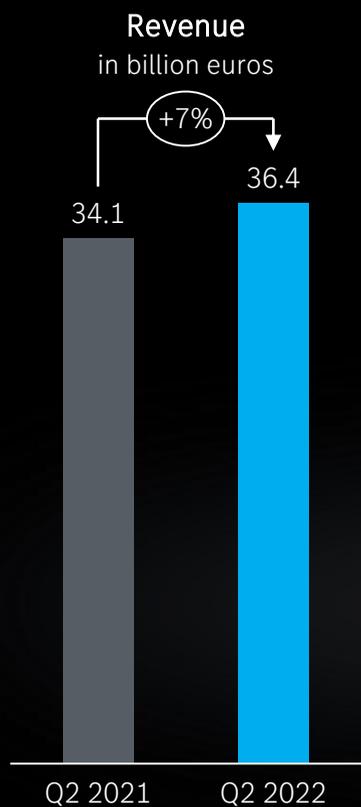
III. OUTLOOK FY 2022

IV. FUNDING

V. SUSTAINABILITY

VI. LUXURY STRATEGY

# Mercedes-Benz Group: Key figures\*



# Mercedes-Benz Group: Minimizing the impact of limited gas supply



Mercedes-Benz is a global company. Risk of bottlenecks in gas supply existing in Europe. Gas supply at our plants currently stable.

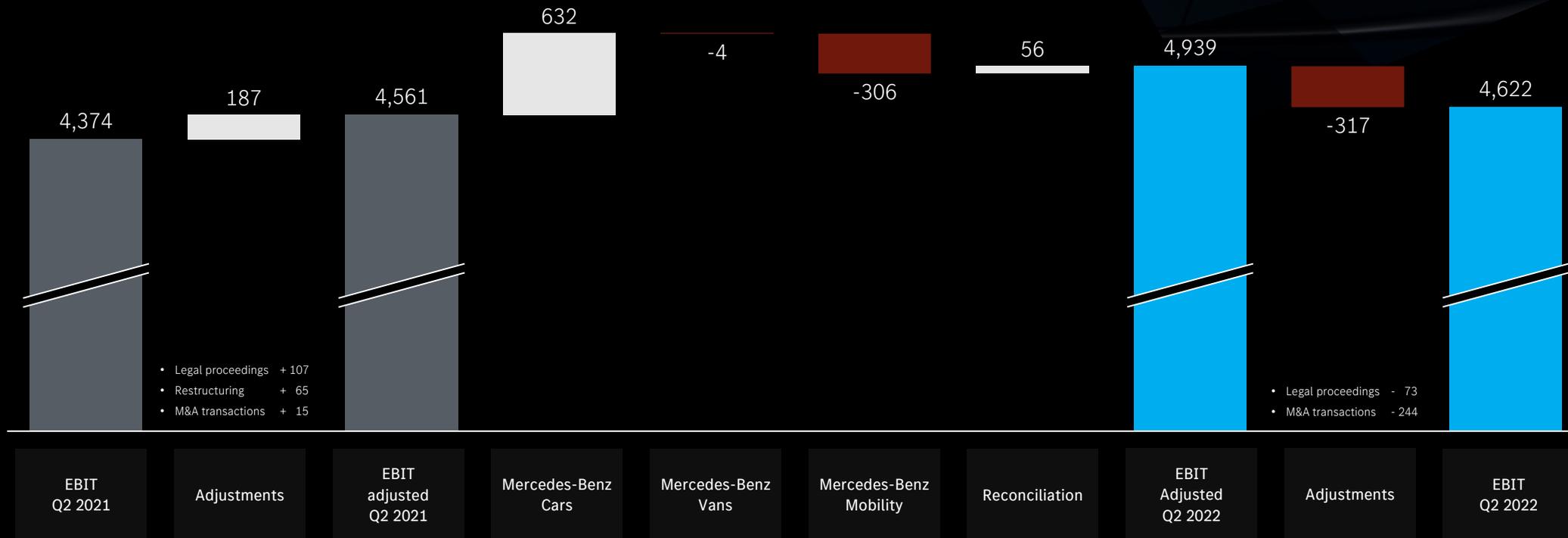
First measures executed to reduce consumption; further significant reduction potential identified

Long-term plan to switch from gas to electricity & other renewable resources

In constant exchange with gas suppliers, production partners & relevant authorities

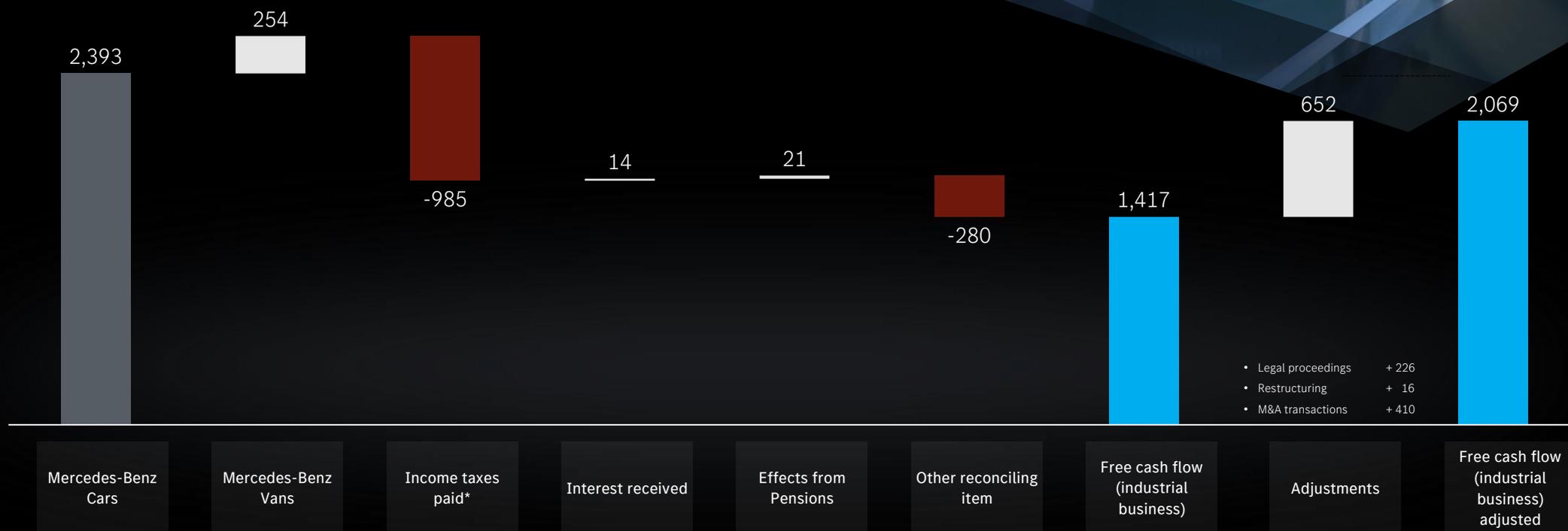
# Mercedes-Benz Group: Q2 2022 EBIT\*

In million euros



# Mercedes-Benz Group: Reconciliation from CFBIT to Free Cash Flow

In million euros



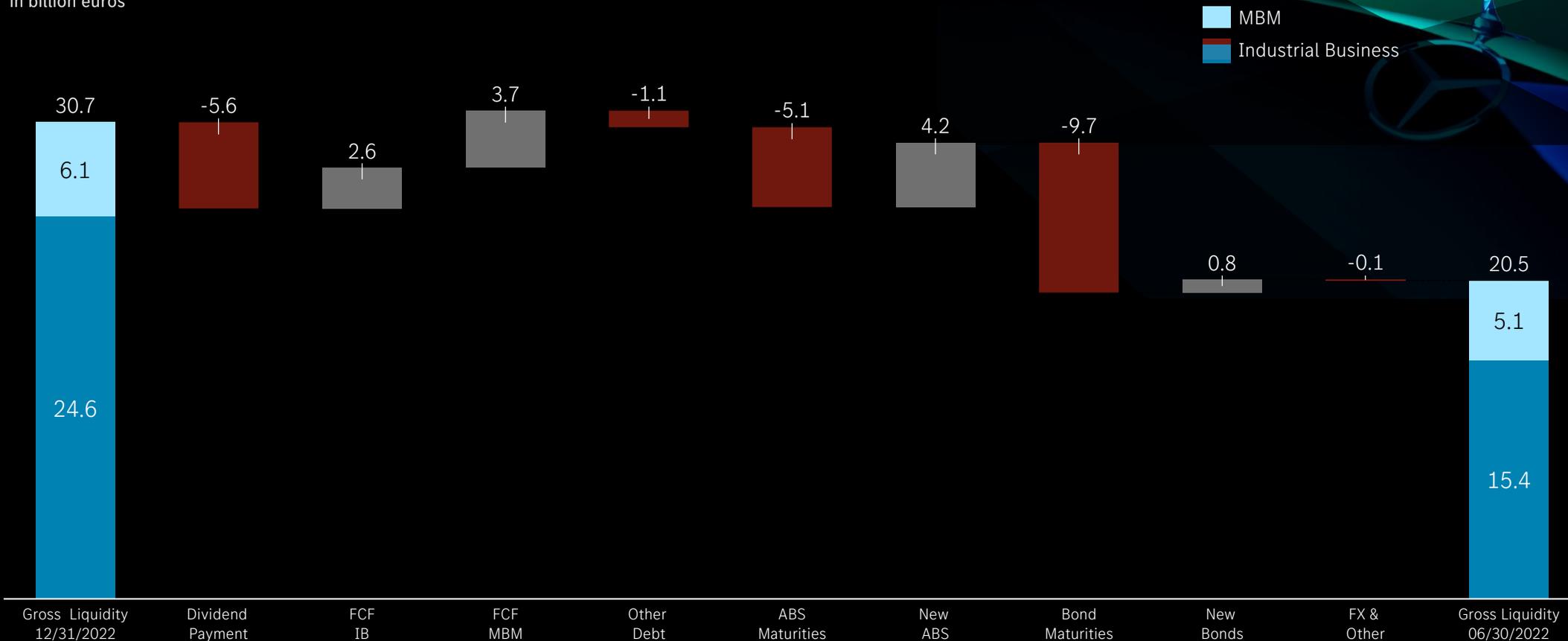
# Mercedes-Benz Group: Net Industrial Liquidity

In billion euros



# Mercedes-Benz Group: Gross Liquidity

in billion euros

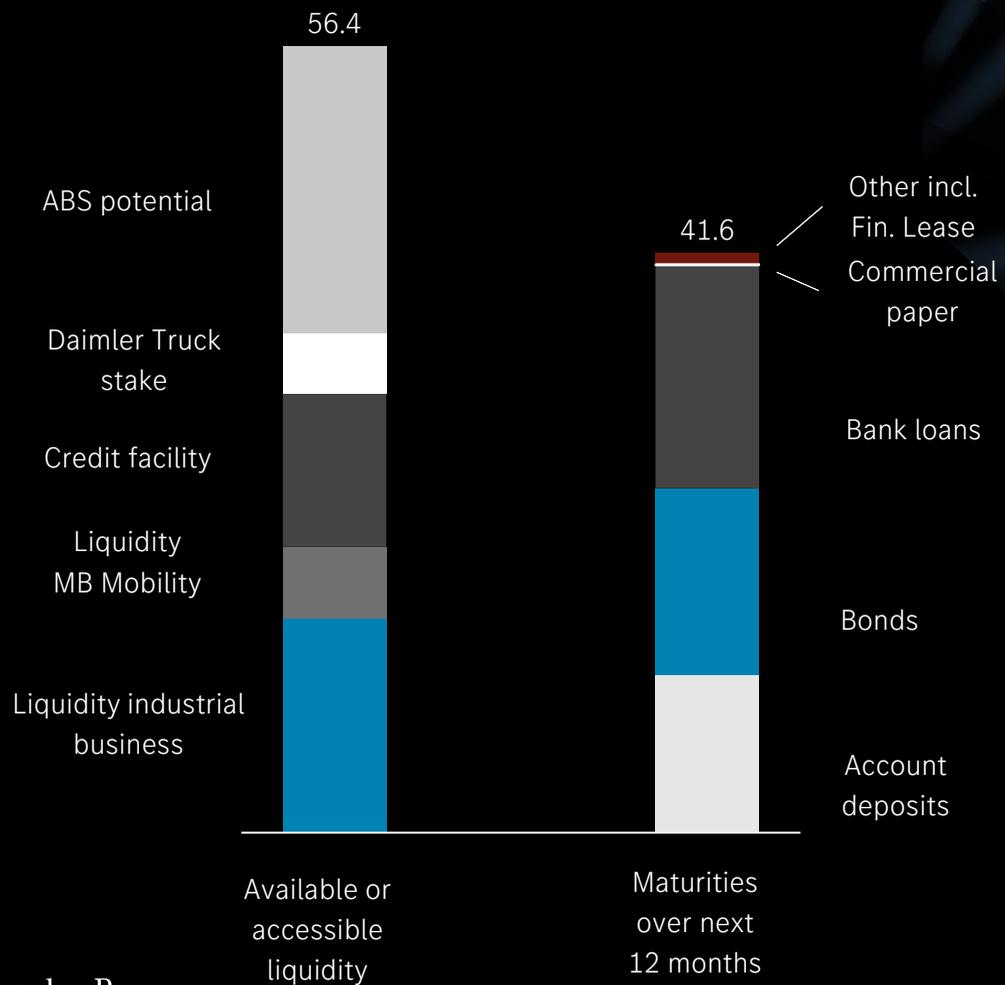


Note: Figures may not be additive due to rounding.

