Daimler Trucks Division Day

Mannheim, June 28th 2012

Andreas Renschler, CEO Daimler Trucks

Daimler Trucks - Executive Committee

Daimler Trucks
Andreas Renschler

Trucks NAFTA
Martin Daum

Trucks EU/LA
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Trucks Asia
Dr. Albert Kirchmann

Truck Product Engineering
Georg Weiberg

Global Powertrain, Procurement and Manufacturing Engineering Trucks
Stefan E. Buchner

Finance & Controlling
Matthias Gründler

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Agenda

1 **Current performance**

2 Our view on truck industry dynamics

3 Our leading position in the truck industry

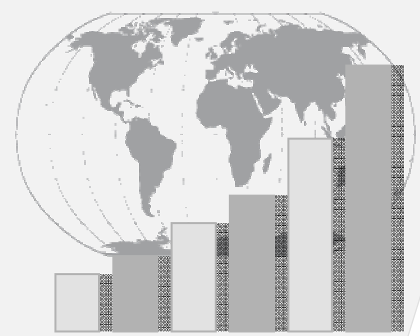
4 Our strategy to strengthen global leadership position

5 Outlook

Global Excellence has brought Daimler Trucks to a new level – now starting the next phase

Global Excellence

Global Excellence Pillars	Achievements so far	Next phase
Management of Cycles	Flexibility Measures	Strengthen global industry leadership
Operational Excellence	Efficiency Programs	
Growth and Market Exploitation	BRIC Expansion	
Future Product Generations	Global Platform Roll-out	



Daimler Trucks 2011/2012: Strong sales and revenue growth

Key Figures	2010 Actual		2011 Actual	Q1/2011 Actual		Q1/2012 Actual
Group Sales (units in '000)	355	+20%	426	89	+21%	108
Revenues (in bn.€)	24.0	+20%	28.8	6.2	+18%	7.4
EbIT (in bn.€)	1.3	+41%	1.9	413	-7%	383
RoS	5.5%	+1.0%pts	6.5%	6.6%	-1.4%pt	5.2%

Q1 EbIT burdened by lower unit sales in Latin America & costs related to product offensive

N.B: Figures may not tie due to rounding

Daimler Trucks is market leader in EU 25 and NAFTA

Share of market (in %)	YTD May 2011	YTD May 2012	Delta (in %-pts)	Market Position
Trucks EU/LA				
EU 25 (HDT)*	18.4%	21.0%	2.6	Top 1
EU 25 (MDT)*	29.0%	33.3%	4.2	23.1%
Germany (HDT)*	32.0%	35.9%	3.9	Top 1
Germany (MDT)*	37.8%	45.0%	7.2	38.4%
Brazil (HDT)	25.0%	26.2%	1.2	Top 2
Brazil (MDT)	26.5%	27.6%	1.1	26.6%
Trucks NAFTA				
NAFTA (Cl. 8)	33.1%	31.8%	-1.3	Top 1
NAFTA (Cl. 6–7)	34.7%	37.7%	3.0	33.5%
Trucks Asia				
Japan (HDT)	18.3%	24.2%	5.9	Top 3
Japan (MDT)	12.7%	15.0%	2.3	20.6%
Japan (LDT)	23.3%	21.5%	-1.7	

Mercedes-Benz

FREIGHTLINER

WESTERN STAR

FUSO

*YTD April

Market expectations for 2012

Industry dynamics	Specific Daimler Trucks dynamics
NAFTA market growth between 15% and 20%	Further growth in NAFTA, No. 1 position confirmed, e.g., due to fuel efficiency leadership
Japan market growth between 15% and 20%	Significant increase in sales and market share
Europe stable around 0% or contracting by -10%	Stronger performance than market in Europe, strong demand for new Actros
Brazil decreasing by -10% to -20% due to new emission regulations, delay in governmental incentives (FINAME interest rate reduction)	Declining sales in Brazil – Euro V sales to pick up in 2nd half of 2012

We benefit in growth regions and have initiatives in place to address the situation in Brazil

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Truck industry offers positive dynamics

