

DAIMLER

Q3 and January-September 2011 Results

October 27, 2011

Key developments in Q3 2011

- Group unit sales increased in all divisions, revenue grew by 5%
- EBIT of €2.0 billion again at a high level
- Mercedes-Benz Cars on track to post new record unit sales in 2011
- Daimler Trucks started series production of the all-new Actros
- Final approval for Daimler truck joint venture with Foton in China
- Settlement of Tognum acquisition
- Substantial industrial free cash flow of €1.5 billion in Q3 excluding the cash outflow for Tognum of €0.7 billion and pension contribution of €1.5 billion
- Net industrial liquidity of €10.4 billion

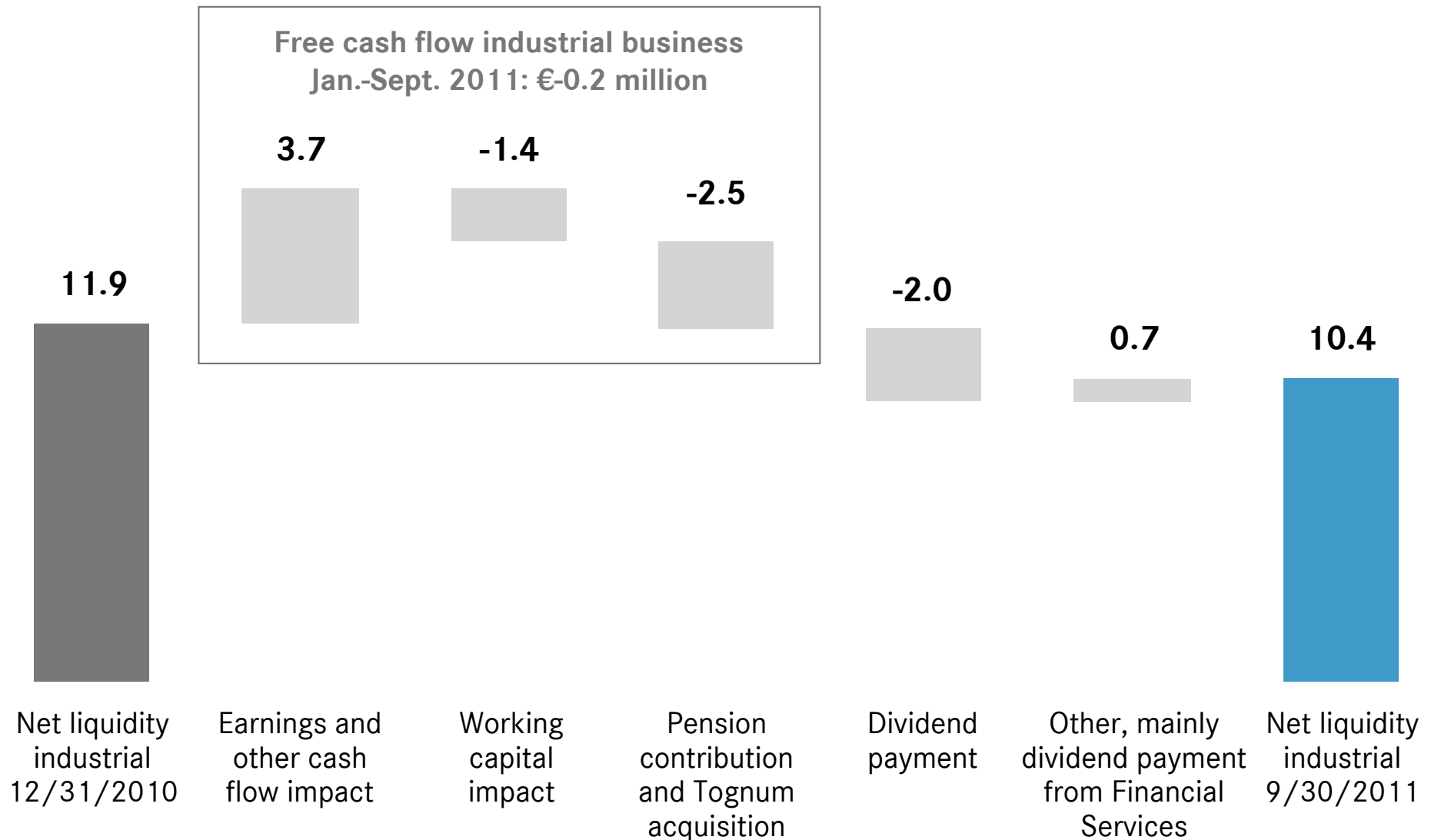
Key financials

- in billions of euros -

	Q3 2010	Q3 2011
Revenue	25.1	26.4
EBIT	2.4	2.0
Net profit	1.6	1.4
Earnings per share (in euros)	1.44	1.21
Net liquidity industrial business (2010: year-end)	11.9	10.4
Free cash flow industrial business (Jan.-Sept.)	5.3	-0.2

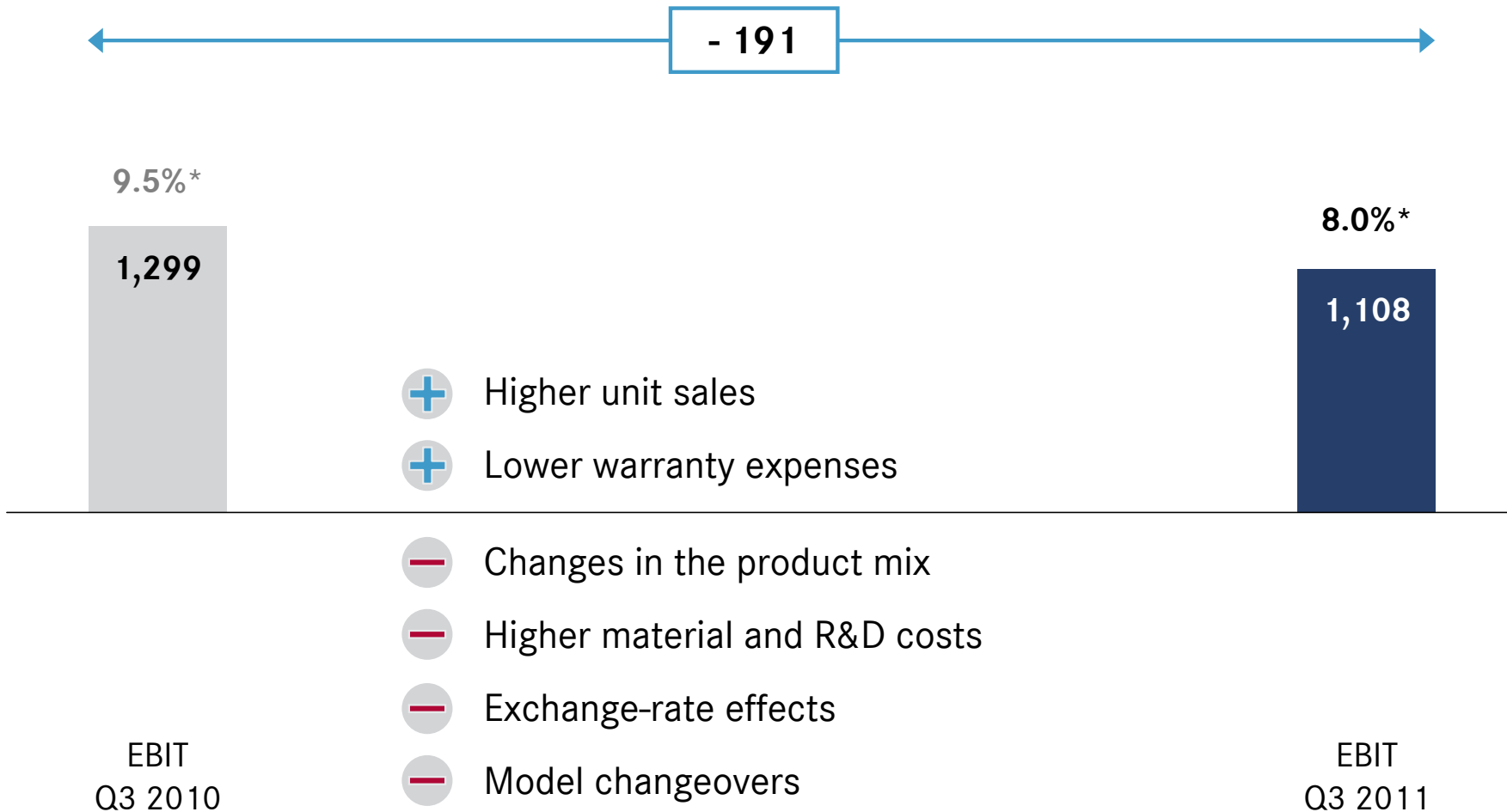
Strong industrial free cash flow excluding cash outflow for Tognum and pension contribution