# Mercedes-Benz Group: Financial flexibility over a 12-month period

## Q2 2022

in billion euros



Net industrial liquidity decreased due to dividend payment in May to €19.1 billion

Gross industrial liquidity at €15.4 billion

Financial flexibility supported by €11 billion revolving credit facility, which is unutilized

Financial flexibility supported by 30% Daimler Truck stake after spin-off

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# Mercedes-Benz Cars: Key messages



**Performance:** Demonstrated resilience in challenging environment, vigilance towards macroeconomic & geopolitical developments

**Profitability:** Net pricing positive & healthy mix

**Products:** GLC world premiere, EQE start of sales, EQS SUV production ramp-up

**Technology:** EQXX with new efficiency record (>1,200 km), L3 system available for EQS & S-Class

**People:** Investment in training & qualification

**Strategy:** Sharpened focus of business model & product portfolio (Economics of Desire)

# Mercedes-Benz Cars: Preparing our production network for our all-electric portfolio



Decision reached on new production setup in close cooperation with employee representatives

Foundation for rapid, efficient & flexible scaling of next-generation electric vehicles

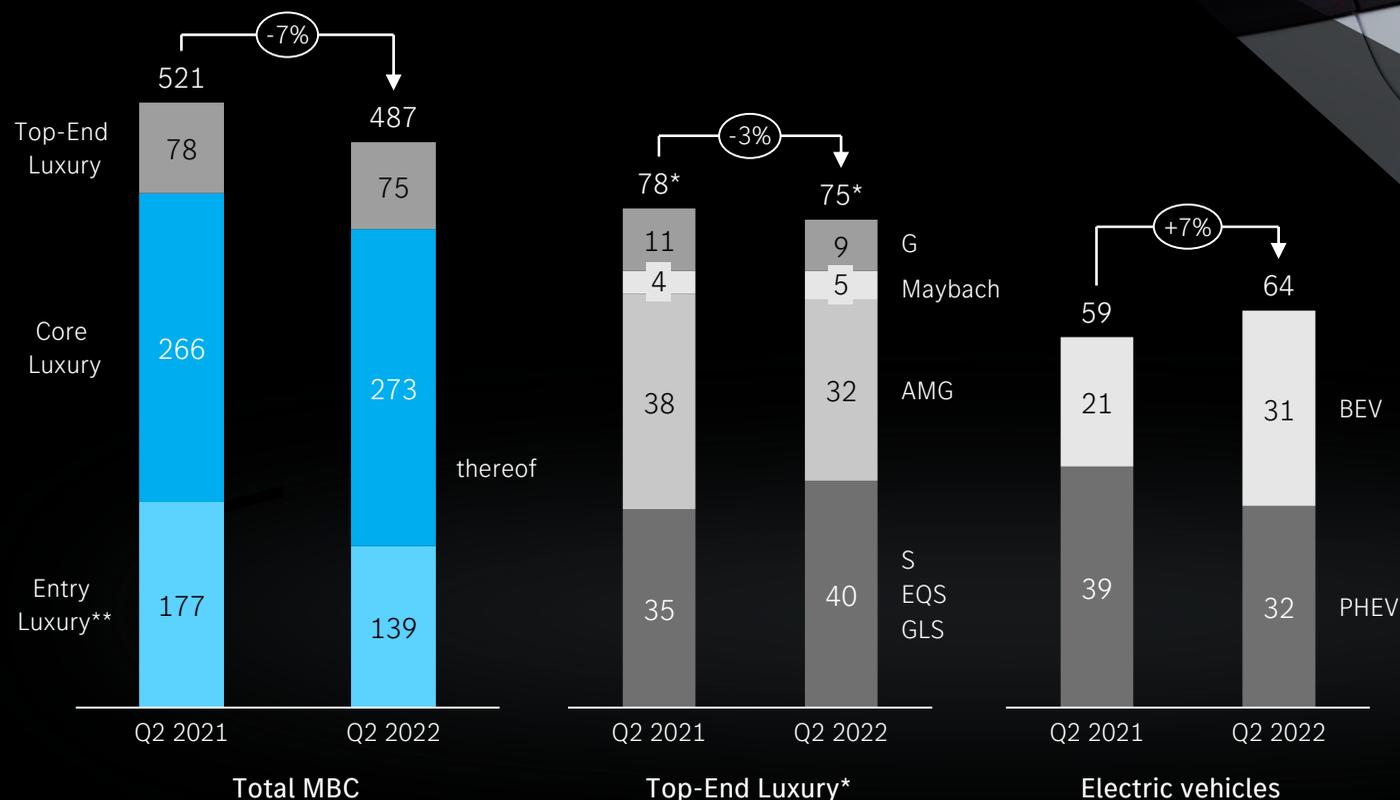
Models of Entry (MMA) and Core (MB.EA) Luxury segment to be produced in Kecskemét from 2024

Bremen plant to manufacture cars based on electric MB.EA platform, AMG.EA will be built in Sindelfingen, MMA in Rastatt

# Mercedes-Benz Cars: Top-End Luxury and electric vehicle unit sales



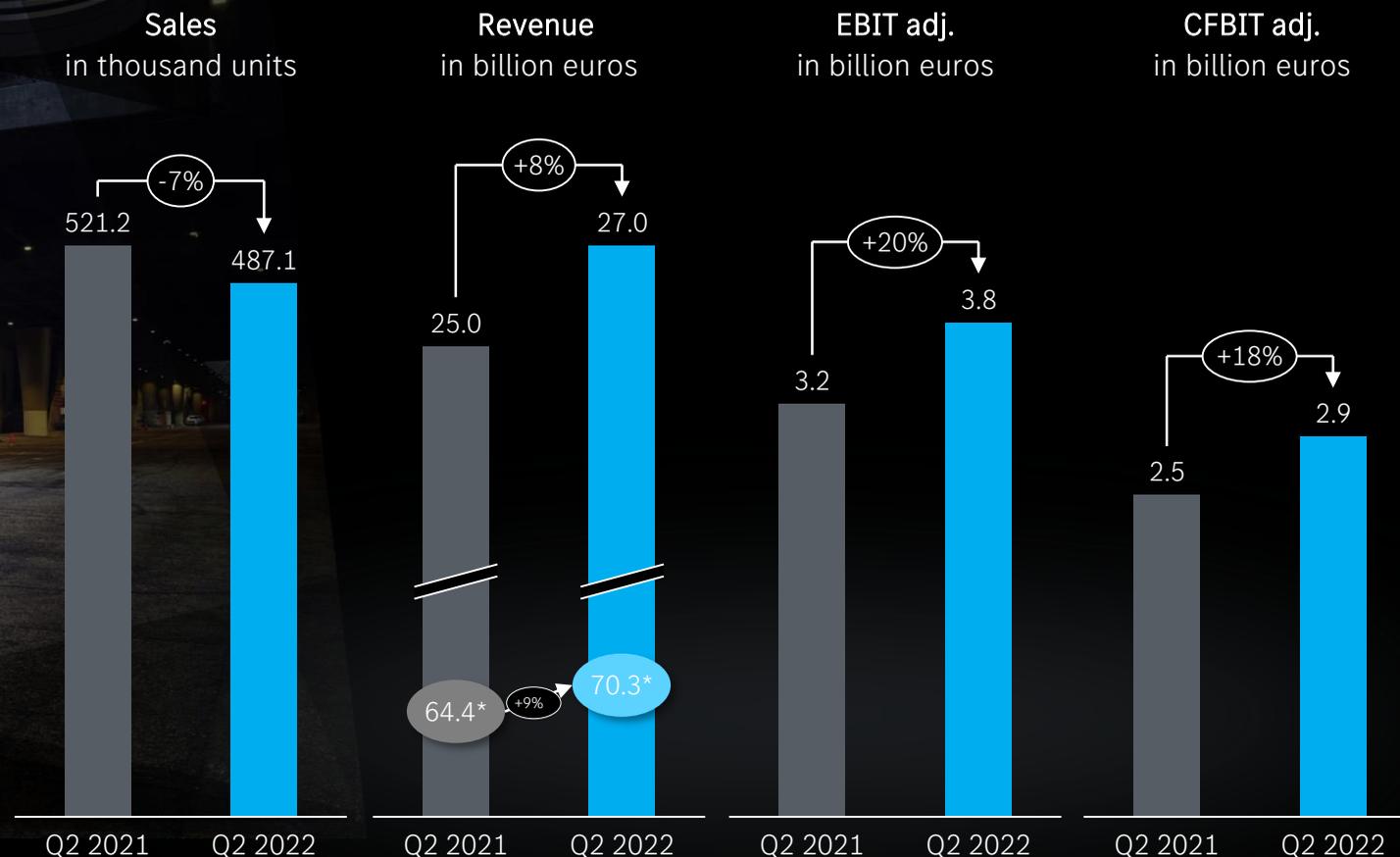
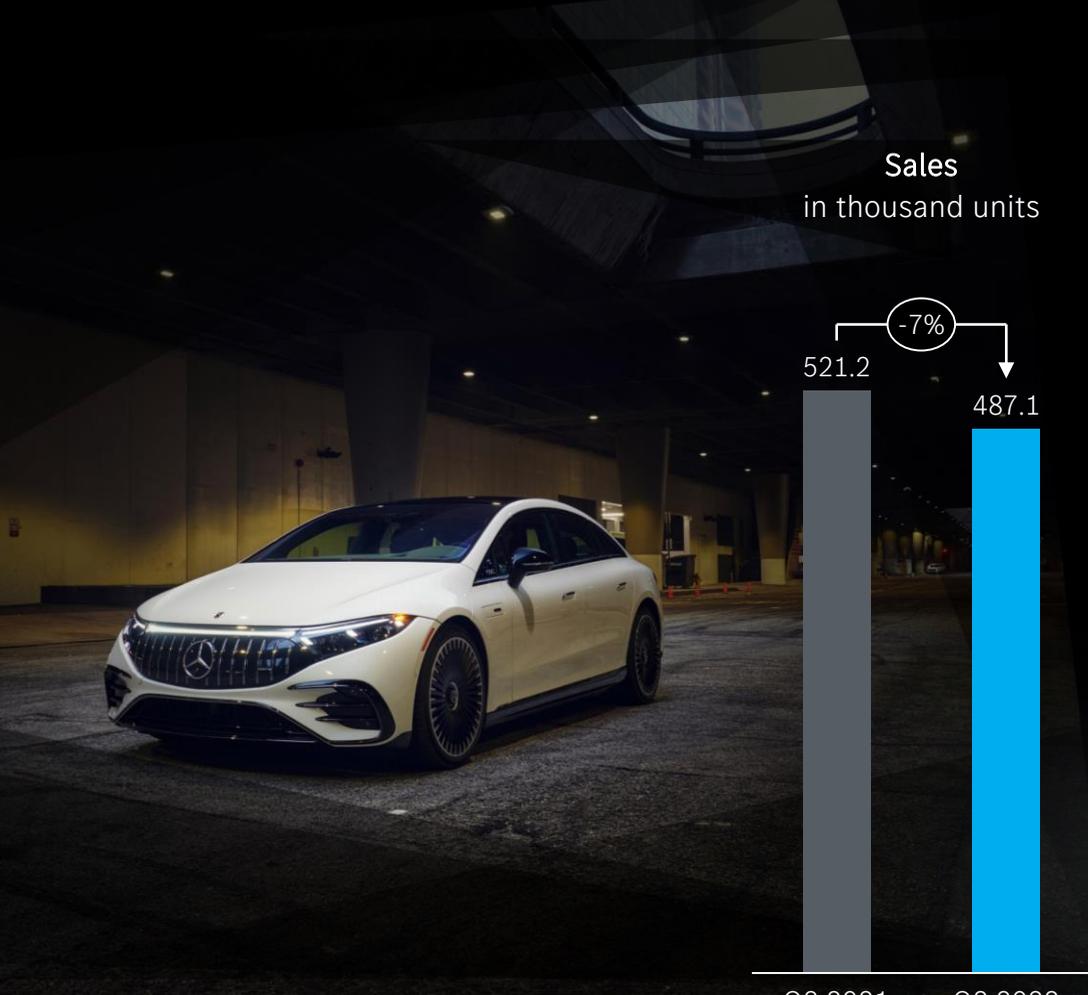
In thousand units



Share in % of volume	15%	15%	11%	13%
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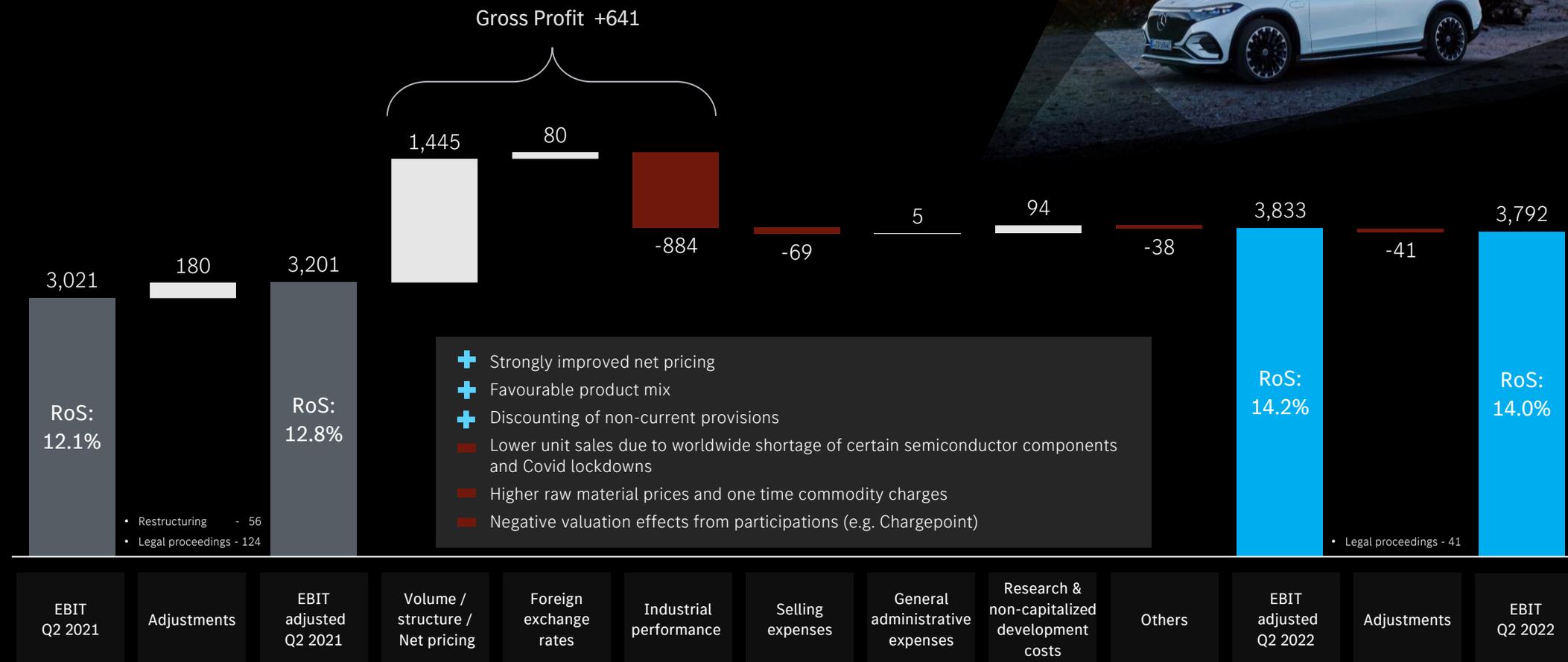
\* w/o double counting (e.g. G63, S-Class Maybach)  
\*\* incl. smart

# Mercedes-Benz Cars: Financials



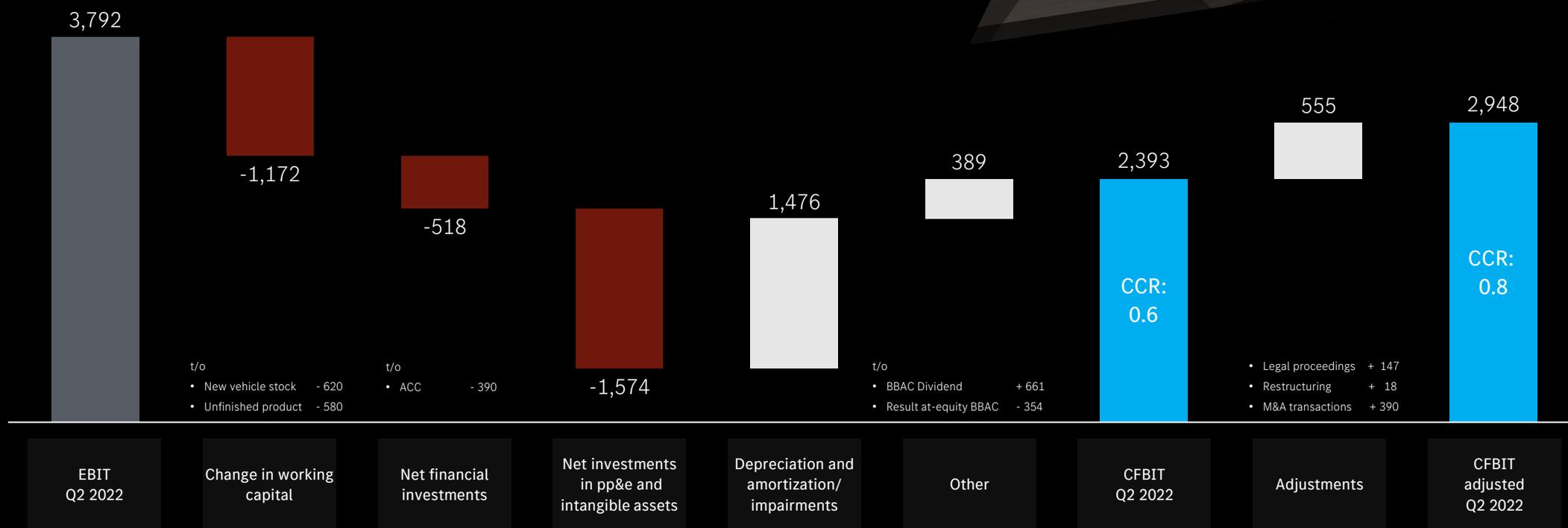
# Mercedes-Benz Cars: Q2 2022 EBIT & RoS