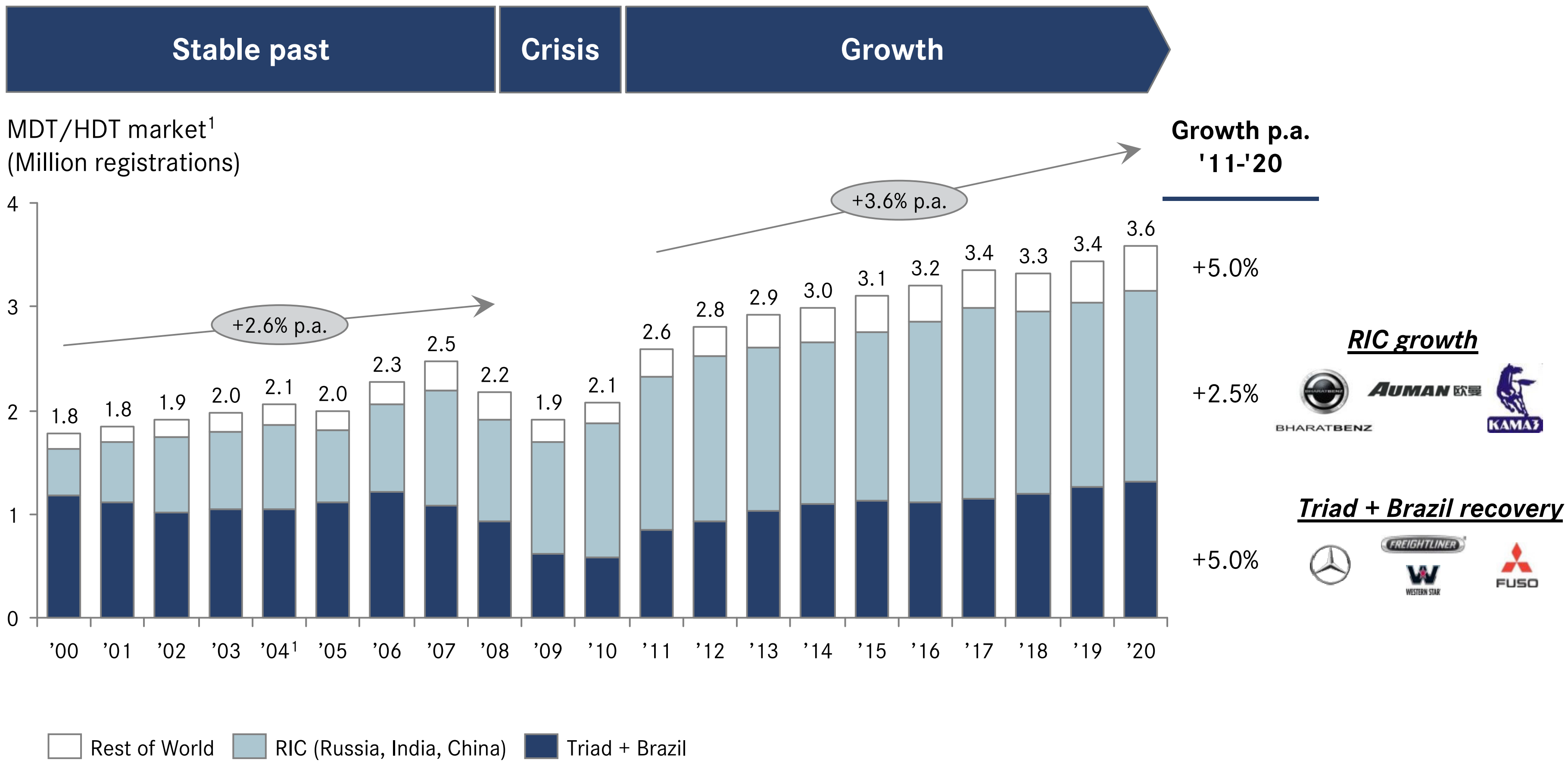
Short-term

- Market growth in NAFTA and Japan
- Challenging market in Brazil
- Low visibility in Europe
- Continuing market volatility

Mid-term

1. 3.6% p.a. growth, increasing relevance of BRIC
2. Convergence of emission regulations
3. TCO increasingly relevant for customers
4. Vehicle upgrading – "Modern Domestic" becoming biggest segment
5. Structural growth of high margin aftersales business

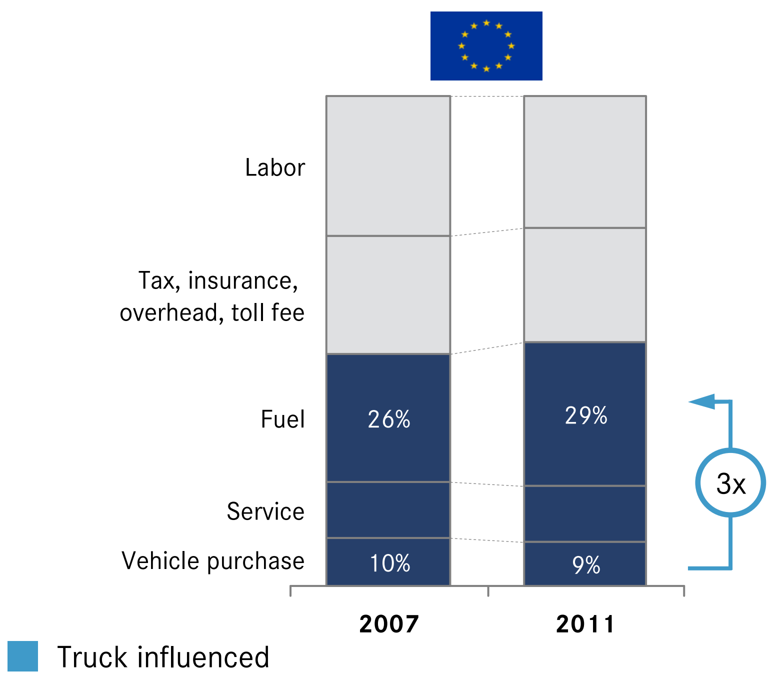
1 Sustainable industry growth of 3.6% p.a. expected until 2020 across cycles driven by global GDP growth



1. 11 TOP OEMs considered

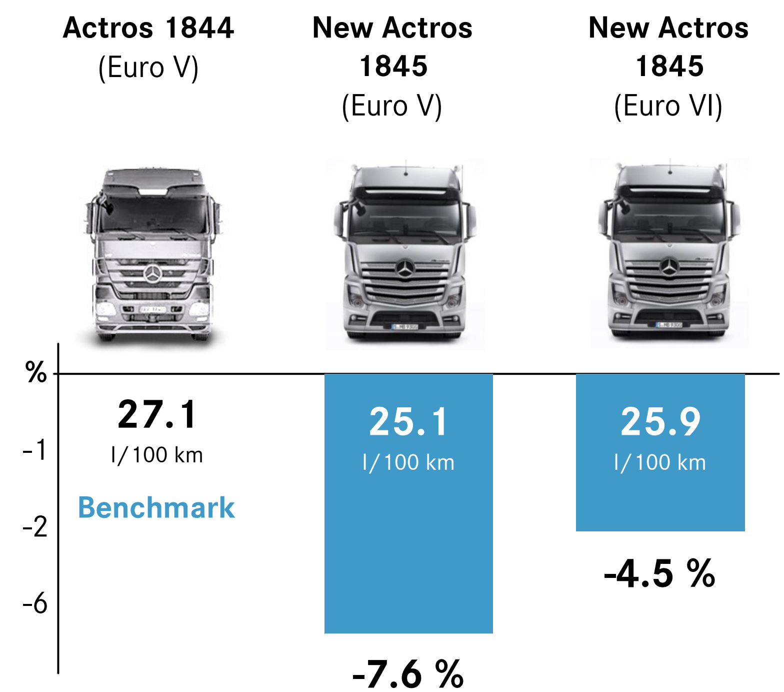
③ TCO increasingly relevant as key driver for customer decisions