- in billions of euros -



Headwinds from material costs and foreign exchange

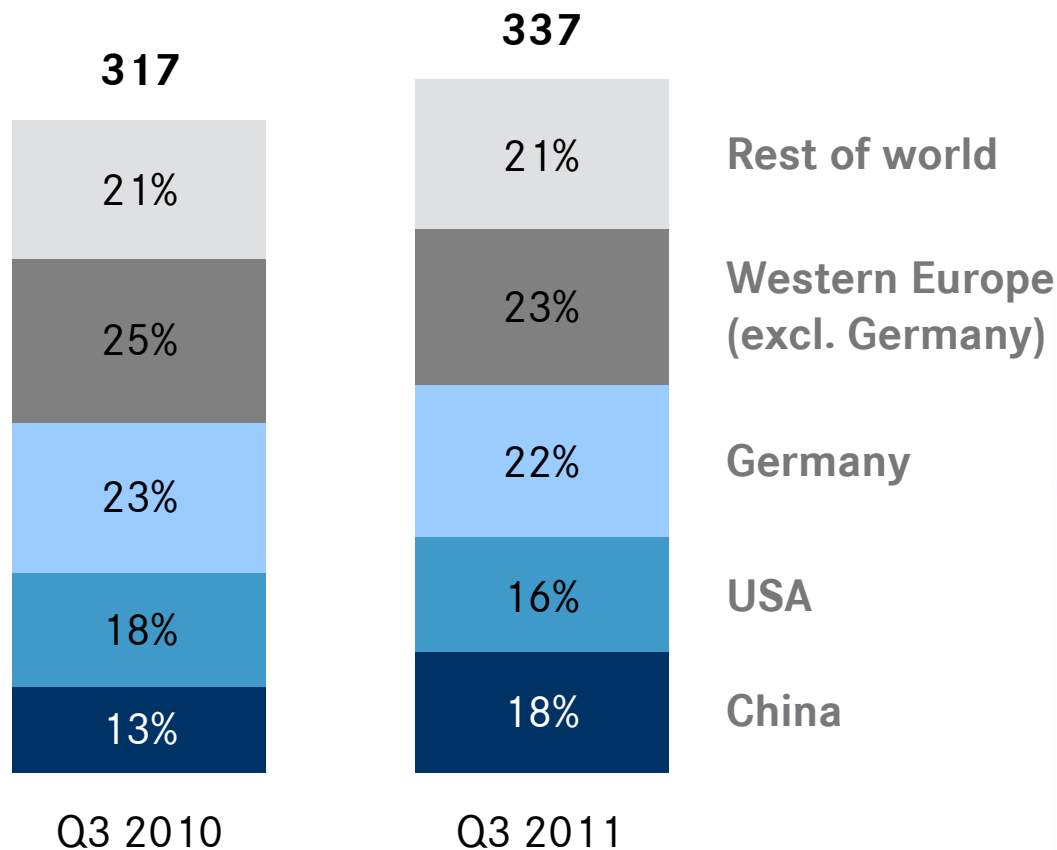
- in millions of euros -



* Return on sales

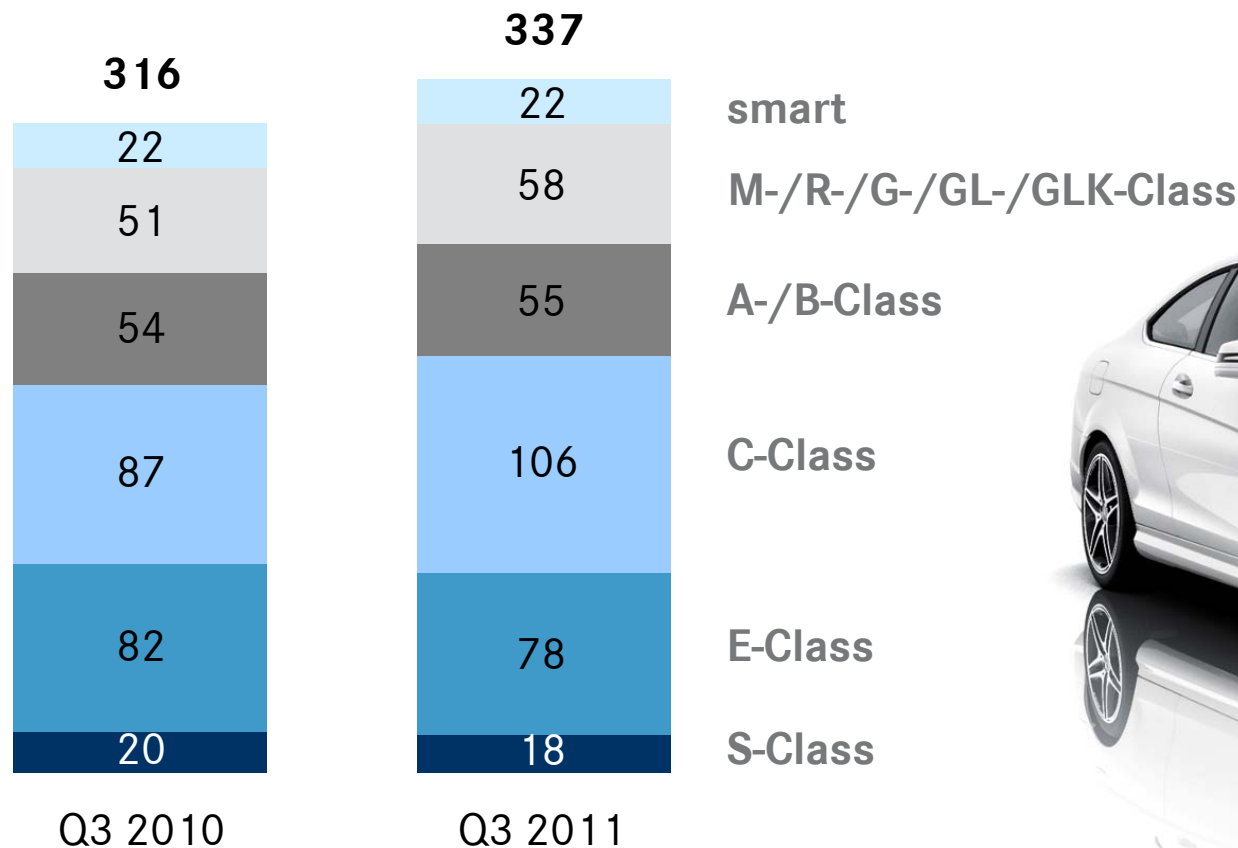
Third-quarter record unit sales with a balanced sales structure