In million euros



# Mercedes-Benz Cars: EBIT to CFBIT

In million euros



# Mercedes-Benz Vans: Key messages



**Performance:** Stable unit sales and increased revenue despite semiconductor shortage

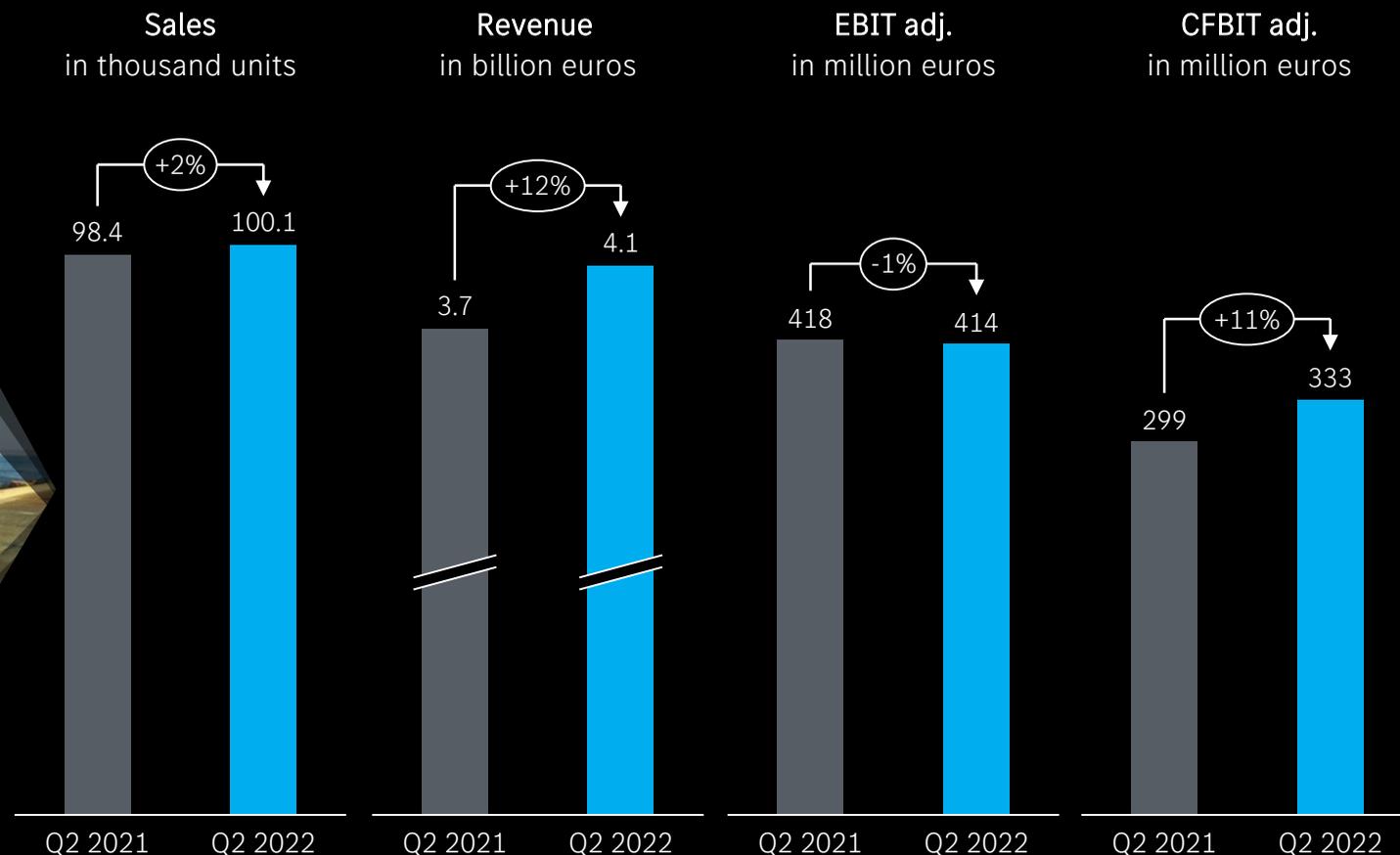
**Market:** Record sales of Sprinter and Metris in the US

**Profitability:** Double digit margin reflects healthy mix and pricing

**Electrification:** Share of eVans increased significantly vs. prior year (>50%), in particular commercial eVans

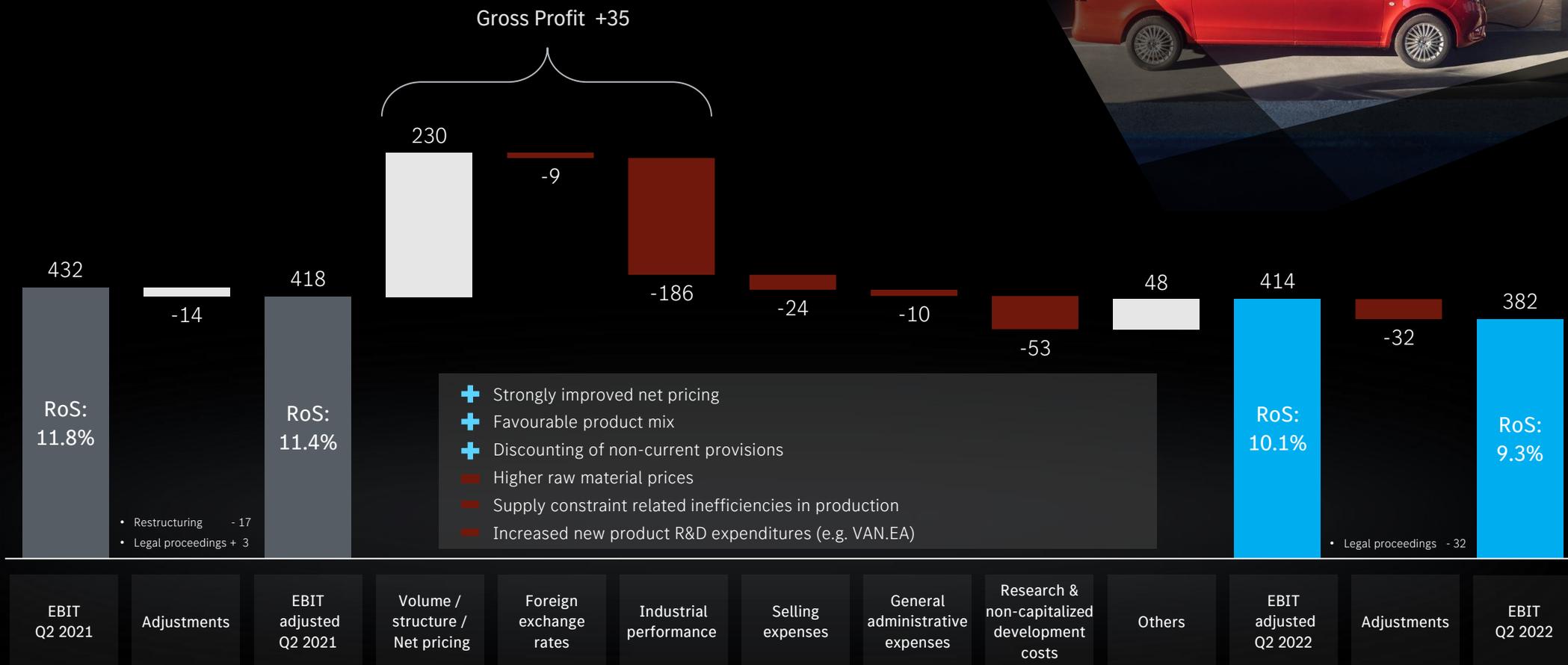
**Strategy:** Focus on lead in electric and preparing for EV transition (e.g. VAN.EA)

# Mercedes-Benz Vans: Financials



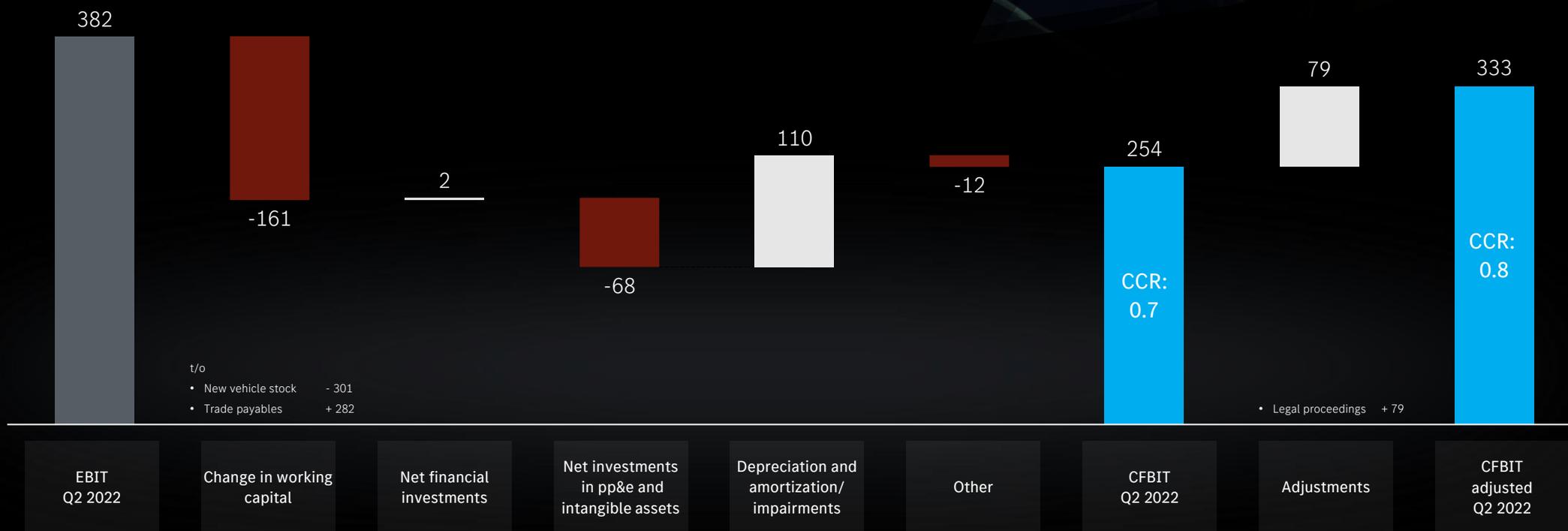
# Mercedes-Benz Vans: Q2 2022 EBIT & RoS

In million euros



# Mercedes-Benz Vans: EBIT to CFBIT

In million euros



# Mercedes-Benz Mobility: Key messages

New business still impacted due to supply constraints and lower penetration

Interest margin remains stable despite increasing interest rates

Net credit losses at low level similar to 2021

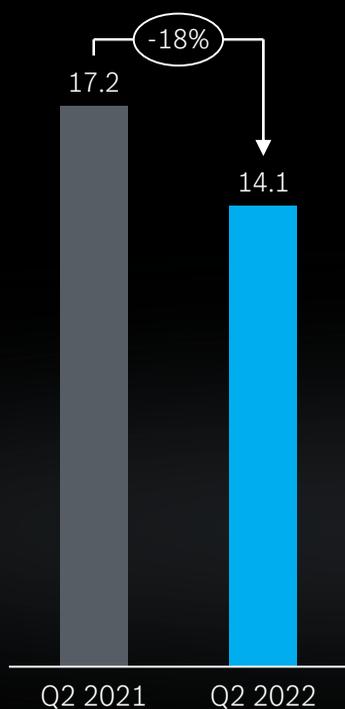
Increase in Cost of Credit Risk driven by weaker macroeconomic outlook

Successful sale of ShareNow to further streamline the mobility participations portfolio

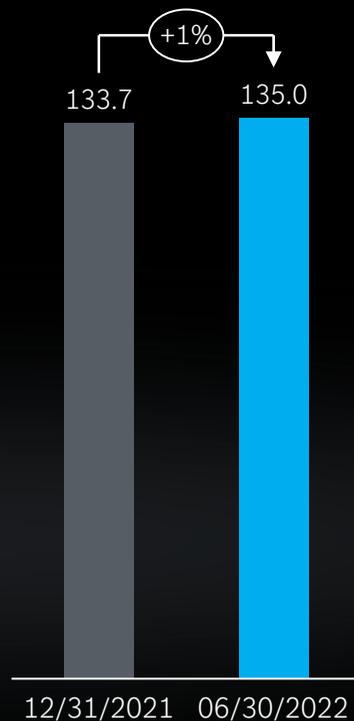


# Mercedes-Benz Mobility: Financials

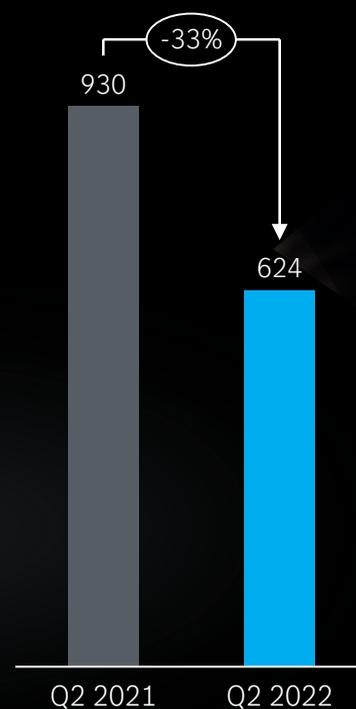
New Business  
in billion euros



Contract Volume  
in billion euros

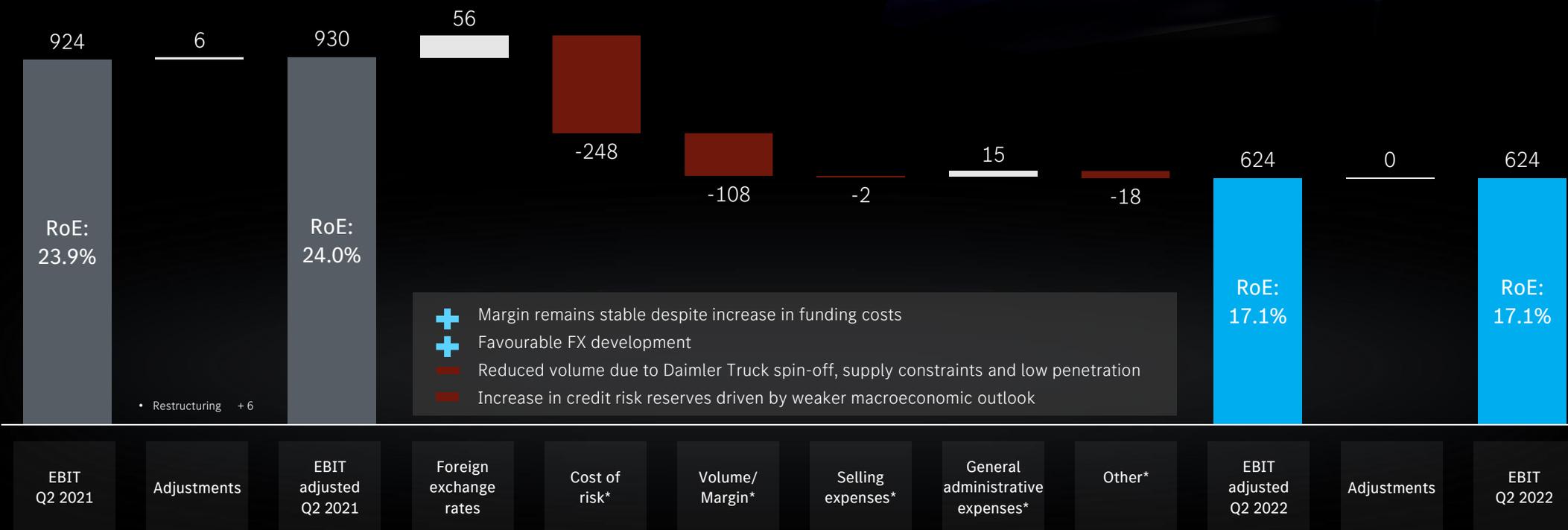


EBIT adj.  
in million euros



# Mercedes-Benz Mobility: Q2 2022 EBIT & RoE

In million euros



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# Mercedes-Benz Divisional Guidance 2022