Typical operator cost structure (triad)



DT benchmark in fuel efficiency

- example Europe -



New global engine generation ensures benchmark position in all regions

Source: Bundesverband Güterkraftverkehr, Logistik und Entsorgung; Trucker's Report

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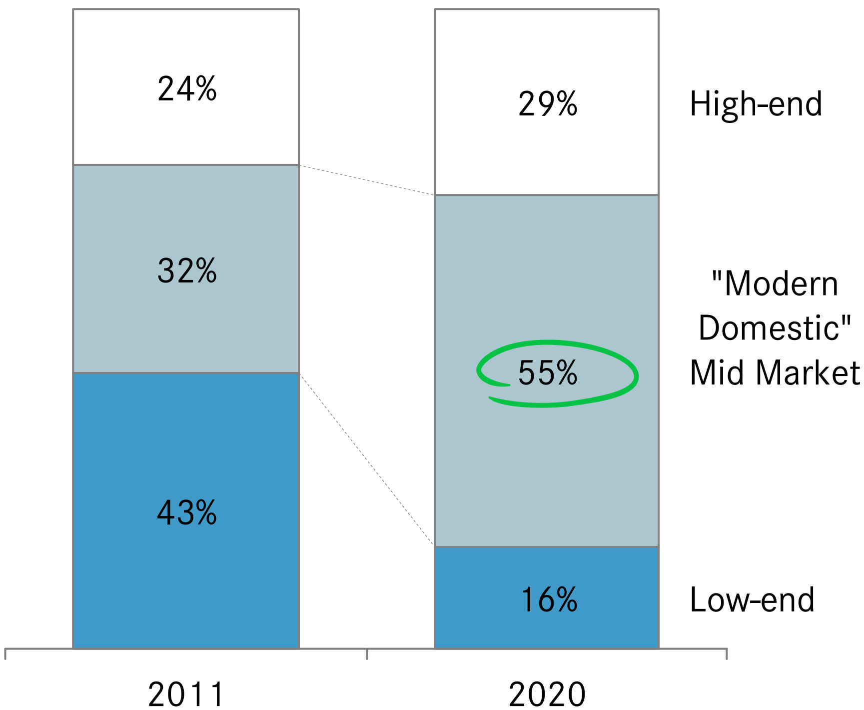
4 Technology dynamics will lead to significant vehicle upgrading

Share of total M/HDT market



Not targeted

Strong DT lineup in "Modern Domestic" to play leading role in RIC
Products from DT toolbox localized to RIC needs

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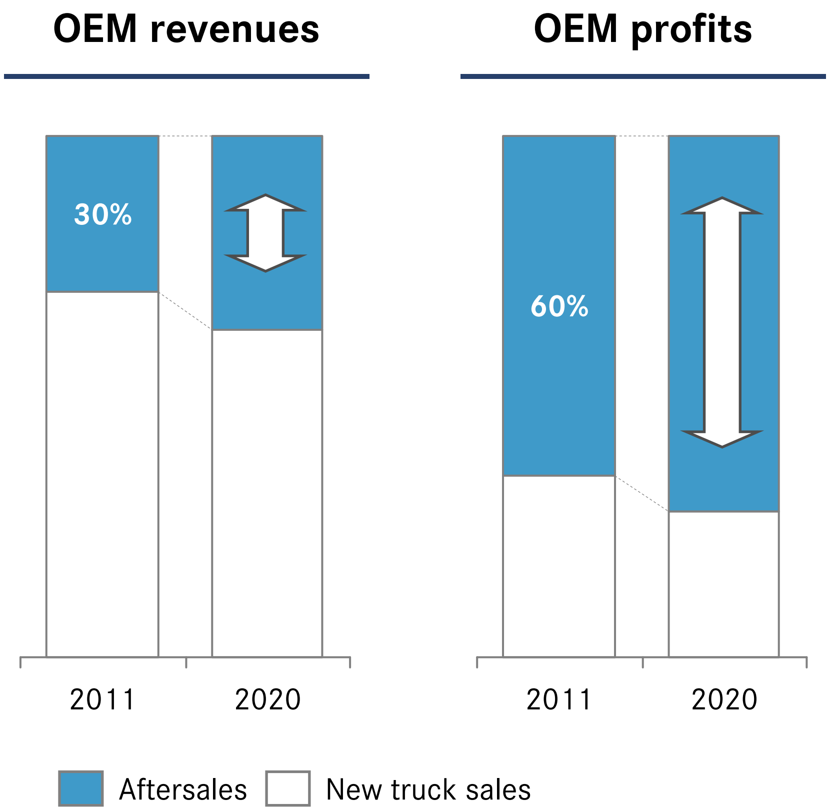
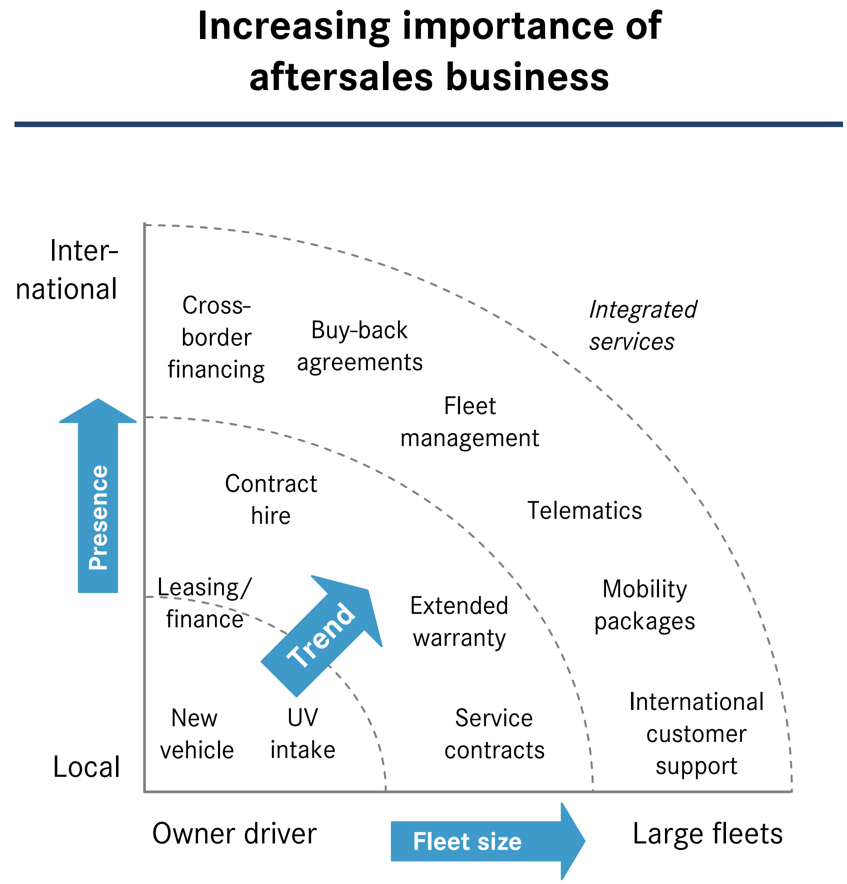
⑤ Industry profits expected to further shift from vehicle to high margin aftersales business