- Unit sales in thousands -



Unit sales increase mainly driven by C-Class

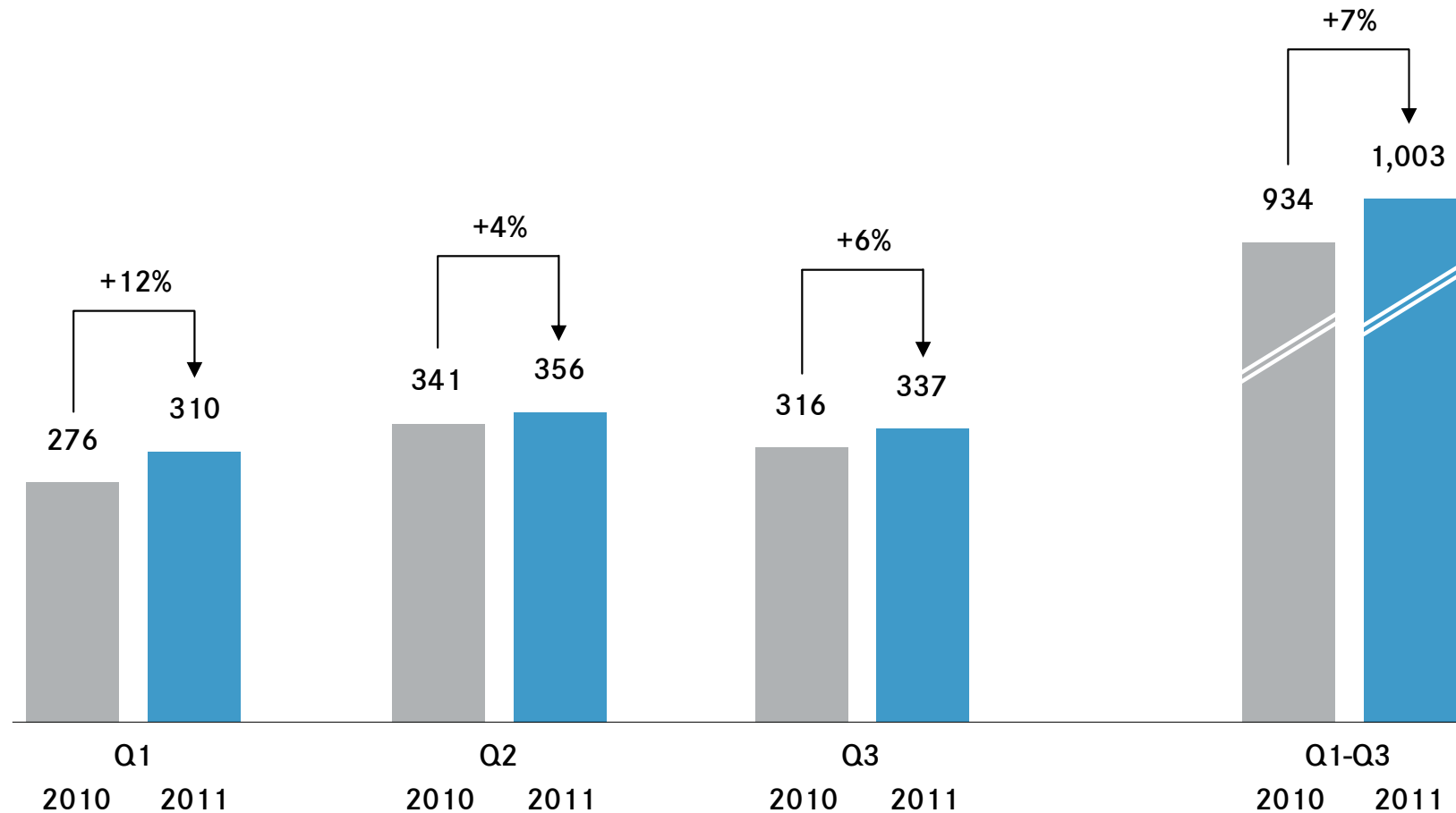
- Unit sales in thousands* -



* Excluding Mitsubishi vehicles produced and/or sold in South Africa

Higher unit sales in all 2011 quarters to date

- Unit sales in thousands* -



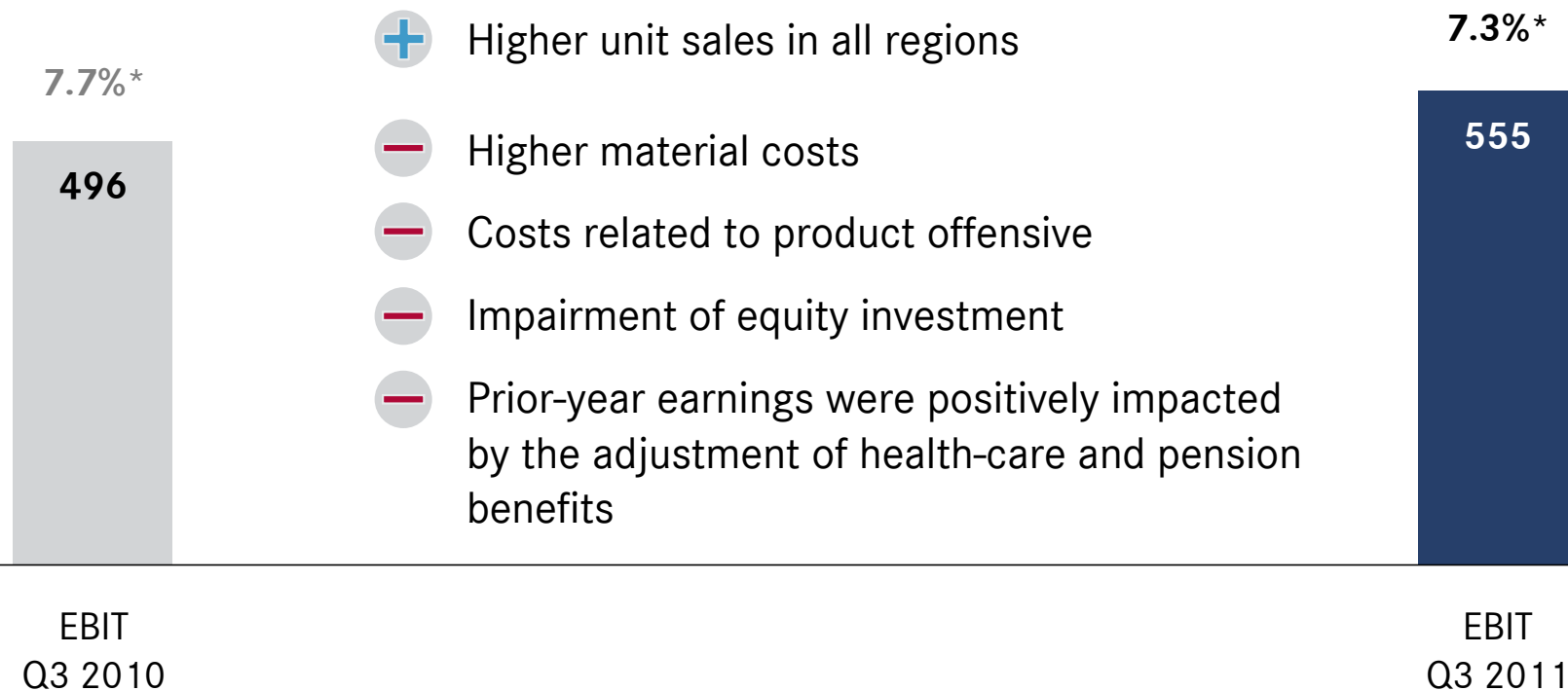
* Excluding Mitsubishi vehicles produced and/or sold in South Africa

Product highlights



Further improvement in EBIT

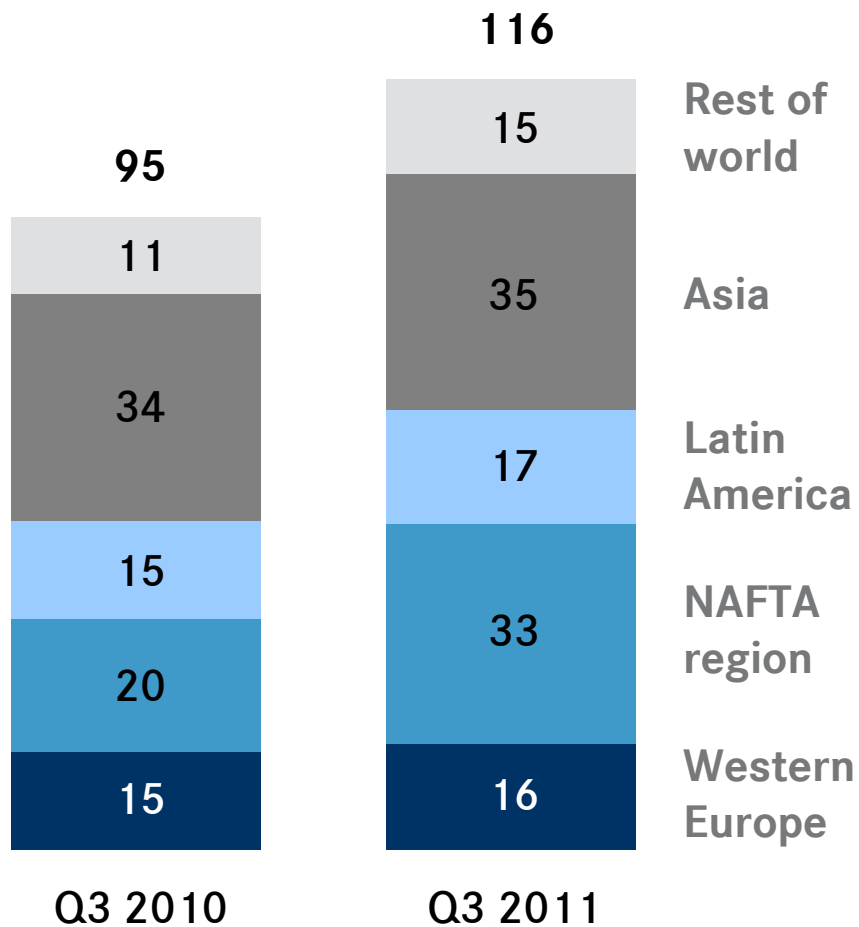
- in millions of euros -



* Return on sales

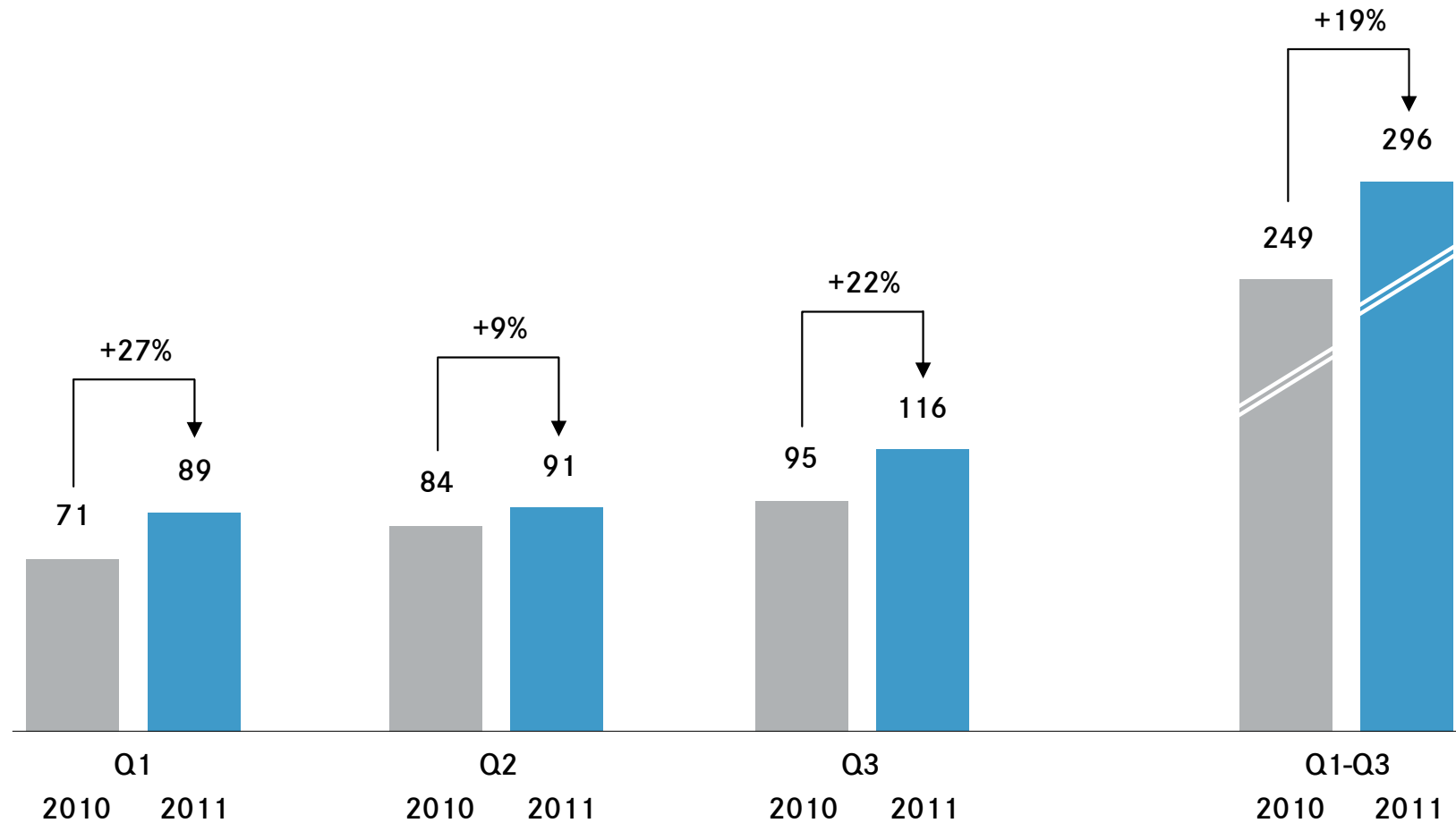
Significantly higher unit sales due to increases in all major regions