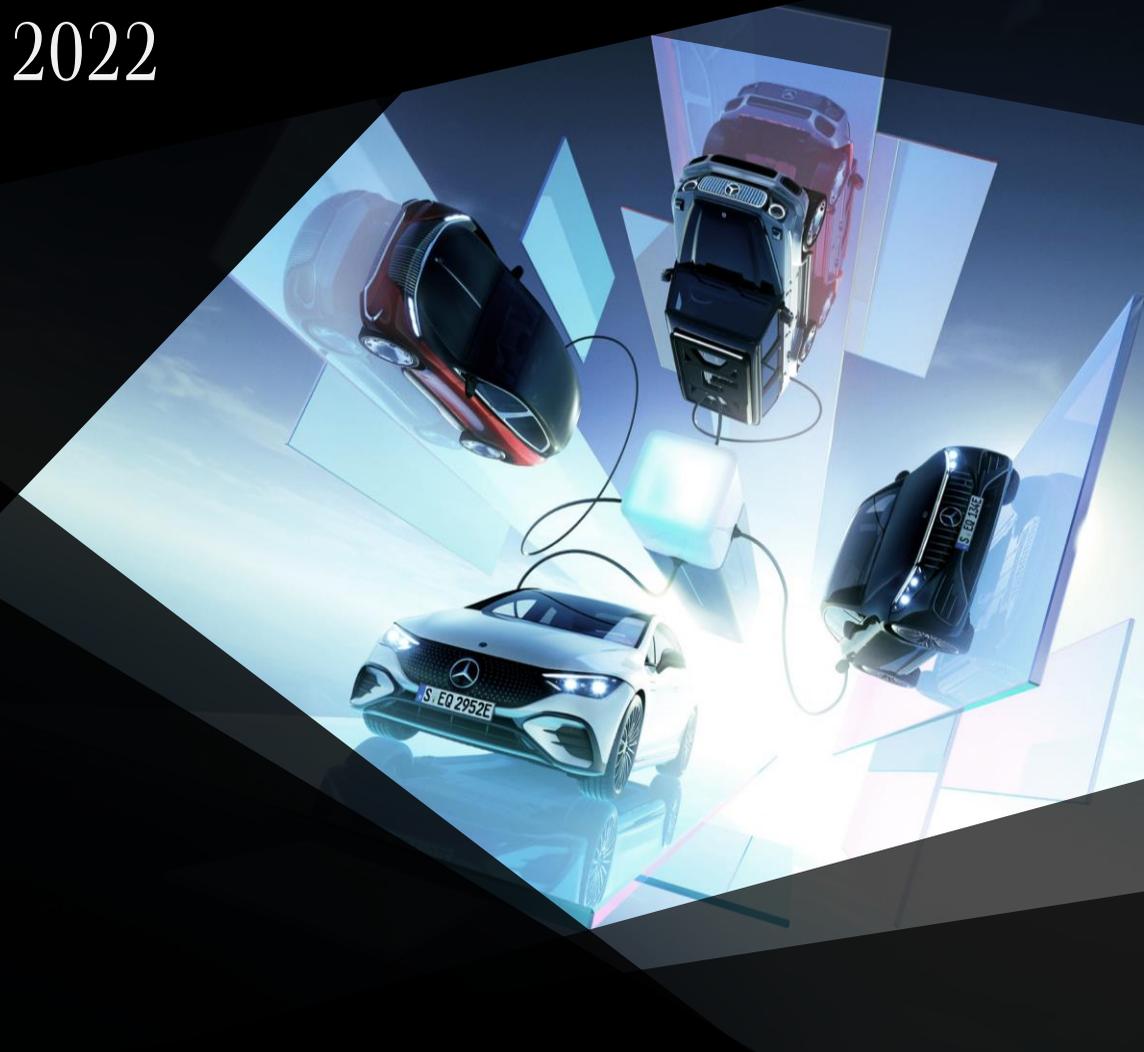
## ASSUMPTION

The macroeconomic and geopolitical conditions continue to be characterized by an exceptional degree of uncertainty. A key factor contributing to this is the war in Ukraine, with its effects on supply chains and on the availability and the development of prices for energy and raw materials. Further effects due to the rapidly changing situation in Russia and Ukraine are not currently known and have not yet been taken into account in our key figures, but could possibly have substantial negative consequences for our business activities, should it escalate beyond its current state. In addition, the continued very high inflationary pressure for consumers and companies and the associated central-bank increases in interest rates as well as ongoing bottlenecks in global supply chains make the outlook more difficult. Not least the further course of the pandemic, in particular in China, holds uncertainties for the expected development of the market.

Unit Sales	Mercedes-Benz Cars	Slightly above
	Mercedes-Benz Vans	Slightly above
Return on Sales (adjusted*)	Mercedes-Benz Cars	12 to 14 %
	Mercedes-Benz Vans	8 to 10 %
	Mercedes-Benz Mobility (RoE)	16 to 18 %
Cash Conversion Rate** (adjusted)	Mercedes-Benz Cars	0.8 to 1.0
	Mercedes-Benz Vans	0.6 to 0.8
Investment in pp&e	Mercedes-Benz Cars	Significantly below
	Mercedes-Benz Vans	Significantly above
R&D expenditure	Mercedes-Benz Cars	Significantly above
	Mercedes-Benz Vans	Significantly above

\* 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.



# Mercedes-Benz Group Guidance 2022

## ASSUMPTION

The macroeconomic and geopolitical conditions continue to be characterized by an exceptional degree of uncertainty. A key factor contributing to this is the war in Ukraine, with its effects on supply chains and on the availability and the development of prices for energy and raw materials. Further effects due to the rapidly changing situation in Russia and Ukraine are not currently known and have not yet been taken into account in our key figures, but could possibly have substantial negative consequences for our business activities, should it escalate beyond its current state. In addition, the continued very high inflationary pressure for consumers and companies and the associated central-bank increases in interest rates as well as ongoing bottlenecks in global supply chains make the outlook more difficult. Not least the further course of the pandemic, in particular in China, holds uncertainties for the expected development of the market.

The base for the comparative guidance are the respective continued operations KPIs of 2021.

Revenue	Significantly above
EBIT	Slightly above
Free Cash Flow (Industrial Business)	At prior-year level
CO <sub>2</sub> emission (g/km)*	At prior-year level

\* CO<sub>2</sub> emissions of the new car fleet in Europe (European Union, Norway and Iceland)



# Strategic priorities for this year - implementation on track



Scale  
electric  
vehicles

Significant increase of  
BEV sales

Grow  
luxury  
business

MBSU May 19th

Accelerate  
car  
software

MBSU preparation

Alleviate  
supply  
constraints

Deep sourcing progress

Focus  
relentlessly  
on costs

On course

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IV. **FUNDING**

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# Our funding strategy is built on strict principles

## Targeting Financial Independence

No dependence from single markets, instruments, banks or investors

Diversification of funding sources and instruments:  
Bank Loans, Bonds, ABS, Commercial Paper

No Covenants and asset pledges, no Credit Support Agreements

## Maximizing Financial Flexibility

Keeping prudent amount of Cash and Committed Credit Facility

New markets funded via global and local banks first

Early capital market funding to save credit capacity in growth regions

## Stringent Global Funding Policy

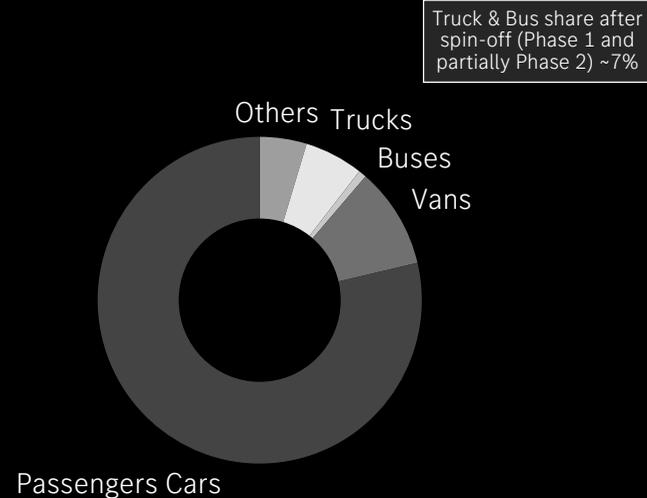
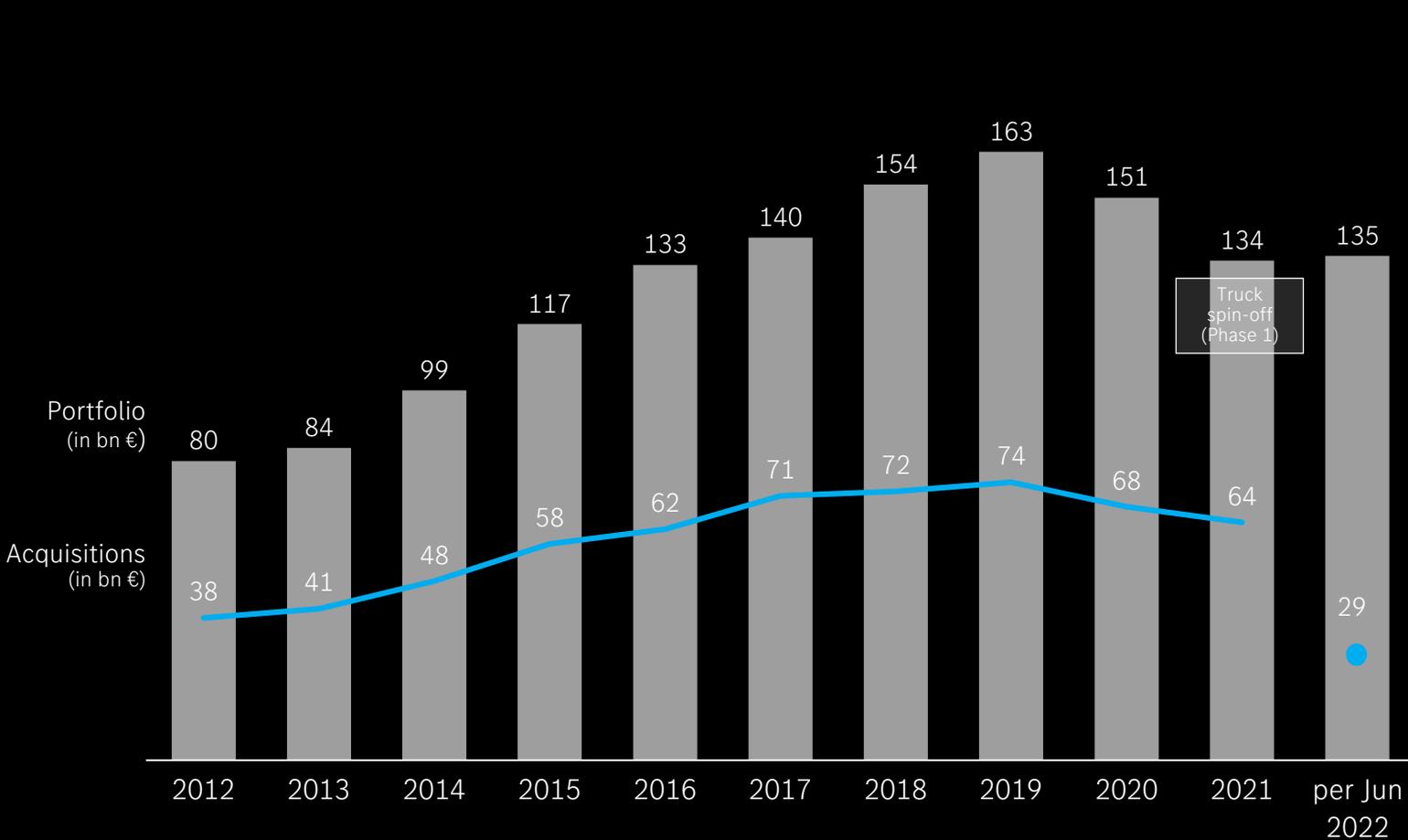
Liquidity matched funding

Interest rate matched funding

Currency matched funding

Country matched funding

# Stable Portfolio at Mercedes-Benz Mobility despite challenges



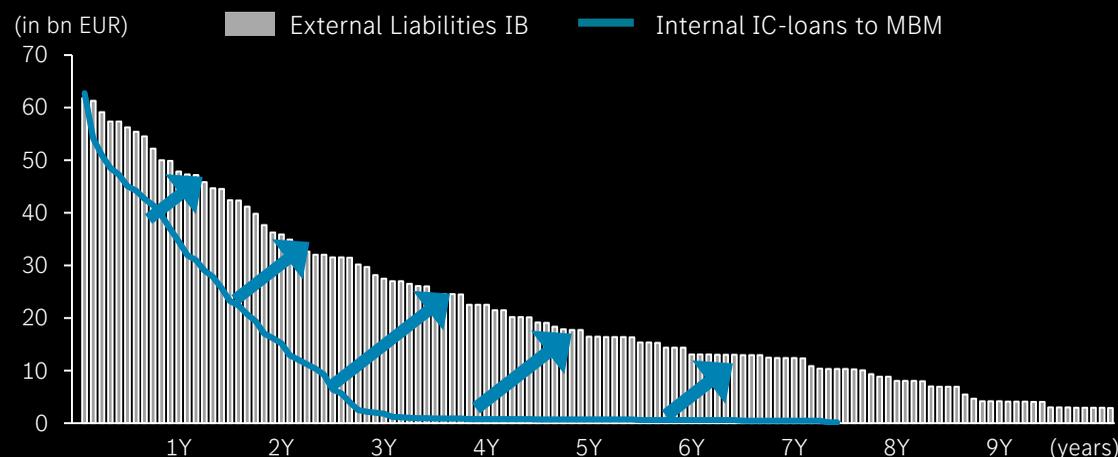
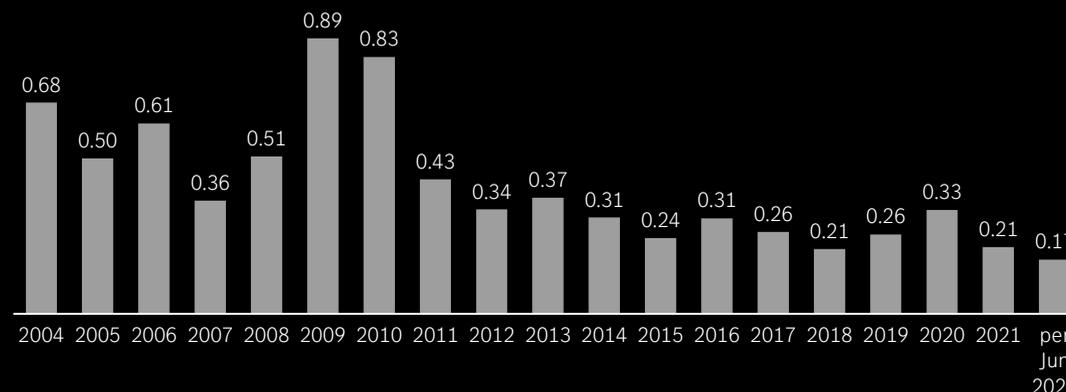
# Mercedes-Benz Mobility business benefits from stringent credit management and solid refinancing

Net credit losses on very low level benefiting from strong used car markets, i.e. collateral values. Yet risks remain to the upside if the before mentioned development reverse.