Aftersales business creating stable cash flow across the cycle
DT with unique opportunity to link businesses across lifecycle

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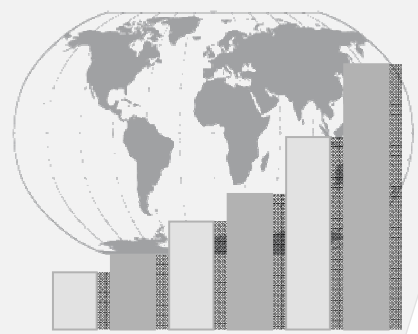
Global Excellence has brought Daimler Trucks to a new level – foundation laid

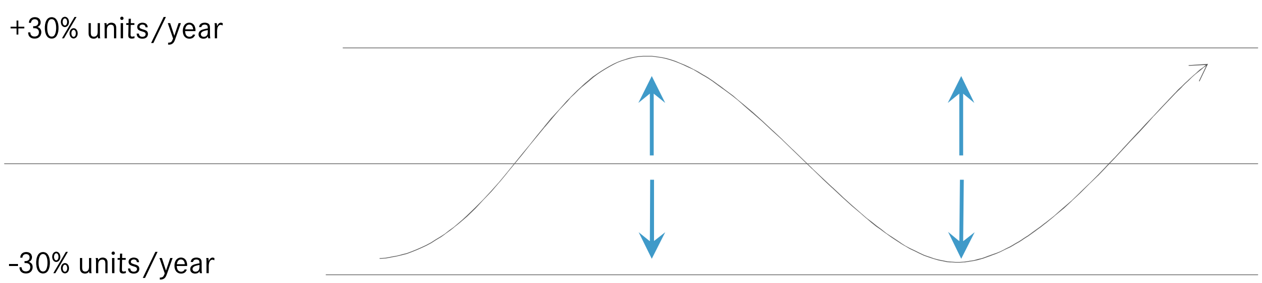
Global Excellence

Global Excellence Pillars	Achievements so far	Next phase
Management of Cycles	Flexibility Measures ✓	Strengthen global industry leadership
Operational Excellence	Efficiency Programs ✓	
Growth and Market Exploitation	BRIC Expansion ✓	
Future Product Generations	Global Platform Roll-out ✓	



Flexibility Measures: Strong progress in increasing DT's flexibility in production plants