- in thousands of units -



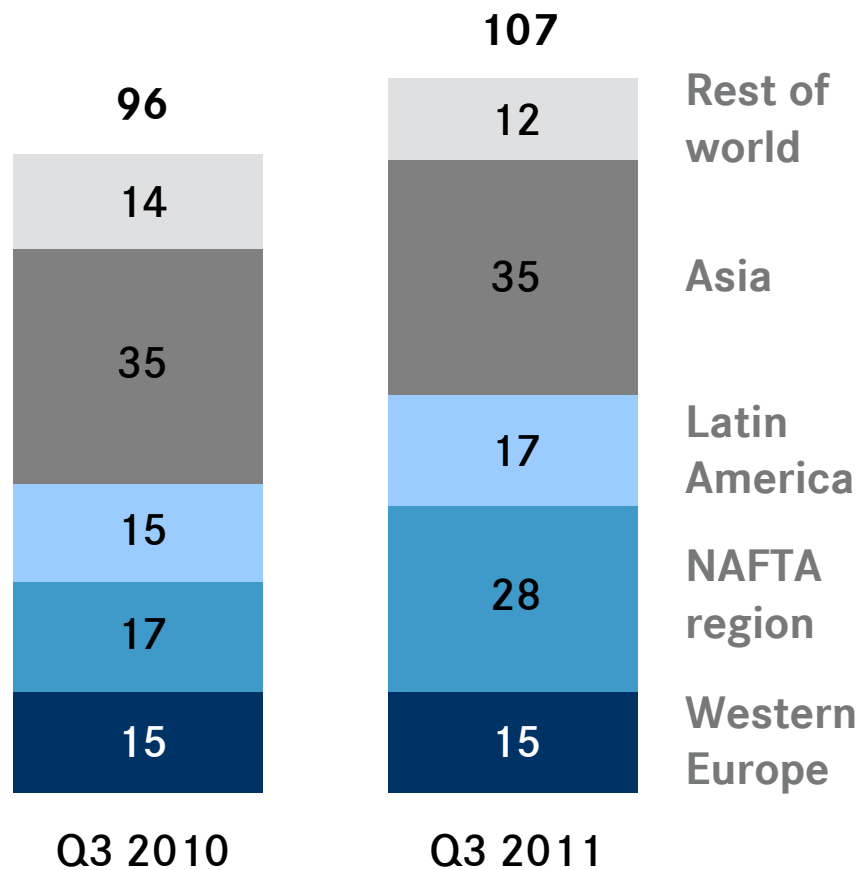
Positive quarterly development of unit sales

- Unit sales in thousands -



Increase in orders received primarily in NAFTA region

- in thousands of units -



Product highlight – the new Actros



Investment

- More than €1 billion invested in the vehicle's complete development
- Another €1 billion invested in production locations, equipment and tools

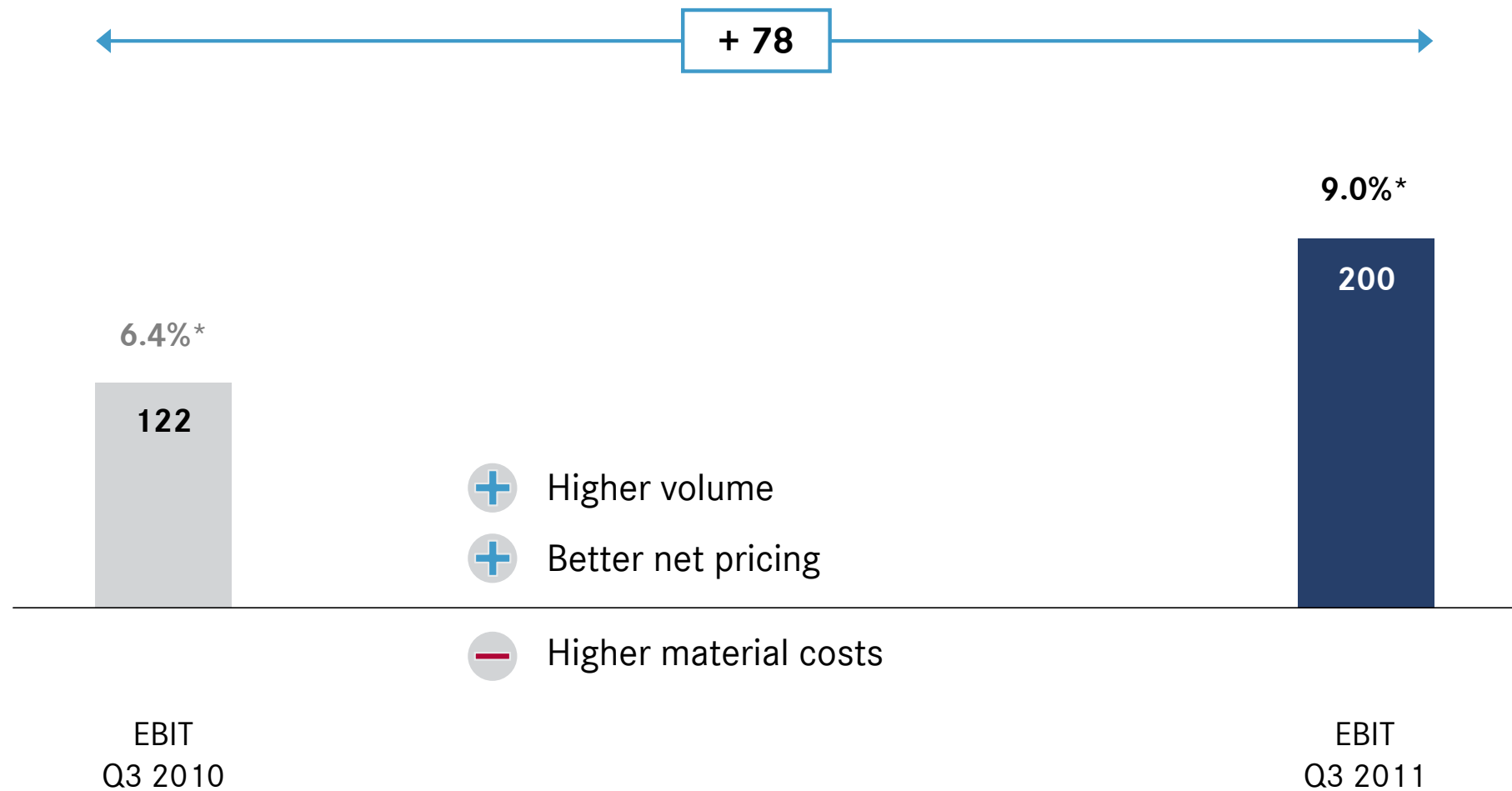
Environmental protection

- 4.5% lower fuel consumption for the Euro VI truck combined with ultra-clean Euro VI emissions standard
- 7.6% lower fuel consumption for the new Euro V truck

- **Concept:** fully focused on long-distance transport
- **Exterior:** unmistakable, aerodynamically optimized
- **Interior:** a living and working space like never before in a truck
- **Powertrain:** powerful Euro V and VI engines with low fuel consumption
- **Chassis:** torsionally stiff frame and wide track for driving safety and excellent handling
- **Testing:** 20 million kilometers on the road alone