The matched-funded approach ensures that liquidity risks are managed properly

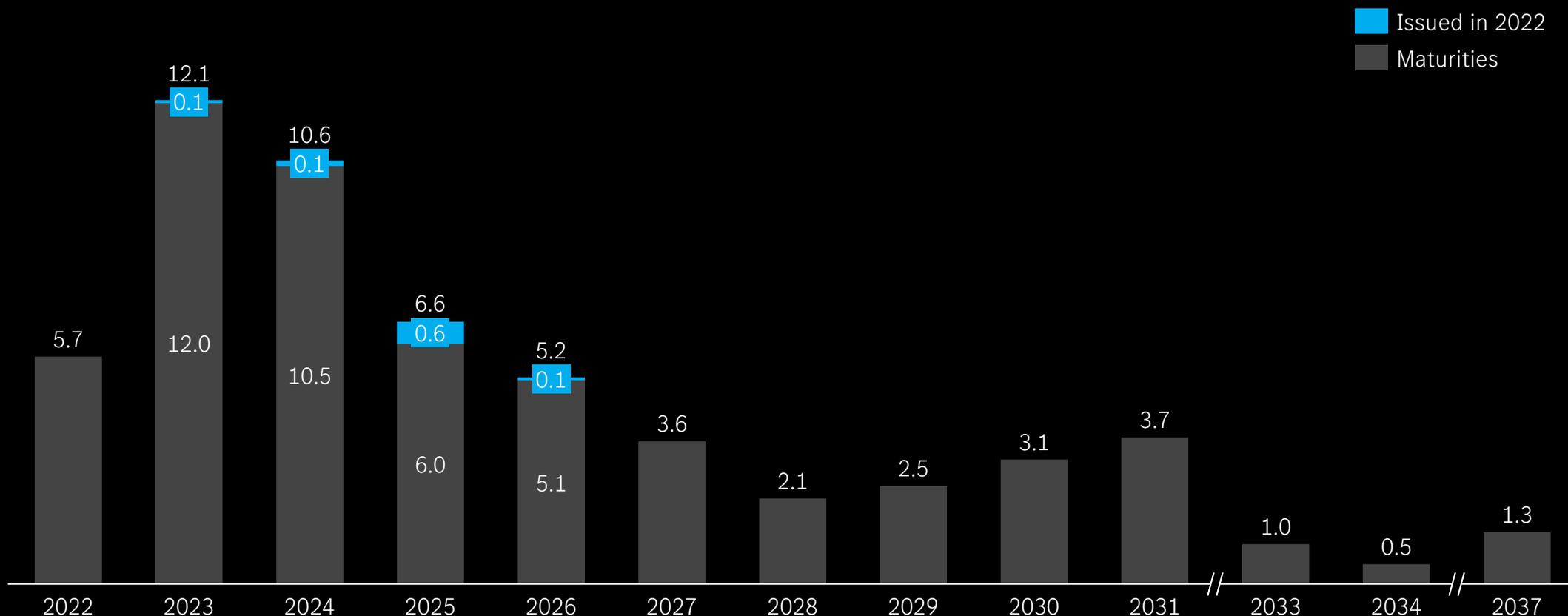
External liabilities of Mercedes-Benz Group have a longer duration than internal allocation to MBM via IC-loans

Net credit losses as a percentage of portfolio, subject to credit risk



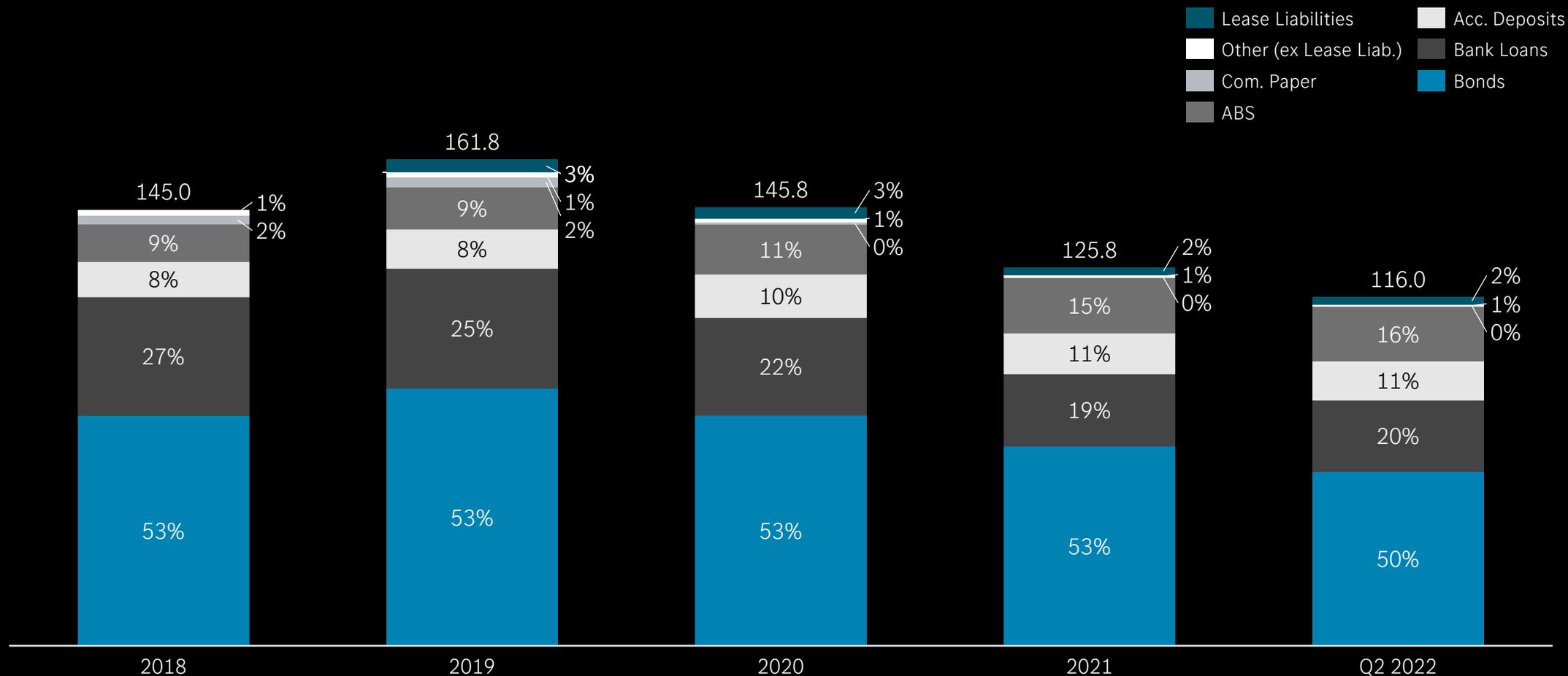
# Well balanced Bond Maturity Profile

in billions of EUR as of 30<sup>th</sup> June 2022



# Financing liabilities show a diversified funding mix

in billions of EUR



# To ensure sustainable portfolio growth, we mitigate risk and volatility through a balanced mix of funding instruments

## Capital Markets

Strengthen our global footprint and use market opportunities

## Bank Loans

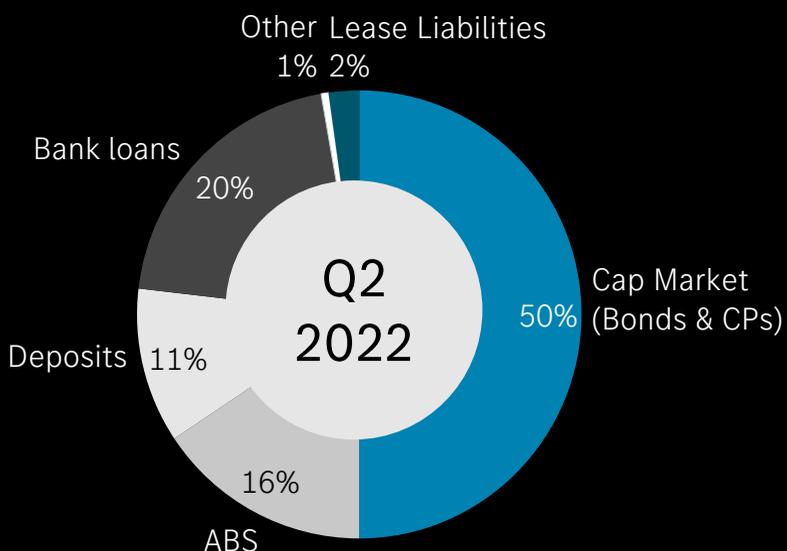
Deepen our excellent bank relationships

## ABS

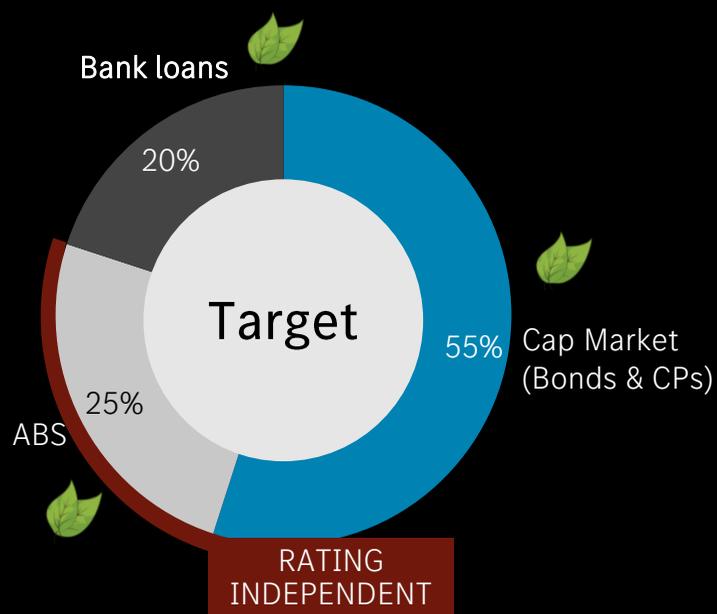
Globally expand our highly competitive ABS issuances

## Deposits

Deposits from institutional investors to be maintained on a low level



Total: EUR 116 bn



Planned to increase Green Finance Share in the upcoming years

# Diversified global funding base: continuously matched with MBM requirements



<b>Bonds</b>					
Currency	Volume	%	Currency	Volume	%
EUR	33,8	58%	AUD	0,5	1%
USD	14,7	25%	NOK	0,4	1%
CNY	4,1	7%	CHF	0,4	1%
CAD	1,4	2%	JPY	0,3	1%
GBP	1,3	2%	KRW	0,2	0%
ZAR	0,9	2%	Other	0,6	1%
<b>Total (EUR bn)</b>	<b>58</b>		<b>Currencies</b>	<b>17</b>	

<b>ABS</b>					
Currency	Volume	%	Currency	Volume	%
USD	7,3	40%	CAD	0,9	5%
CNY	4,5	25%	AUD	0,8	5%
EUR	2,5	14%	JPY	0,3	2%
GBP	1,9	10%			
<b>Total (EUR bn)</b>	<b>18</b>		<b>Currencies</b>	<b>7</b>	

<b>Bank Loans</b>
180 banks providing funding of EUR 24 bn in 35 countries

# Mercedes-Benz Group's financial KPIs set to support a strong rating

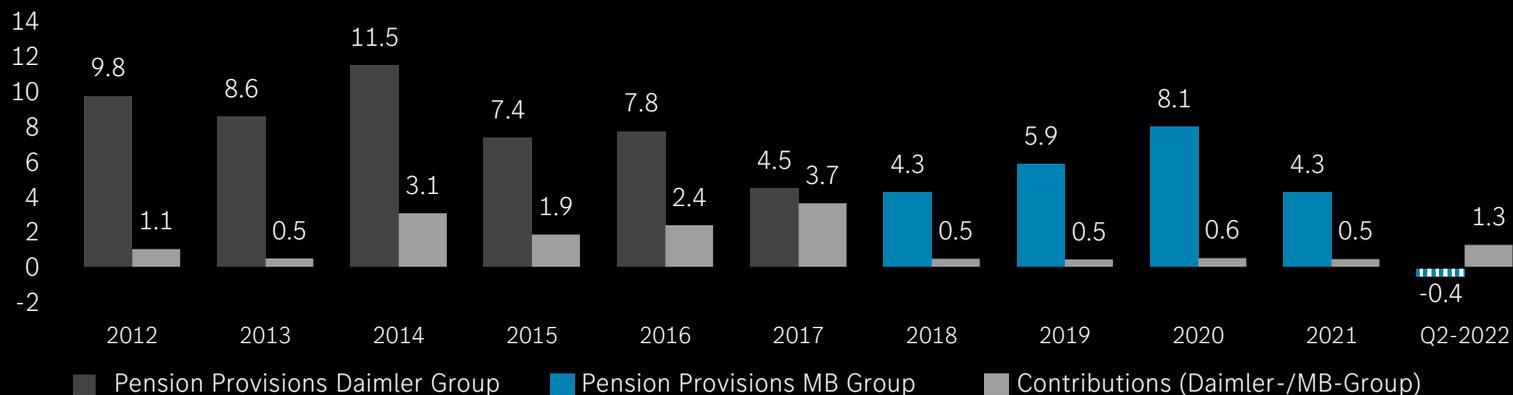
## Current Ratings:

Agency	Long-term	Outlook	Short-term
Standard & Poor's:	A-	stable	A-2
Moody's:	A3	positive	P-2
Fitch:	A-	stable	F1
DBRS:	A (low)	stable	R-1 (low)
Scope:	A	stable	S-1

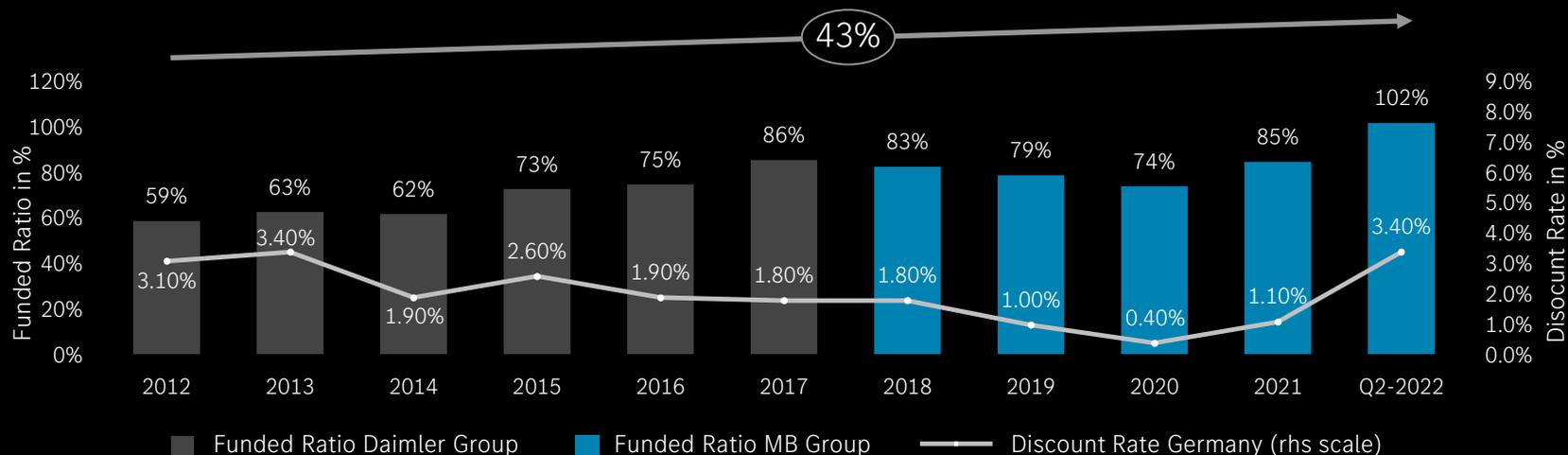
# Contributions stabilized funded ratio in low interest rate environment