Wörth, Mount Holly NC, Kawasaki

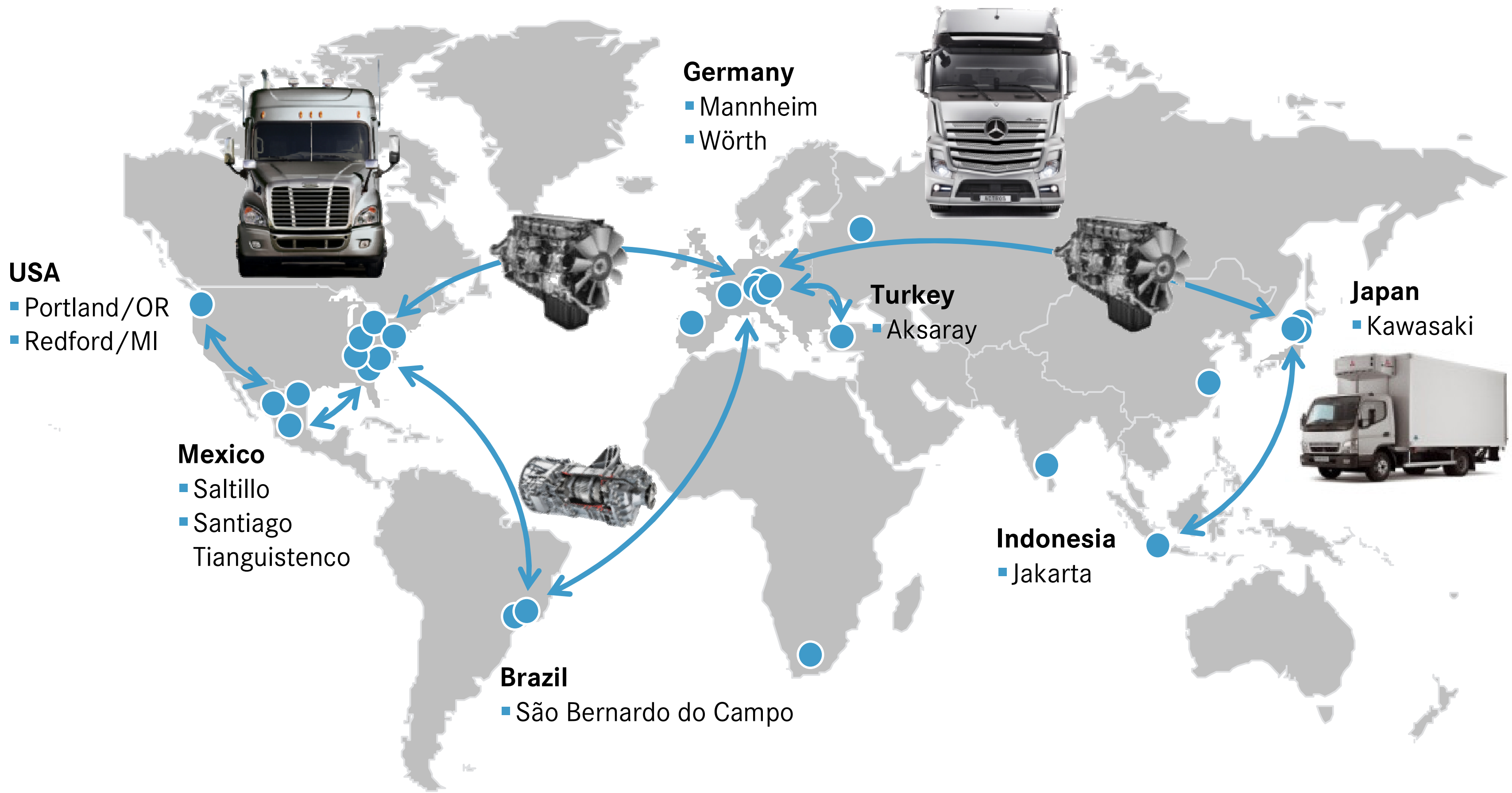


Workforce flexibility
- Flexible working hours
- Flexible shift models

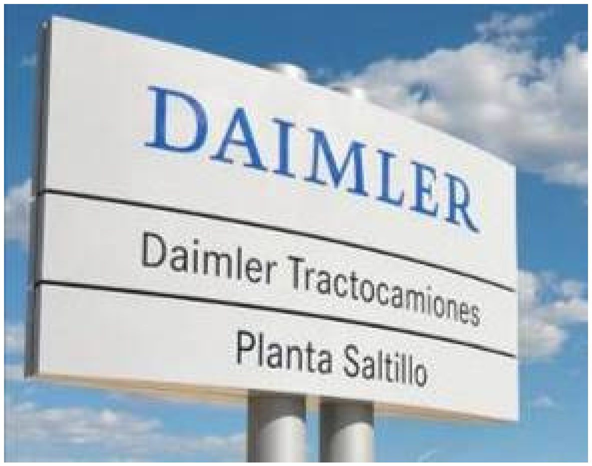
Flexible cycle time
- 430 ↔ 300 units/day

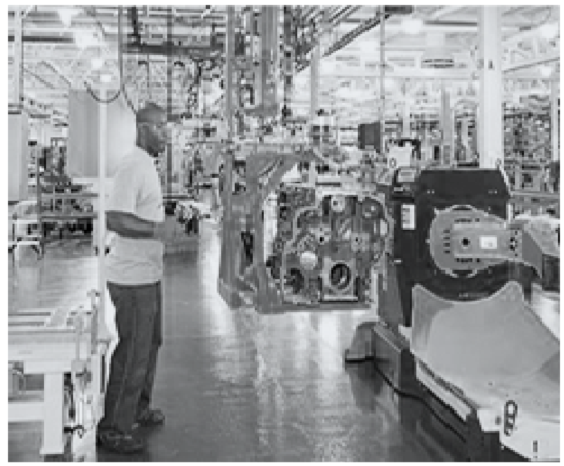
Further flexibility in global production network

Selected facility flexibility across 27 sites



Efficiency programs: New state-of-the-art plants in Mexico and in India





Achievements

- Benefit from regions with low labor costs
- Truck Operating System (TOS): Lean processes and worldwide standards allowed know-how transfer to new plants
- Global sourcing and Lead buying
- Lead/trans concept