Ongoing strong earnings performance at Mercedes-Benz Vans

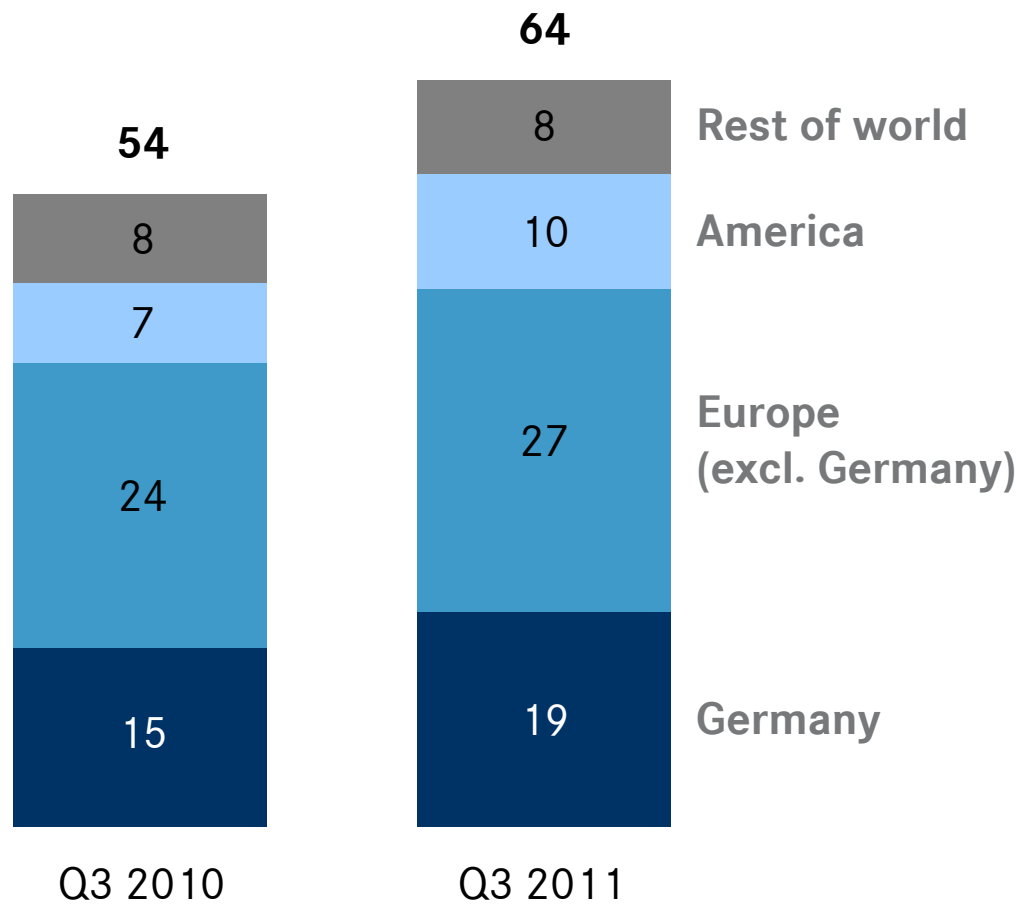
- in millions of euros -



* Return on sales

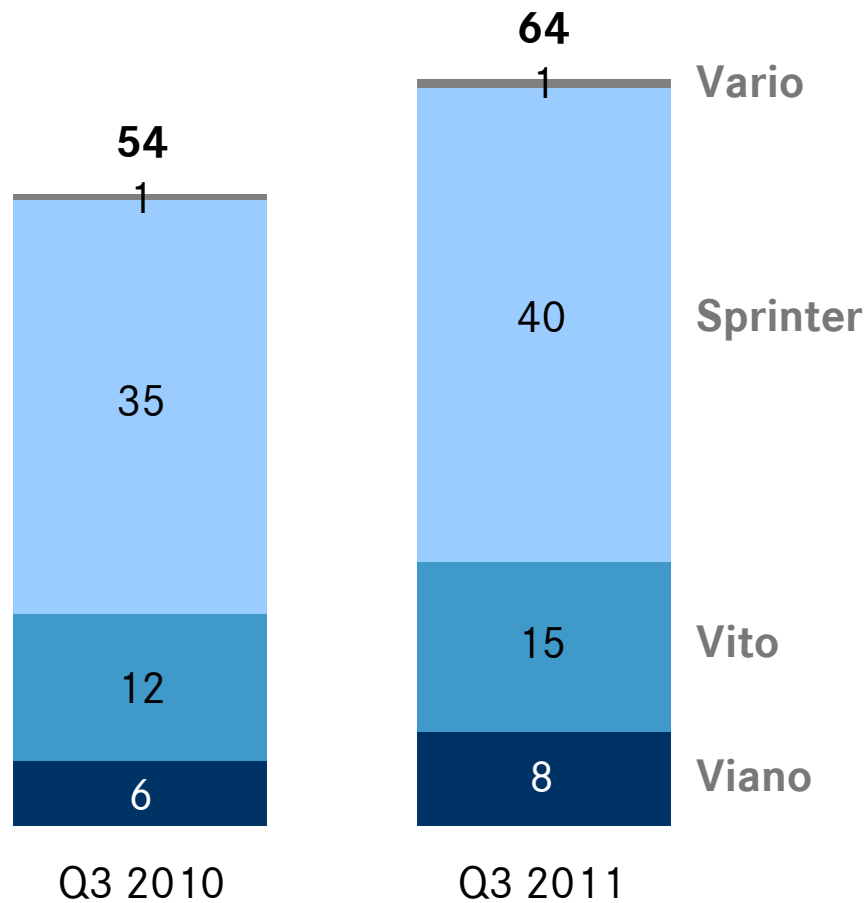
Significant growth in unit sales

- Unit sales in thousands -



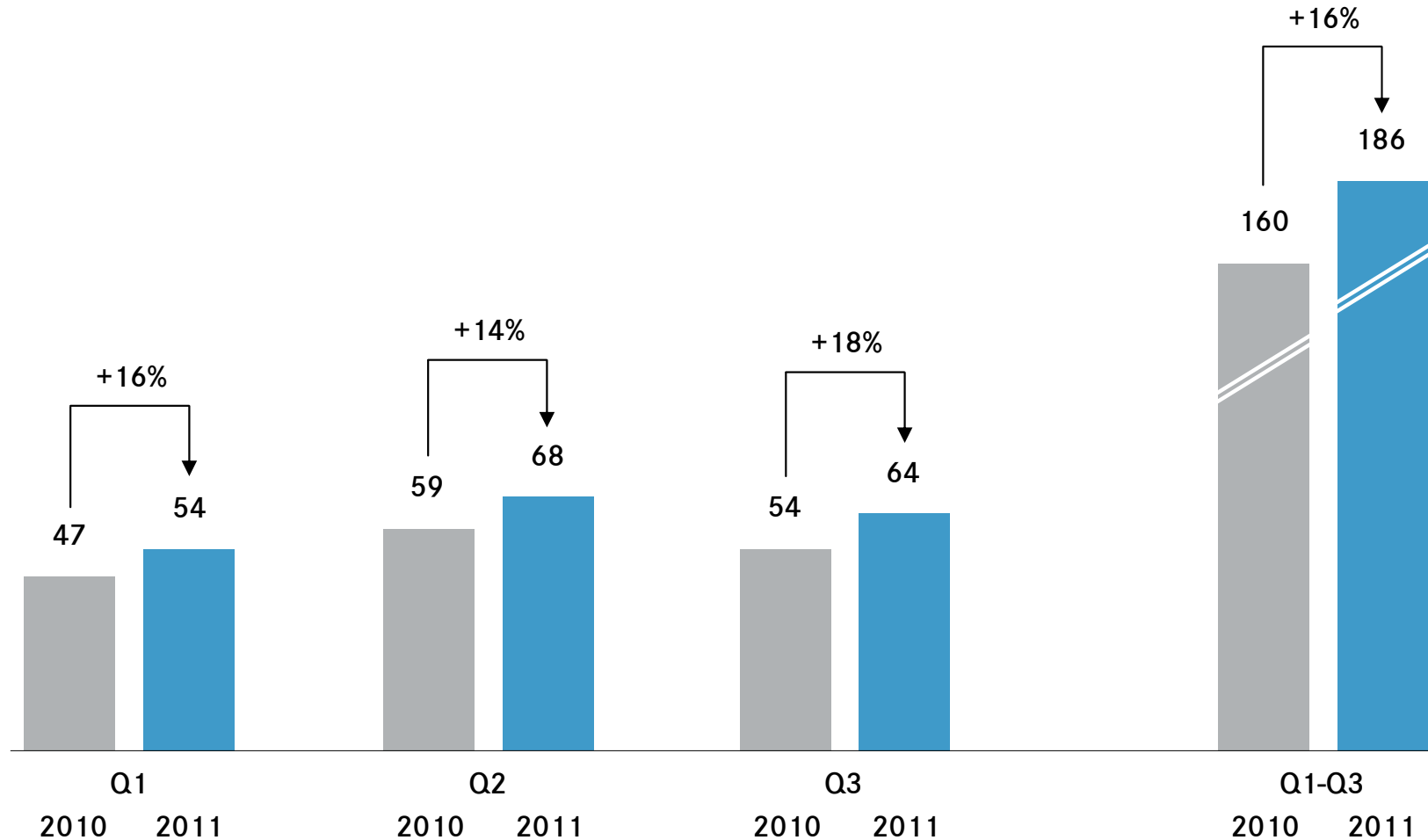
Significant growth in unit sales

- Unit sales in thousands -