## Daimler Group

## Mercedes-Benz Group



Significant contributions since 2012 support the solid capital structure (no more pension provisions required)



With the rebound of discount rates to levels of 2013, pension plans turn to a funded ratio above 100%

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# We follow a holistic sustainable business strategy: Ecological, social, economical



# Ambition 2039 – our commitment to CO<sub>2</sub> neutrality over lifecycle

Supply chain

Production & Logistics

Well-to-tank

Tank-to-wheel

End-of-life



SBTi

SBTi

SBTi

CO<sub>2</sub>-neutral  
supply chain

CO<sub>2</sub>-neutral  
production & logistics

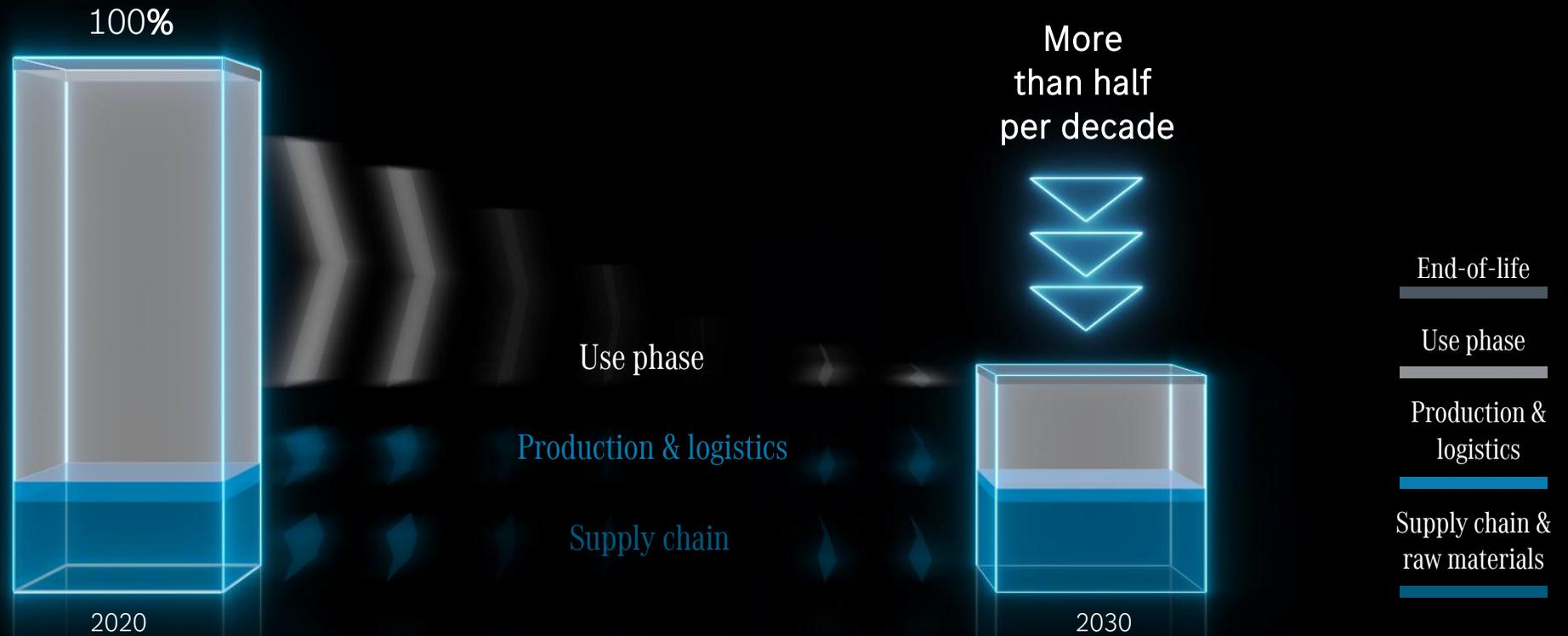
CO<sub>2</sub>-neutral  
energy generation

CO<sub>2</sub>-neutral  
vehicle operation

CO<sub>2</sub>-neutral  
recycling

# We will at least halve lifecycle CO2 emissions per vehicle in this decade

Mercedes-Benz Cars – on our way towards Ambition 2039 – we target the full lifecycle of the car



# Our electric product rollout is running at full speed with nine electric models on the road in 2022 and more to come

In 2021 alone, we were introducing **four new** battery electric vehicles

By 2022, we will have battery **electric options in all segments** we serve

By 2025, our customers will be able to choose an **all-electric alternative for every model** we make

It's our ambition to drive the **plug-in hybrid & BEV share up to 50% in 2025**

By the **end of the decade**, we will be ready to go **all-electric** where market conditions allow

2019



EQC

2020



EQV

2021



EQA

EQB

EQS

EQE

2022



EQS SUV



EQE SUV



Electrified  
T-Class

# Three Mercedes-Benz EV-only architectures to be launched in 2025

## Ready to go all-electric by the end of the decade\*



**MB.EA**

**medium- and large-size cars**  
modular system as electric  
backbone for our EV portfolio



**AMG.EA**

**dedicated performance**  
electric-vehicle architecture



**VAN.EA**

**for electric vans**  
and light commercial  
vehicles

\* where market conditions allow

# Together with our partners, we will expand our activities in battery cells and systems

Our targets:

Capacity of more than 200 Gigawatt hours

8 new cell factories around the world:

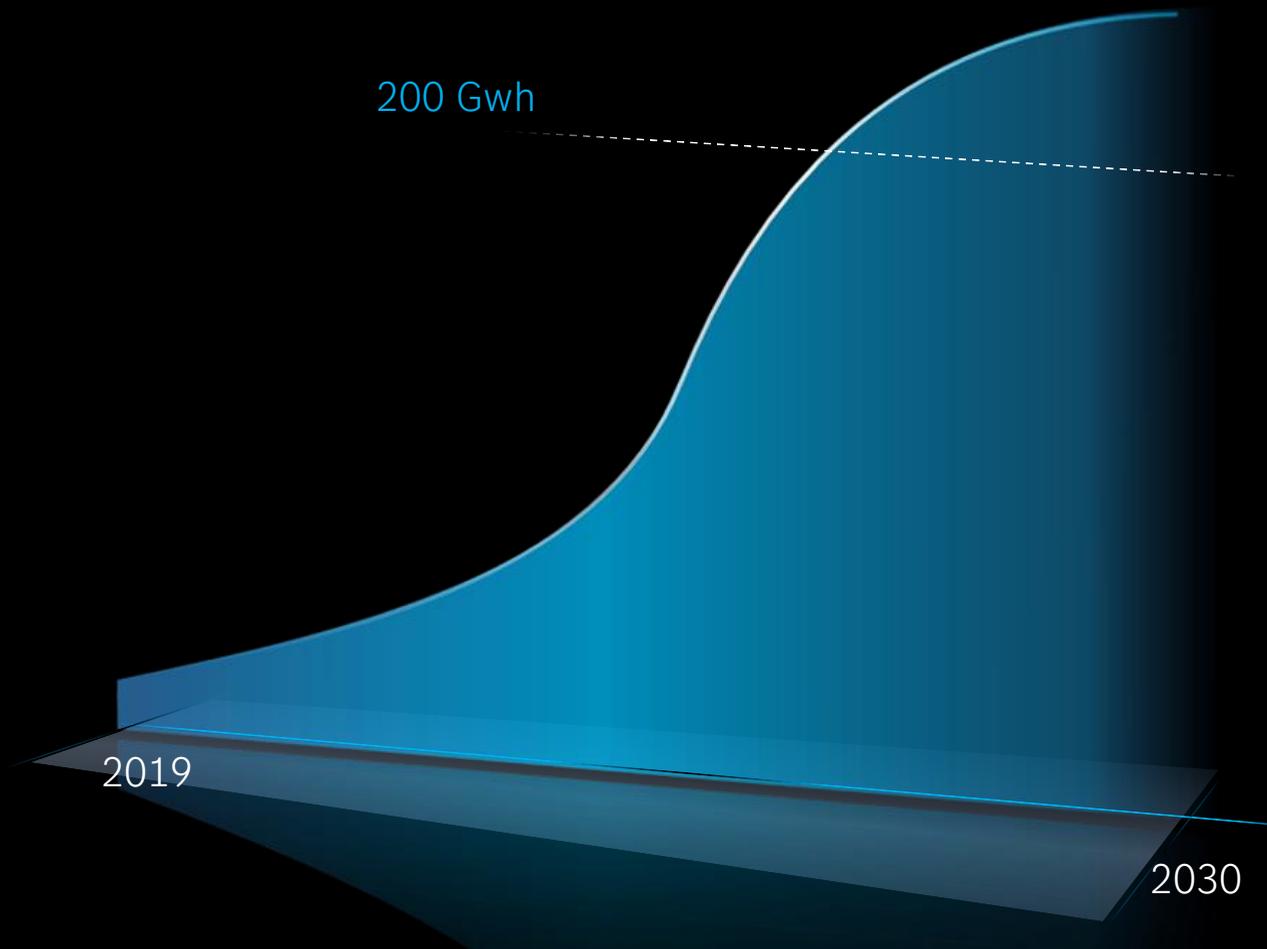
one in the U.S., four in Europe with our partners

Our partners are:

CATL, FARASIS, ACC, AESC

Needed battery volume for all car lines

200 Gwh



# By joining ACC, we build a European battery champion

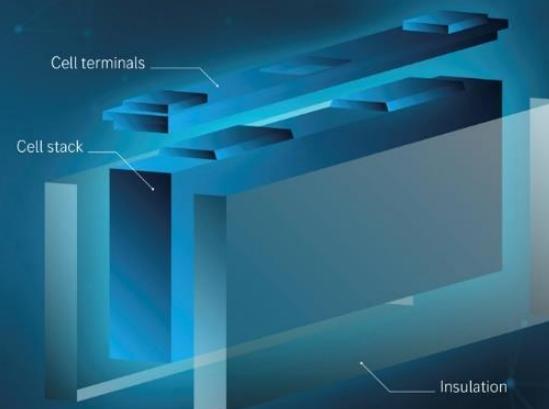
We take a one third stake in [Automotive Cells Company \(ACC\)](#).

Our goal: [Joint development and production of cells and modules in Europe](#).

[ACC](#) will reach a capacity of [at least 120 Gigawatt hours](#) in Europe by the end of the decade.

[ACC](#) will [supply Mercedes-Benz with high-performance battery technologies](#) from its production locations from mid of the decade.

Mercedes-Benz to join ACC and build a European battery champion with global ambitions



# Mercedes-Benz has pledged to make vehicle production CO<sub>2</sub> neutral this year

Together with our EV strategy, CO<sub>2</sub> neutral production is a key driver of [Ambition 2039](#)

All Mercedes-Benz plants worldwide are producing 100% CO<sub>2</sub> neutrally in 2022

We plan to cover 70% of our energy needs through renewable sources\* and will also produce energy on site

\*by 2030

## Mercedes-Benz global production network



# Our Factory 56 is a zero-carbon factory and serves as a blueprint for our global Mercedes-Benz production network

At our Factory 56 in Sindelfingen  
“producing sustainability” is  
already reality

The innovative energy concept  
includes a photovoltaic system,  
a DC power grid and energy storage  
based on reused vehicle batteries

Self-generated, green electric power  
is sufficient to cover about 30% of  
the factory’s annual power  
requirements

A new dimension in  
sustainable production



Greening of 40% of  
the roof area



Photovoltaic system with 12,000 modules  
generating around 5,000 kWp and thus  
30% of the factory’s electricity requirement



Innovative  
DC grid



Use of recycled  
concrete in the frontal  
building of Factory 56



25% reduction in  
energy demand

# Having achieved CO2-neutral production this year, not only do we use clean energy in production, we also produce it

It is our ambition to make all Mercedes-Benz factories **renewable energy production sites**

Solar cells with an output corresponding to more than **1,000 photovoltaic systems** on single-family homes (>11 MWp) will go into operation by end of next year

By 2025 we will **invest a triple-digit million amount** to install photovoltaic systems



# Water usage reduction and a sustainable heat supply are cornerstones in reducing our ecological footprint

Our **use of water** will be **cut by 35%** by 2030 thanks to multi-reuse of water in production

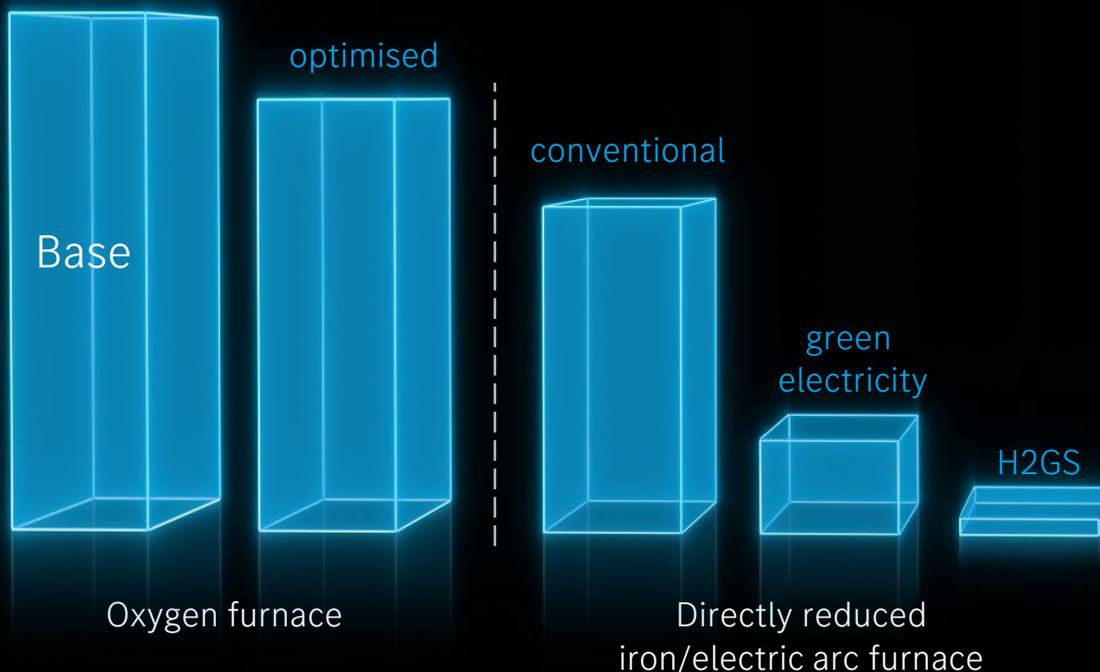
We **boost the sustainability** of our plants' **heat supply**, especially focusing on our paint shops

We plan to use **biogas and biomass** as well as **geothermal and solar thermal energy** instead of conventional gas



# We create sustainable supply chains for focus materials via technology changes

Steel – CO<sub>2</sub> reduction:



~90%

of our annual purchasing volume is supplied by companies that follow our ambition to become CO<sub>2</sub> neutral

Further materials in focus:

Aluminium sheet/cast

Thermoplastics

Battery materials

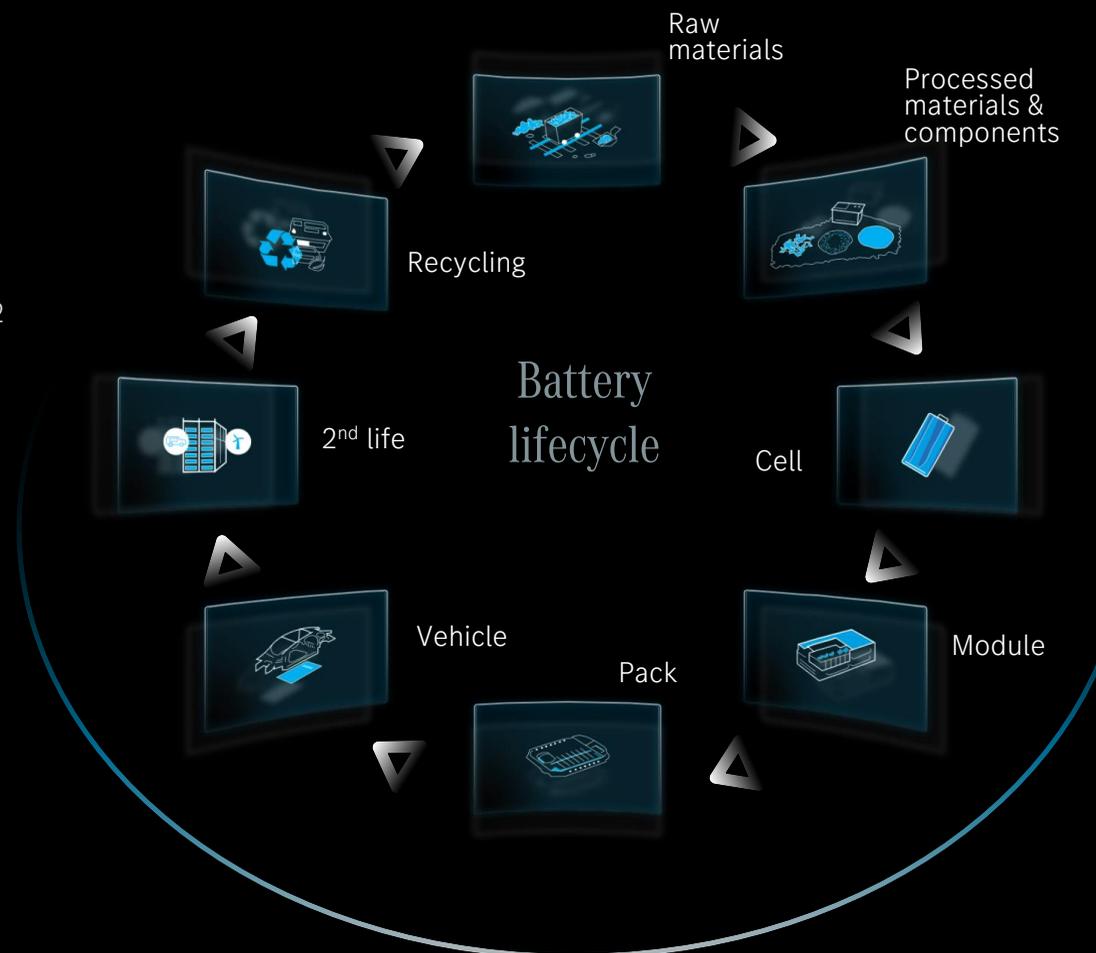
# We are establishing a green and CO2 neutral supply chain

In the future, raw materials for battery components only from [IRMA-certified mines](#)

Intention to [partner with lithium producer Albemarle](#) for future lithium supply, lithium recycling and reduction of CO<sub>2</sub> in lithium production

[Direct sourcing](#) of battery raw materials like nickel and cobalt under consideration

2020: [Big River Steel](#) reduced CO<sub>2</sub> emissions by >70% 2021:  
[Salzgitter AG](#) reduces CO<sub>2</sub> emissions by >60%  
2025: CO<sub>2</sub> free steel from [H2 Green Steel](#)  
2026: CO<sub>2</sub> free steel from [SSAB](#)



# Circular economy: Closing the loop with our battery recycling factory in Kuppenheim

Own CO<sub>2</sub>-neutral recycling plant in Kuppenheim, southern Germany, is scheduled to **open in 2023**

Hydrometallurgy: Innovative technology increases **recovery rate to more than 96%**

Cooperation with high-tech partners in China and the U.S. ensures the **closure of the recyclable materials loop worldwide**



# The transformation of our workforce

## Re-shape

Streamlining our organization in a responsible way

## Re-skill

Developing future-oriented qualifications

## Re-charge

Meeting the Mercedes-Benz standard as an employer

New technologies require a new area of expertise - 3,000 new jobs for software engineers

Focus on staff fluctuation and fair solutions together with employee representatives

A dedicated qualification offensive enables and supports the transformation of our company

Job profiles of the future: The digital and electric transformation is changing all job profiles

Turn2Learn: New and hybrid qualification push for continuing education at Mercedes-Benz worldwide

Lifelong learning: Global rollout of e-learning platforms

Customized learning paths for the entire professional life: Use in production and administration

Attractive contractual framework offering innovative employment conditions

30% women in leadership positions until 2030

Hybrid working up to 100% where job conditions allow it

# Turn2Learn: unlimited possibilities for lifelong learning



>1,300,000,000 € for qualification until 2030

~1,300,000 hours of professional and personal training in 2021

Ø 1,000 € per employee/ year

in Germany



Existing Learning Opportunities



Customized Learning Paths



eLearning Platforms

# Clear objectives, comprehensive disclosure and guided by international frameworks

We embedded the **Sustainable Development Goals** in our strategy concentrating on the areas where we can create the most value added



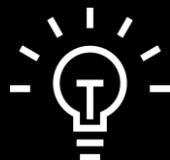
We use comprehensive **reporting frameworks** to provide transparent and comparable information on our strategy and activities



Our strategy is guided by **international frameworks, our corporate values and integrity**



# Mercedes-Benz Group's green finance framework is part of our sustainable business strategy



Use of  
proceeds

Project  
evaluation and  
selection

Management  
of proceeds

Reporting\*

External  
review

Mercedes-Benz Group's green finance framework is developed to be in line with both the ICMA Green Bond Principles, as well as LMA and APLMA Green Loan Principles. It is Mercedes-Benz Group's intention to follow best practises as market standards develop and as the EU Taxonomy and the EU Green Bond Standard enter into force.

\*Investor Allocation and Impact Report published in September 2021.

# Second Opinion by leading provider of independent reviews of green bonds

## SHADES OF GREEN

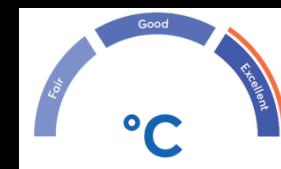
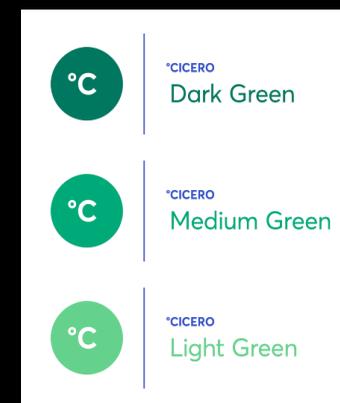
Mercedes-Benz Group's green finance framework was rated by CICERO as **Dark Green**. Dark Green is allocated to projects and solutions that correspond to the long-term vision of a low carbon and climate resilient future.

## GOVERNANCE PROCEDURES

CICERO Shades of Green finds the governance procedures in Mercedes-Benz Group's framework to be **Excellent**.

## GREEN BOND and GREEN LOAN PRINCIPLES

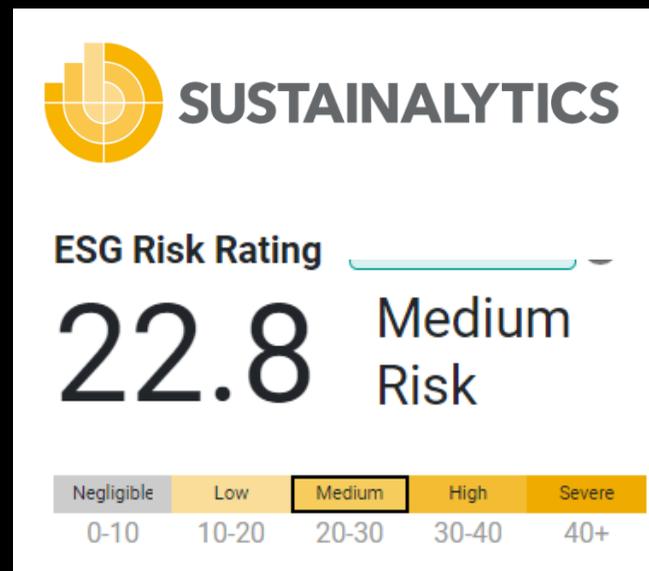
CICERO confirms that Mercedes-Benz Group's green finance framework is found in **alignment** with the green bond and green loans principles.



# Mercedes-Benz Group's ESG Ratings



Upgraded from  
BBB to A



Leading position in the  
sub-industry peer group  
ranked 6 out of 71



Ranked with the highest rating  
in the auto sector  
Prime Status (C+)

# AGENDA

I. MERCEDES-BENZ GROUP REVIEW Q2 2022

II. DIVISIONAL REVIEW Q2 2022

III. OUTLOOK FY 2022

IV. FUNDING

V. SUSTAINABILITY

VI. LUXURY STRATEGY

# Mercedes-Benz - The original and most valuable luxury car brand

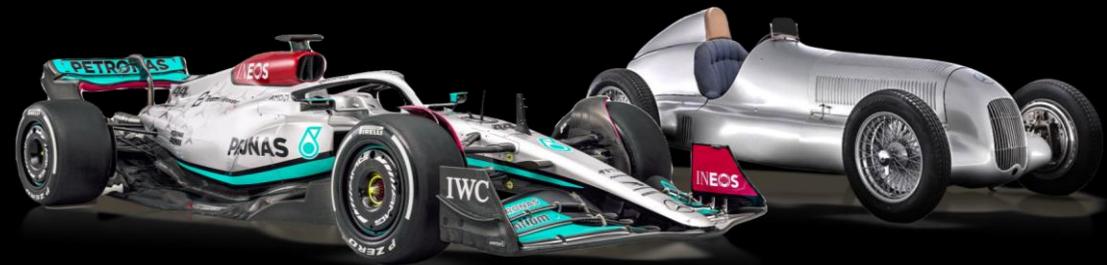
## Heritage:

Mercedes-Benz is built on constant reinvention



## Formula 1:

The power of F1 for our brand



Source: Interbrand Best Global Brands 2021

# Zeitgeist relevance: There's no luxury without sustainability

## Our sustainability goals:

2022

CO<sub>2</sub>-neutral  
production

2025

Up to  
50% xEVs

2030

ready to go all electric  
where market  
conditions allow

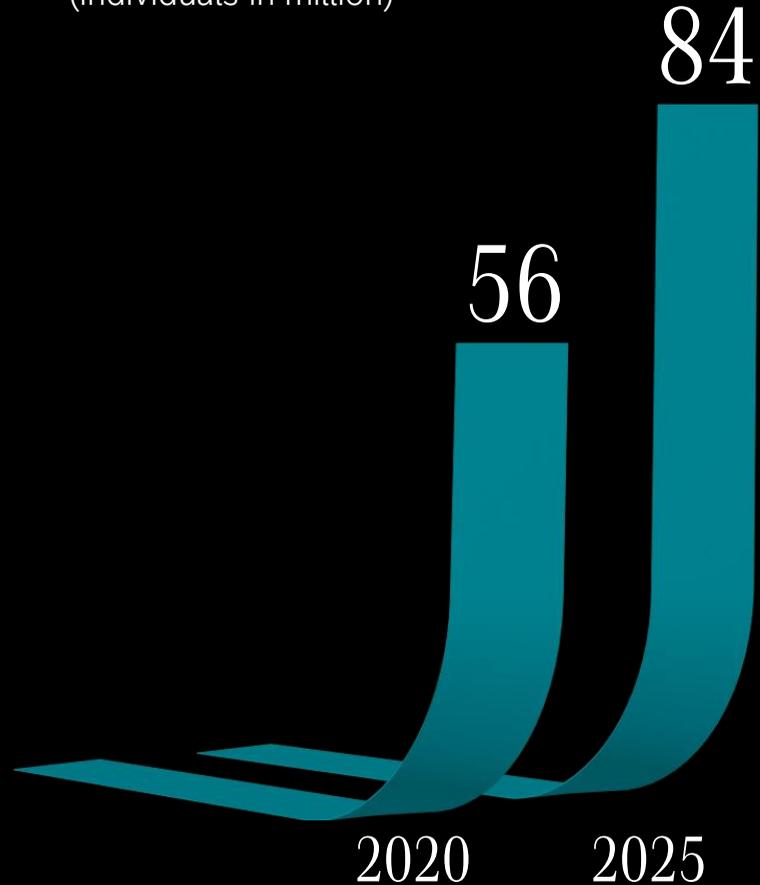
2039

Carbon  
neutrality



# Growth: The luxury segment is resilient, profitable and accelerating

Adults with wealth above USD 1 m  
(individuals in million)



Wealth growth even in mature markets  
(individuals in million)

North America	22	↗	28
Europe	16	↗	24
China	5	↗	10

Source: Credit Suisse, Global Wealth Report 2021

# Approaching our customers

Specific Mercedes-AMG touchpoints  
continue to grow worldwide



Digitalisation drives the importance of the  
physical brand experience



Direct sales:  
one giant leap for our customers and for us

Our ambition for 2025

20 markets  
globally

over 80%  
direct sales in Europe

25% online  
sales



Exclusivity: Significant progress with our top-end vehicles and increasingly electric with even more conquest potential

+30%

Top-end vehicle unit sales in 2021



~60%

Expected growth of top-end vehicle share of total Mercedes-Benz sales 2019-2026



# Desire for... TECH

## Digital innovations for China



# Our game plan: generate returns consistent with our luxury status

## What we are going to do

- Focus on pricing power
- Optimise product portfolio
- Tap full potential of top-end segment
- Exit lower margin products and channels
- Control investment and capacity while driving up contribution margins



## The financial Impact

- Drive ASP higher
- Find a superior operating equilibrium
- Structurally higher profitability and improved margin resilience
- Higher return on invested capital

# The power of pricing is part of our strategy

## Key Levers

- Superior **brand** drives pricing power
  - Strong **products enable** ambitious **initial price setting** versus competition
  - Sustainable **price escalation**
  - Tight **discounts**: from sales push to lifecycle management
  - **Direct sales** model allows grip on pricing
- 
- » Clear objective to continually raise our net pricing yoy
  - » Ambition to compensate raw material cost increases via pricing
  - » We will continue to control pricing and supply even if competitors pursue a volume strategy



# Reshaped model portfolio will drive profitable sales growth

Mercedes-Benz  
Car Sales

2.3 m cars

1.9 m cars

2021-2026  
CAGR approx. 5% p.a.