Efficiency programs achieved sustainable improvement

Daimler Trucks **EU/LA**

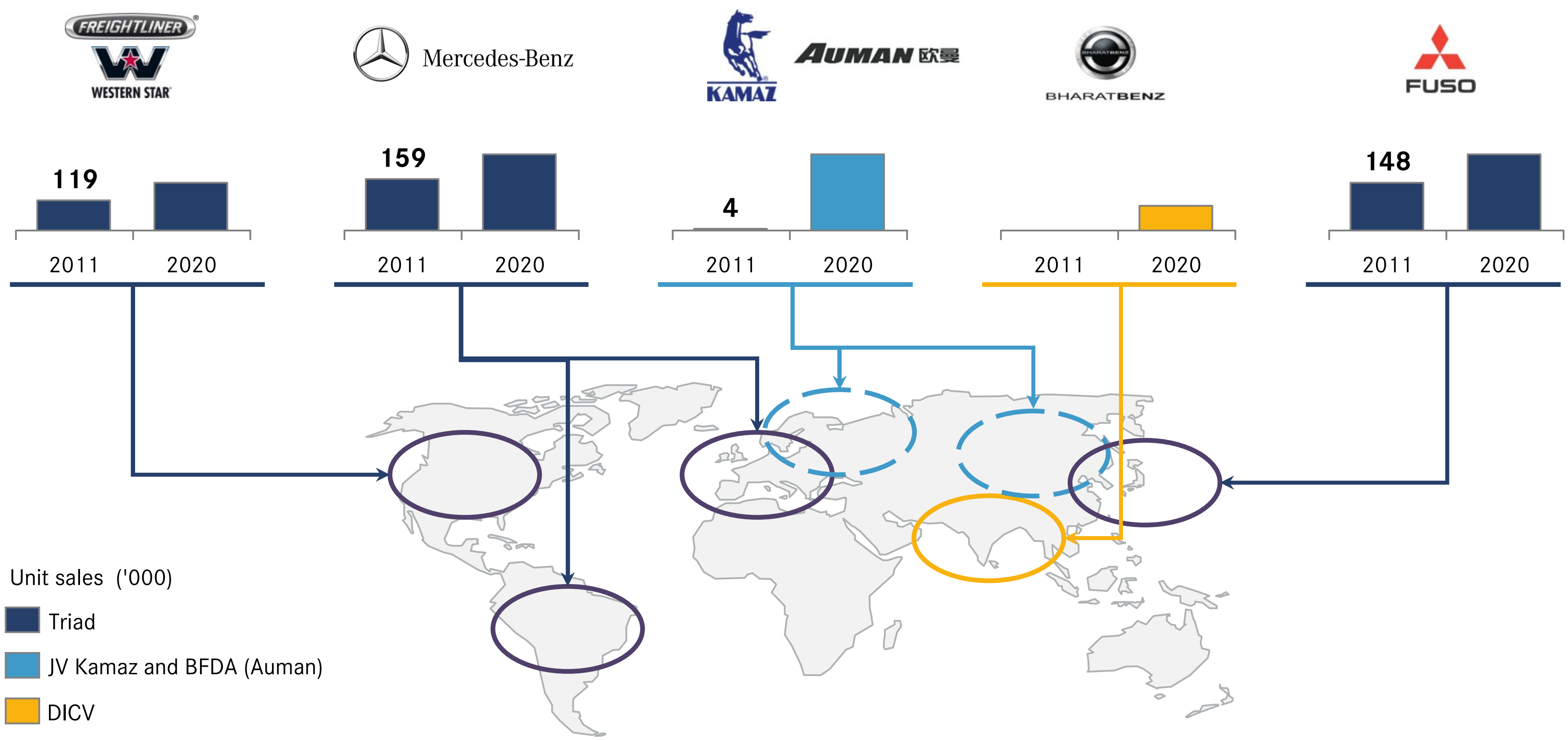
Daimler Trucks **NAFTA**

Daimler Trucks **Asia**

- Top-line push
- Business Model Optimization
- Structural Manufacturing Optimization
- Material and Production Cost Reductions
- Fixed Cost Reduction
- Consolidation of Locations

Targets achieved!

BRIC expansion: Excellent global coverage of Triad and Brazil – RIC coverage implemented in 2012



Target of selling 500 thousand[1] units in 2013 and 700 thousand[1] in 2020

1. Excluding JV sales Auman brand

Production in RIC-states “going live" in 2012

Russia

- Russian Market leader as JV partner
- Daimler is local OEM
- Strong sales performance of Joint Ventures

India

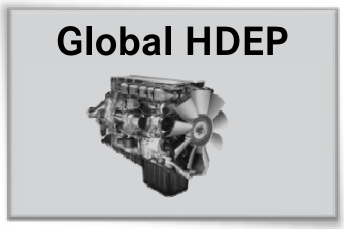
- 3rd biggest CV market
- Production capacity up to over 70,000 units
- Start of production and market launch Q3/12

China

- Strong entry into Chinese HDT market
- Production capacity of 160,000 units
- Start of Operational Business BFDA in July

Our activities in these countries underscore our goal of balanced growth

Global platform roll-out: Foundations laid to reap benefits of global scale

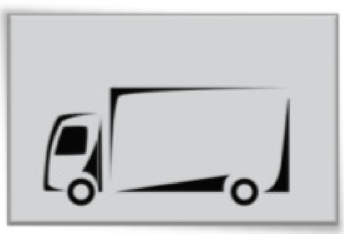


HDEP
Global HD engine platform

2008 Nafta — **2010** Japan — **2011** Europe

New Actros
Global platform for cab-over-engine trucks

2011 Europe



Global LDT
Roll-out of Fuso LDT concept to other markets

2010 Asia — **2011** Europe

- Further global platform roll-out
- Launch of additional platforms

Roll-out of global product platforms has just begun

Best products for our customers and regional operations

Product offensive to continue over next years

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We have defined a clear roadmap for Global Excellence to strengthen our global leadership position: DT#1

Global Excellence

Global Excellence Pillars	Achievements so far	Next phase
Management of Cycles	Flexibility Measures ✓	DT#1 Daimler Trucks
Operational Excellence	Efficiency Programs ✓	Cross-business Initiatives
Growth and Market Exploitation	BRIC Expansion ✓	+
Future Product Generations	Global Platform Roll-out ✓	Excellence Programs