Double-digit increase in unit sales over all three quarters

- Unit sales in thousands -



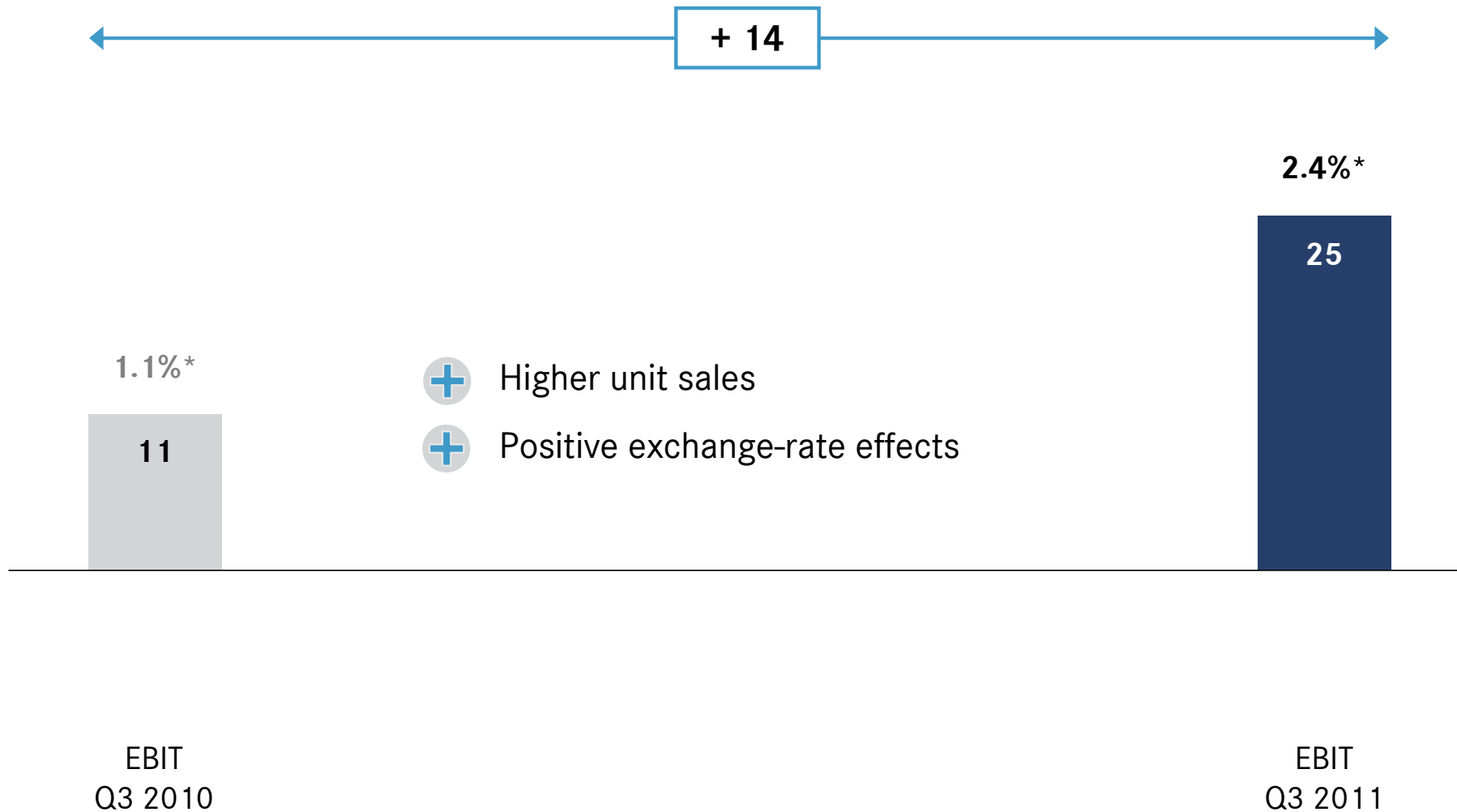
Product highlights



Mercedes-Benz Viano Vision Pearl

Significant growth in EBIT

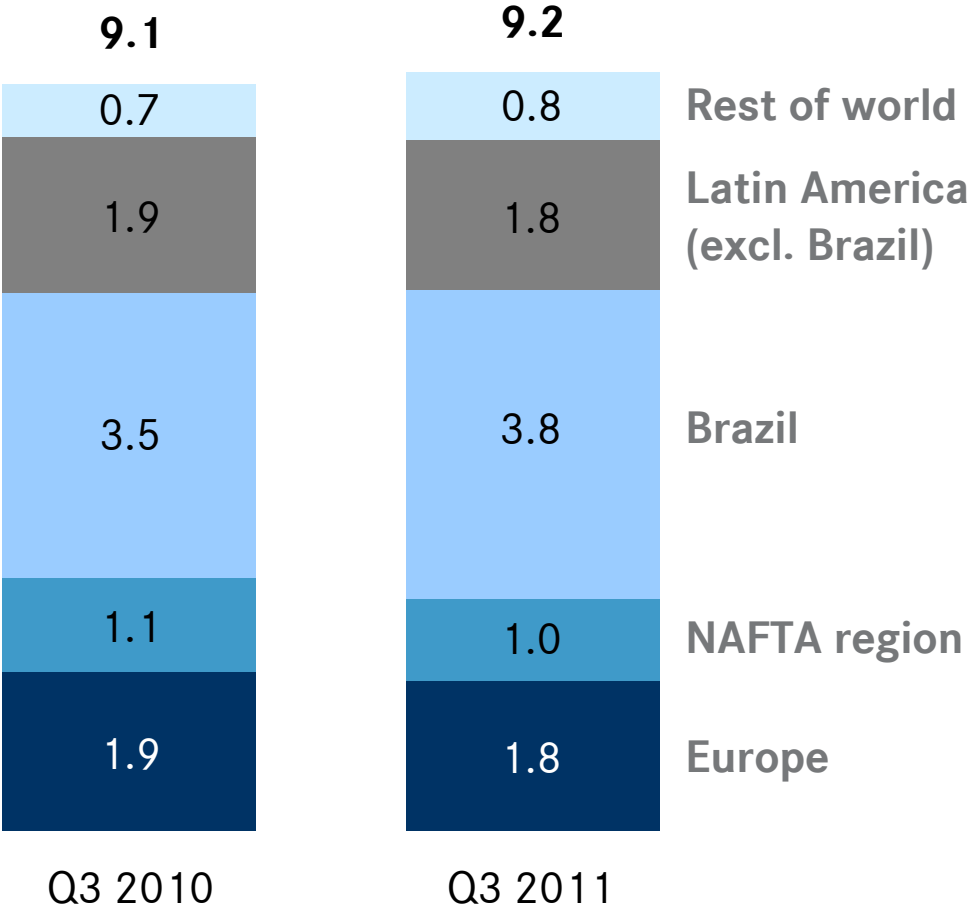
- in millions of euros -



* Return on sales

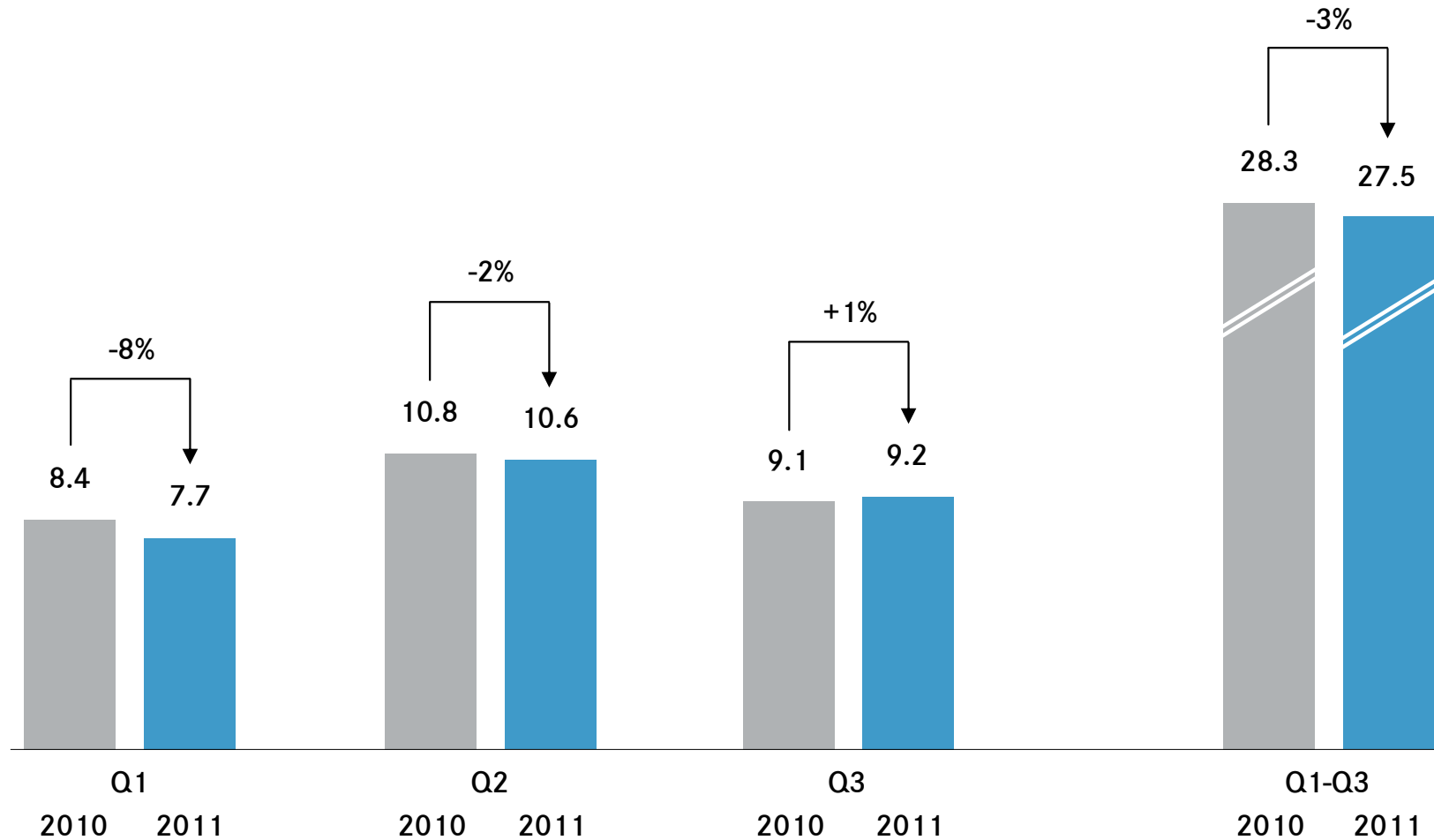
Slight increase in unit sales due to further growth in Latin America