Change of  
segment share in  
2026 vs. 2019

Top-End Luxury

Around  
+60%

Core Luxury

0 %

Entry Luxury

-25%



2019



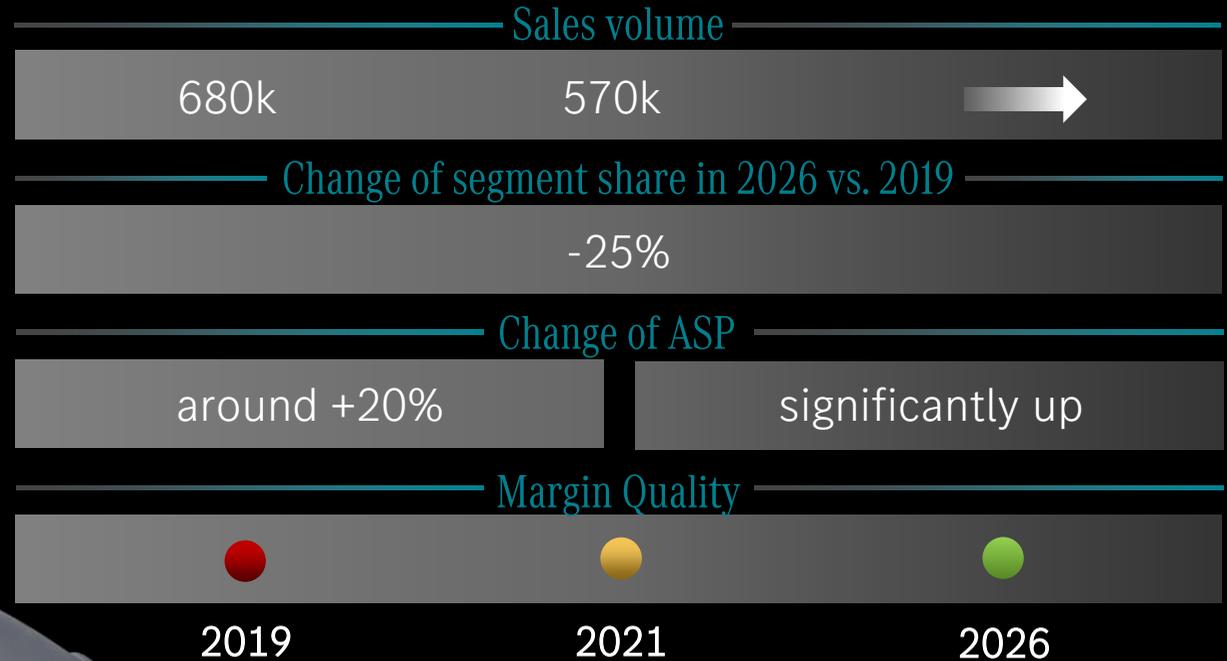
2021



2026

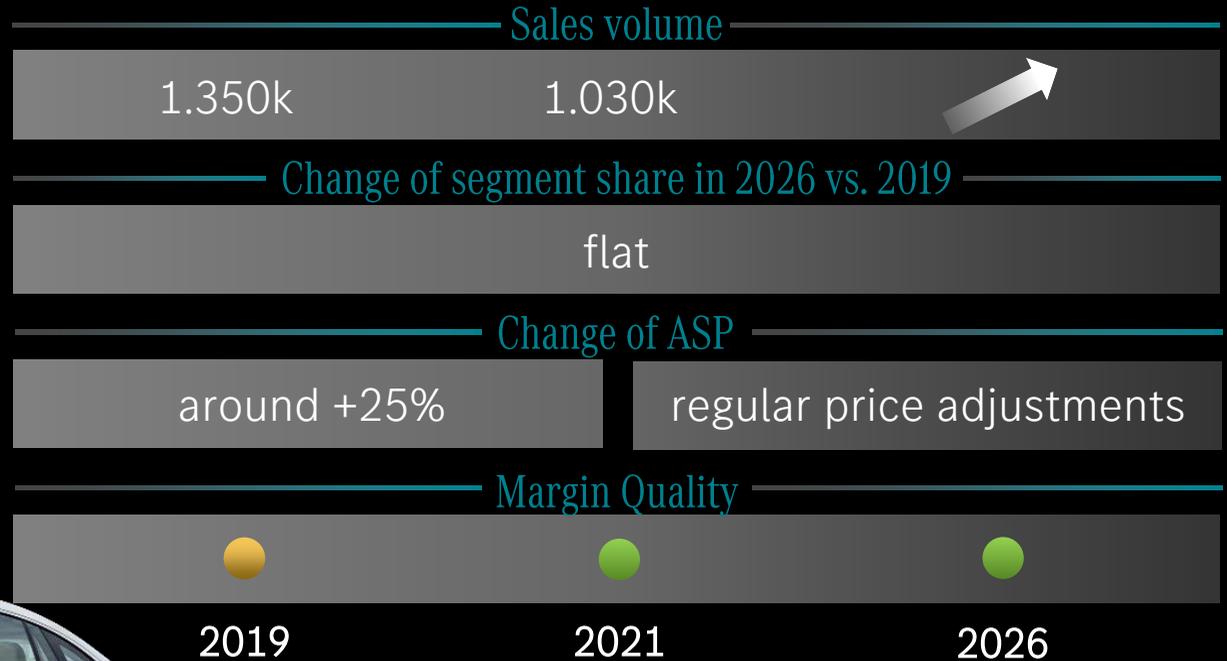
# Entry Luxury - Focus & Elevate

- Elevate to Entry Luxury
- Product range refocused on **fewer and more upscale portfolio positions**: 4 bodystyles instead of 7
- The new entrance point of the portfolio is being redefined with the next generation of vehicles
- **Margin threshold** supports Group margin ambition



# Core Luxury - Grow & Refine

- Core Luxury going electric on an accelerated timescale, leveraging EVA (EQE, EQE-SUV) and then MB.EA architectures
- Very attractive C-Class in the market  
GLC to launch end of 2022  
Brand new E-Class in 2023
- Protect healthy margins on the way to BEV



# Top-End Luxury - Expand & Enhance

- Starting point: Over 300k top-end luxury units with ASP of > € 100k and top-end profitability
- Sustainable segment growth
- Desirable products fueling growth: EQS, EQS-SUV, EQS-SUV Maybach, SL, GT, AMG-EA
- Ultra exclusive collectibles and luxury customer experience

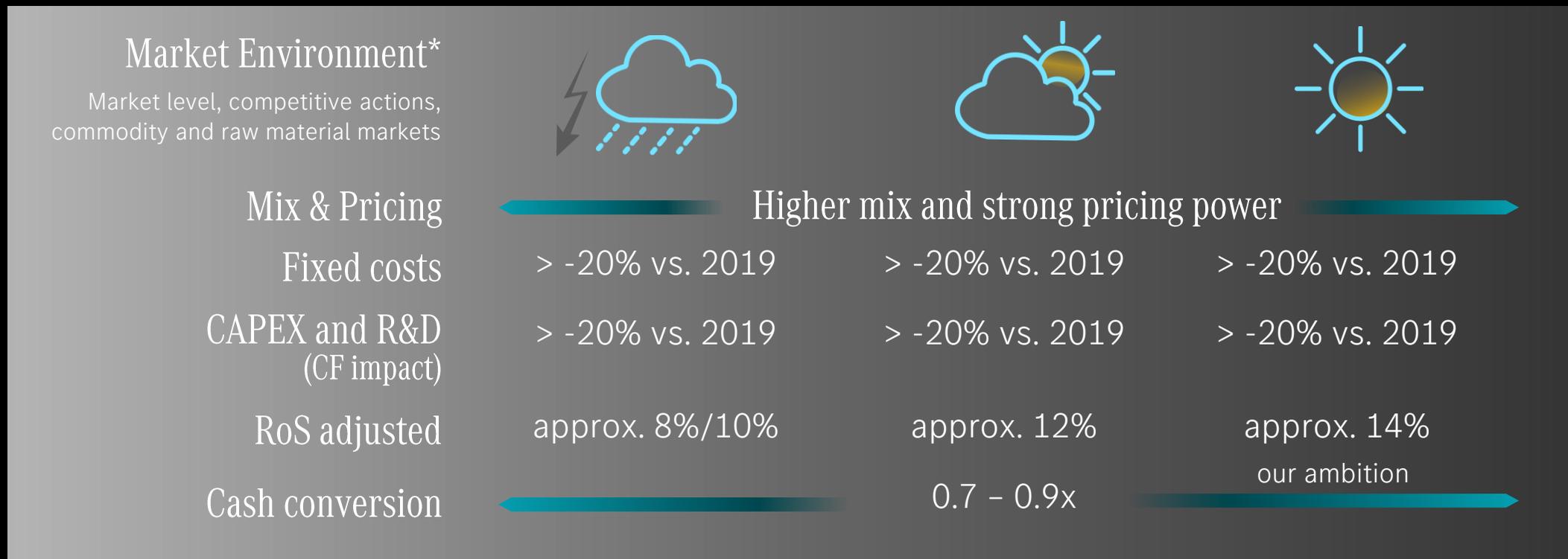


# Changing our economic equation

- Enhance ROIC: control the denominator while raising the numerator (operating and cash margins)
- Drive growth through high utilisation, 'reverse auction' of available capacity to build the most profitable models
- 75% of capital allocation focused on top-end and core segment where the returns are most promising
- Intelligent and careful capital allocation to build EV capabilities and supply chain

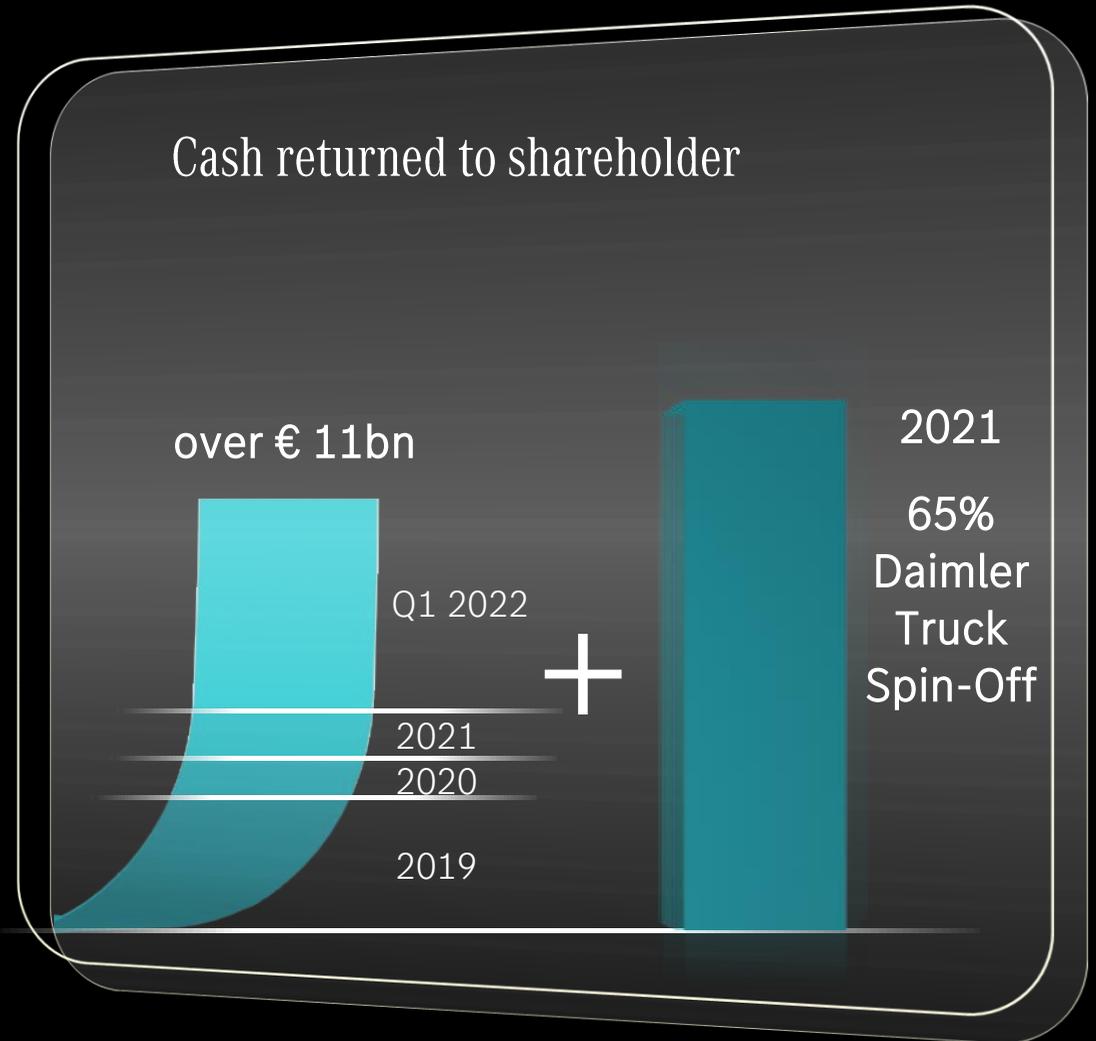
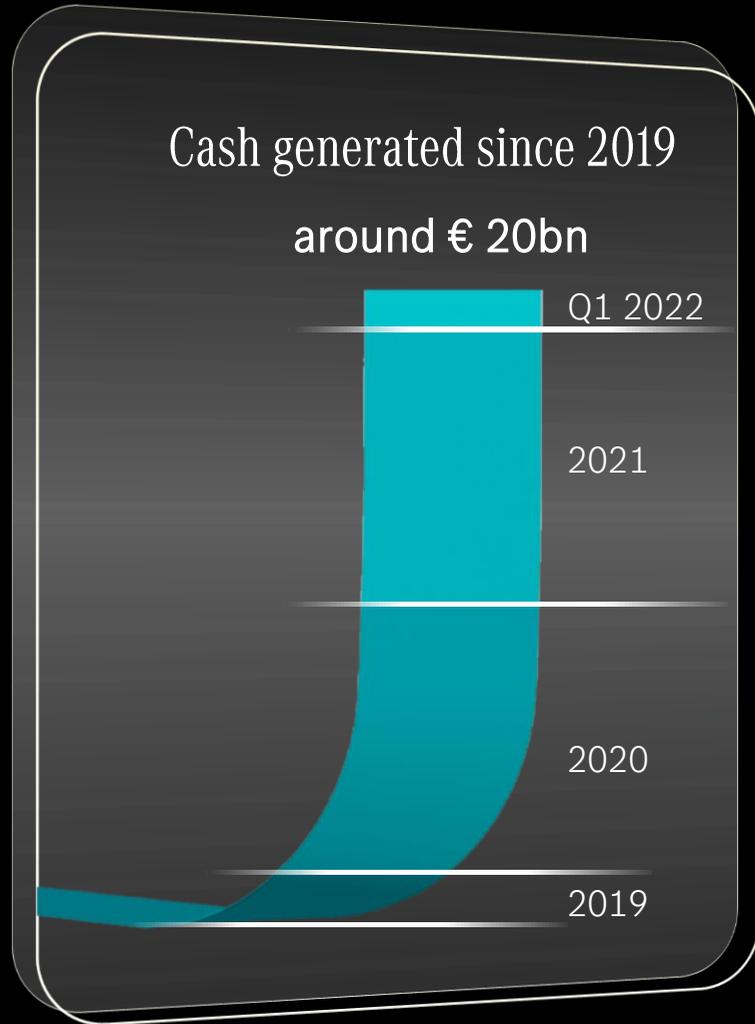


# Our financial ambitions for Mercedes-Benz Cars in 2025: structurally higher profitability and lower margin volatility



\* Market Environment comprises of the above listed external factors. There might also be situations, which are impossible for us to forecast and not covered within the weather chart e.g. „black swans“ like Covid-19 in 2020. Major tectonic shifts on raw material side or on the geo-political side might be further potential examples. By the nature of these events providing a margin forecast for such extreme scenarios is not possible.

# Cash culture at work



# Bottom line

We cannot control macro- or world events. But we are redesigning & repositioning Mercedes-Benz to ensure a structurally more profitable company.



# 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, raw materials or energy; disruption of production due to shortages of materials, or energy, labour 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 current 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.