Underlining our target of 8% RoS across the cycle

DT#1 targets 1.6 bn€ benefits – via Excellence Programs in our operating units and cross-business initiatives

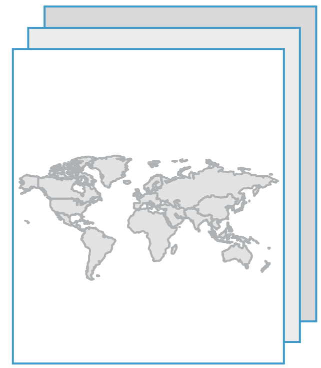
DT#1
Daimler Trucks

Excellence Programs

Trucks EU/LA	Trucks NAFTA	Trucks Asia	Powertrain
MB TRUCKS#1	*Road to Leadership*	*Fuso 2015*	*GET Full Power 2*

+

Cross-business initiatives



Main topics

- Sales and aftersales push
- Cost optimization
- Quality push
- People and high performance culture

- Stringent portfolio review
- Integrated Asia business model
- Global scale realization
- Global aftersales

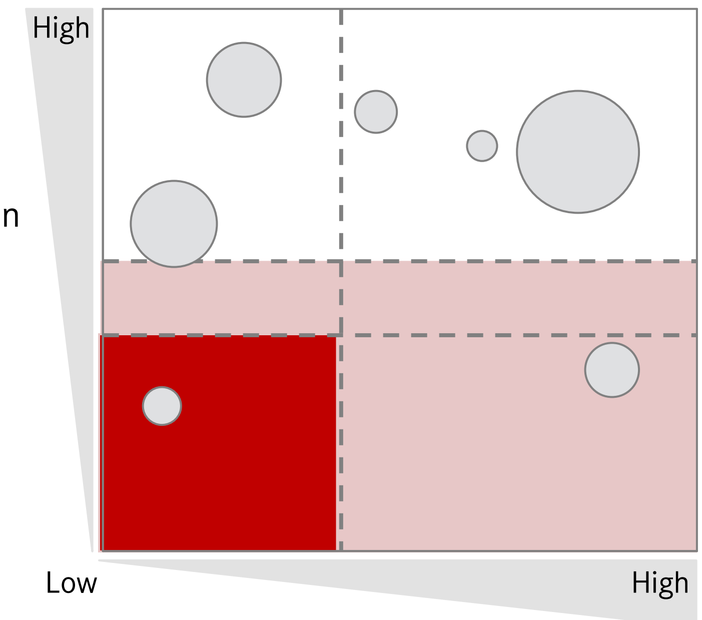
Stringent portfolio review: to optimize our business structure and ensure top performance

Topics

- Products
- Components
- Operations
- Value-chain
- Projects
- Variants

Portfolio analyses and action planning

Attractiveness
- Profitability
- Growth
- Capex/funding
- Value generation potential



DT competitive advantage
- Market position
- Technology

We are working on an integrated Asia business model to significantly improve regional performance

Integrated Asia strategy

Product portfolio alignment

Global market management and S&M setup

Production and sourcing footprint

Partner involvement

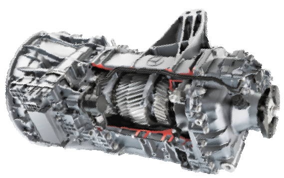
Future Asia setup and governance

Target: Integrated business model

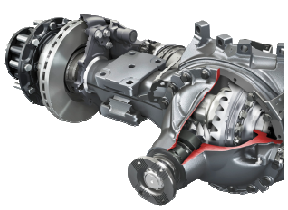
Global powertrain organization to realize scale effects

Strong product base…

HDEP/MDEG
The new global engine platforms



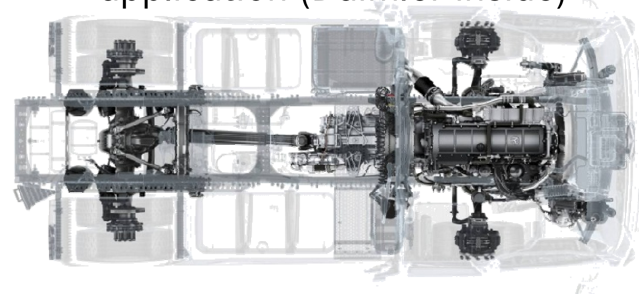
PowerShift
Perfect integration for high performance