- Unit sales in thousands -



Slight sales revival in Q3 2011

- Unit sales in thousands -



Product highlights

New Mercedes-Benz Citaro G



Mercedes-Benz Travego „Edition 1“



Setra ComfortClass 400

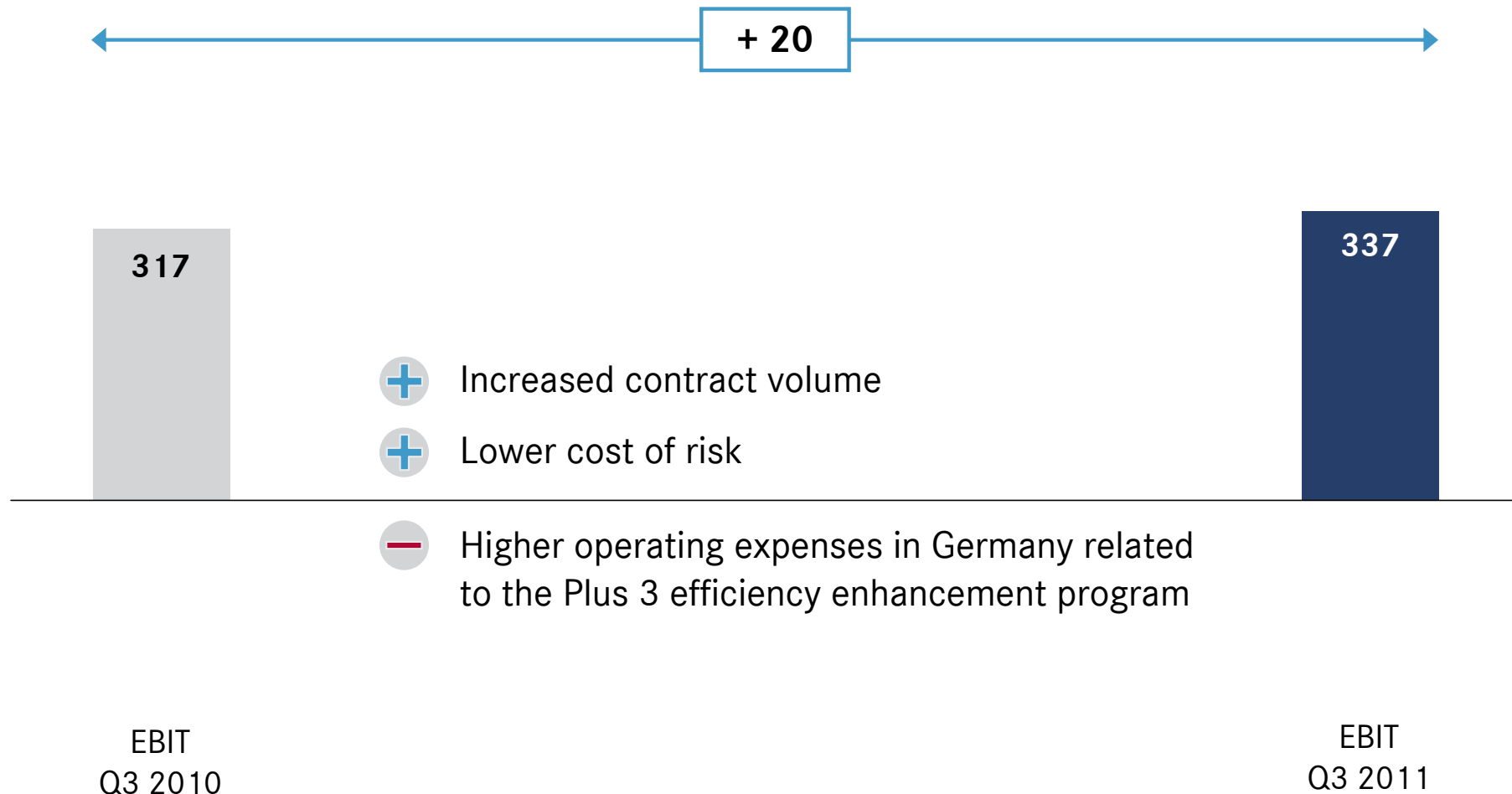


Setra TopClass 400

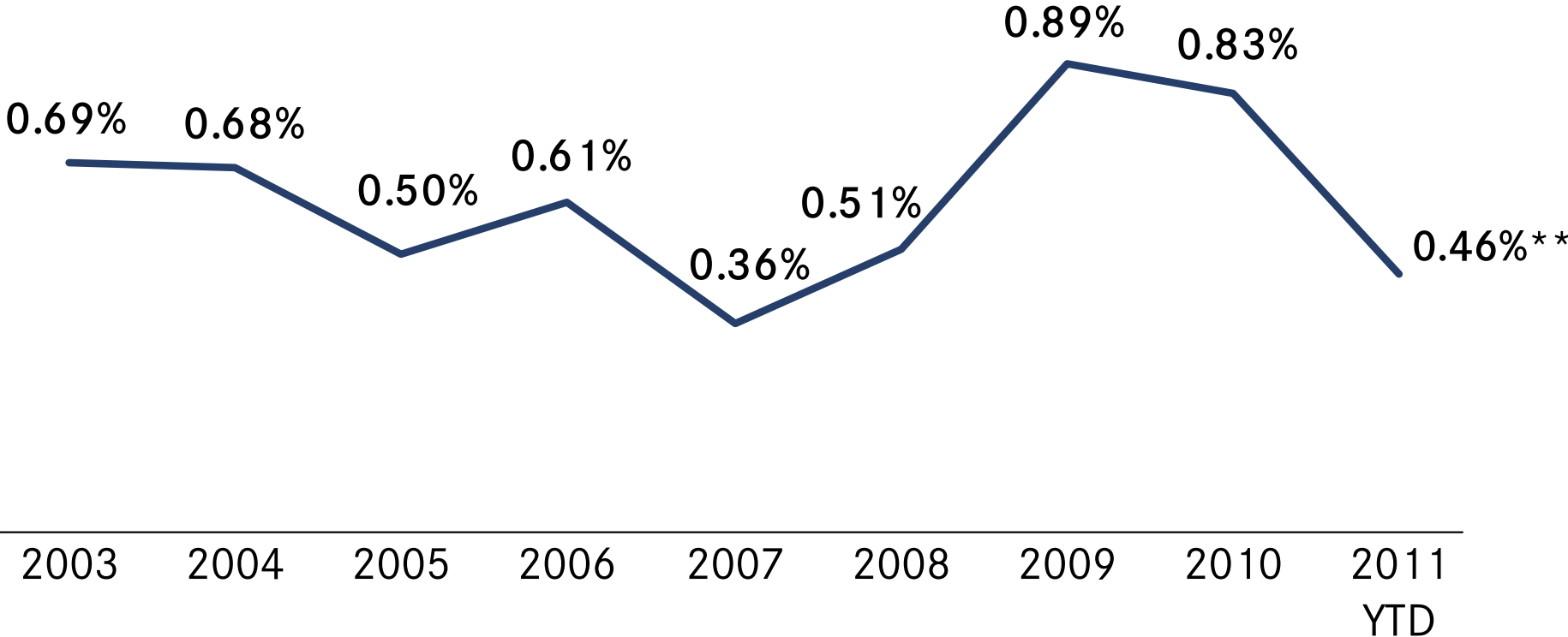


Earnings growth primarily due to lower cost of risk

- in millions of euros -



Net credit losses* decreased significantly



* as a percentage of portfolio, subject to credit risk

** annualized rate

Assumptions for automotive markets in 2011

● Car markets

- Worldwide market expected to grow by approximately 5%
- Growth potential especially in the United States and Asian emerging markets, particularly China and India
- Overall, Western European market expected to decline slightly; however, distinct market growth anticipated in Germany

● Truck markets

- Further market growth expected for medium- and heavy-duty trucks in the triad
- Europe: around +35%
- NAFTA region: around +35%
- Brazil: around +10%
- Japan: above 2010 volume

● Van markets

- Growth of more than 10% expected in Europe and the United States in the relevant market segments

● Bus markets

- In Europe, stable market volume on low level assumed due to weak city-bus business, while Western Europe is expected to be slightly lower
- Increasing demand expected in Latin America because of pull-forward effect

Sales outlook 2011

● Mercedes-Benz Cars

- We target a record level of 1.35 million units
- Growth potential especially in North America and BRIC countries

● Daimler Trucks

- Daimler Trucks maintains its overall target of increasing unit sales substantially
- European business expected to benefit from market expansion
- Significant growth of unit sales in the NAFTA region based on strong order situation and growing market shares
- Increased sales expected in Latin America
- Sales in Q4 2011 are expected to exceed prior-year level based on good order situation and stabilization of the Japanese market

● Mercedes-Benz Vans

- Positive sales development should continue, driven by the recovery of important markets and capacity increases in Argentina

● Daimler Buses

- Sales target of more than 40,000 units, based on positive chassis business in Latin America

Revenue and earnings outlook for 2011

- Based on our current market expectations, we expect to post Group revenue of significantly more than €100 billion
- In light of the good performance in the first nine months of 2011, Daimler continues to expect EBIT from the ongoing business to exceed the level of 2010 very significantly
- Business in the first nine months of the year has shown that we continue to make good progress toward the targeted rates of return to be achieved on a sustained basis as of the year 2013
- These targets are based on the assumption that the economic and political environment will remain stable and that automotive markets will remain intact

Earnings outlook for Q4 2011

- Group EBIT from the ongoing business in Q4 2011 is anticipated to significantly exceed the prior-year level.
- Mercedes-Benz Cars targets EBIT at a similar level as Q4 2010. Positive effects from higher unit sales and a sustainable market development will be offset – besides cost seasonality at year-end – by ongoing headwinds due to material costs, ongoing model changeovers, changes in the sales structure, and currencies.
- Daimler Trucks expects EBIT higher than in Q4 2010. Higher units sales will be partially offset by burdens associated with emission technologies, the expansion in growth markets as well as cost seasonality at year-end. In addition, the division has to account for the main part of costs related to the Actros introduction (two-thirds of the €200-300 million are booked in Q4 2011).
- Mercedes-Benz Vans expects EBIT significantly higher than in Q4 2010.
- Daimler Buses anticipates EBIT in the magnitude of Q4 2010.
- Daimler Financial Services expects EBIT significantly above Q4 2010.

We are better prepared for possible risk scenarios

- Our global sales are far more balanced
- We are benefiting from launching many new products
- Inventories are lower, residuals are better
- Improved working capital management
- Sales and production are in alignment
- High production flexibility and better cost position
- Strong balance sheet with high liquidity

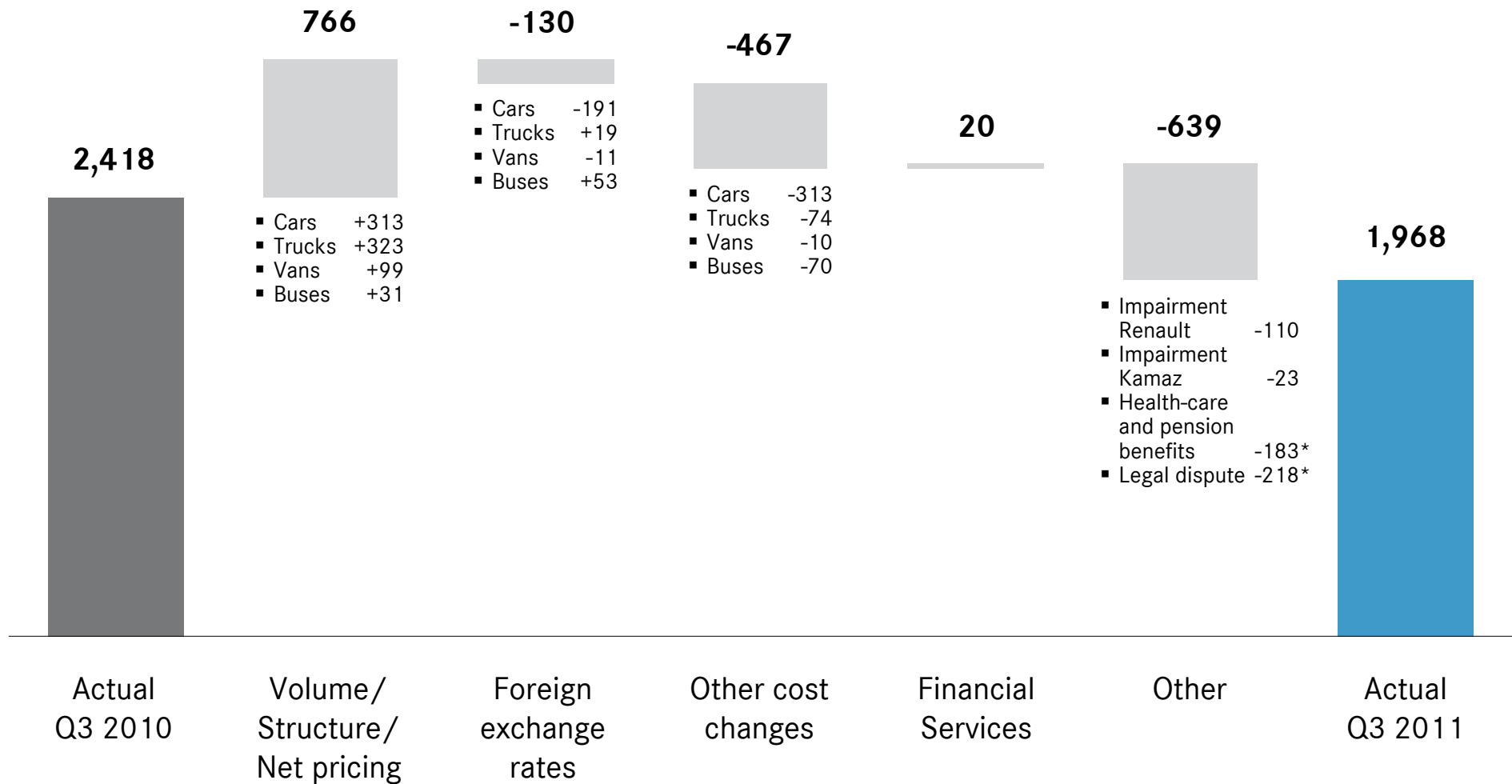
DAIMLER

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Appendix

Group EBIT in Q3 2011

- in millions of euros -



* Special items affecting EBIT in Q3 2010

Strong earnings performance in 2011

- EBIT in millions of euros -

	Q1-Q3 2010	Q1-Q3 2011
Mercedes-Benz Cars	3,481	3,962
Daimler Trucks	929	1,454
Mercedes-Benz Vans	313	579
Daimler Buses	131	53
Daimler Financial Services	607	998
Reconciliation	251	-466
Daimler Group	5,712	6,580

Special items affecting EBIT / A400M

- in millions of euros -

	3rd quarter		Jan. – Sept.	
	2010	2011	2010	2011
Daimler Trucks				
Natural disaster in Japan	-	-9	-	-47
Repositioning of Daimler Trucks North America	-13	-	-29	-
Repositioning of Mitsubishi Fuso Truck and Bus Corporation	8	-	-7	-
Adjustments of health care and pension benefits	183	-	183	-
Impairment of the investment in Kamaz	-	-23	-	-23
Daimler Financial Services				
Natural disaster in Japan	-	-	-	-29
Repositioning of business activities in Germany	-	-	-78	-
Sale of non-automotive assets	-	-	-20	-
Reconciliation				
Sale of equity interest in Tata Motors	-	-	265	-
Gain related to a legal dispute	218	-	218	-
Impairment of the investment in Renault	-	-110	-	-110
A400M military transport aircraft	-	-	-237*	-

* Charges related to the A400M military transport aircraft of EADS are not considered in the calculation of EBIT from ongoing business

Key balance-sheet figures

- in billions of euros -

	Dec. 31, 2010	Sept. 30, 2011
Daimler Group		
Equity ratio	26.5%	28.2%
Gross liquidity	13.0	11.7
Industrial business		
Equity ratio	45.8%	48.0%
Net liquidity	11.9	10.4

Disclaimer

This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “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 funding possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates; a shift in consumer preference towards smaller, lower margin vehicles; or a possible lack of acceptance of our products or services which limits our ability to achieve prices as well as to adequately utilize our production capacities; price increases in 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 of companies in which we hold a significant equity interest, most notably EADS; 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 and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which we describe under the heading “Risk Report” in Daimler’s most recent Annual Report. If any of these risks and uncertainties materialize, or if the assumptions underlying any of our forward-looking statements prove incorrect, then our 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. Any forward-looking statement speaks only as of the date on which it is made.