Common Axle Platform
Cutting edge, globally

…and a clear vision

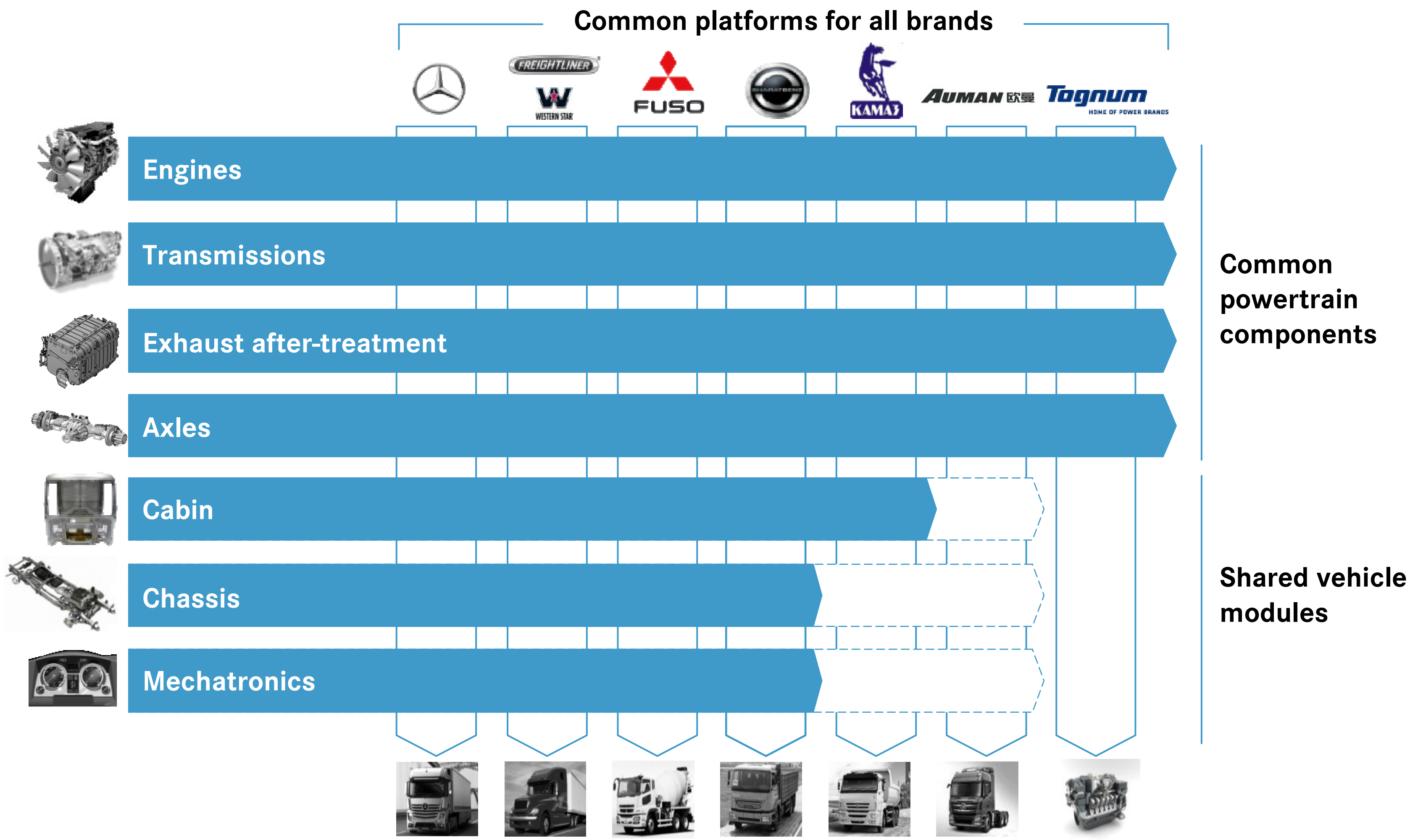
Integrated Powertrain with global application (Daimler inside)



Off-high-way push

Tognum
HOME OF POWER BRANDS

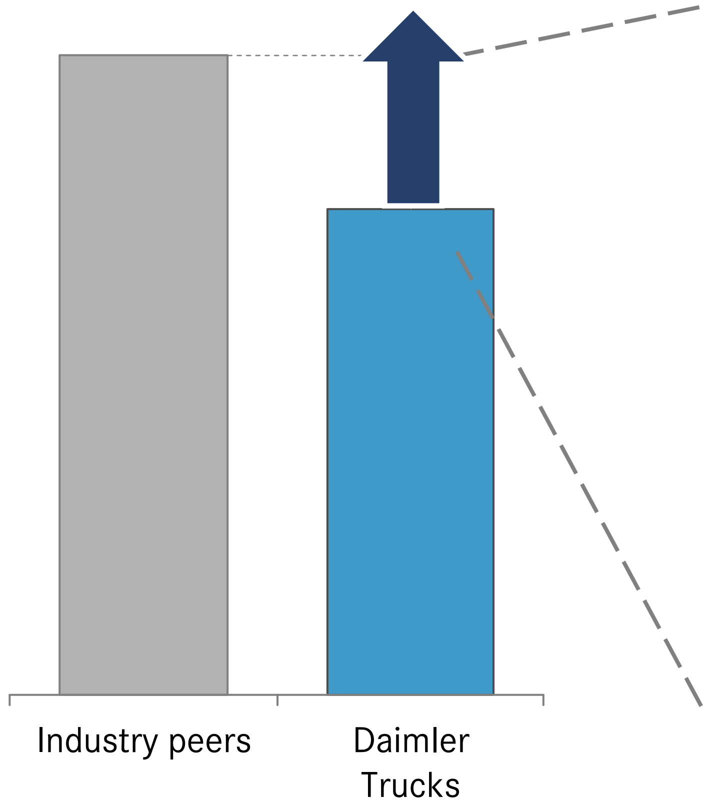
Platform and module strategy to fully leverage commonality for powertrain and vehicles



Acceleration of aftersales business to fully tap aftermarket business

DT with strong aftersales potential

Aftersales % of revenue



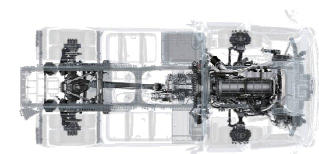
Key levers

Aftersales excellence — Mercedes-Benz CharterWay, ASP, FUSO VALUE

Common parts for global platform

HDEP/MDEG platforms

"Daimler inside" to increase DT powertrain penetration



Reman growth

DETROIT REMAN

Global fleetboard roll-out — FLEETBOARD

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5 **Outlook**

Financial Outlook and Targets

- **Outlook 2012**
  Higher unit sales expected and EBIT at least at the 2011 level

- **Target 2013**
  Milestone: 8% RoS in 2013 and on average over the cycle afterwards

- **Sales leadership**
  Milestones: 500k in 2013 / 700k in 2020

- **Technology leadership**
  We offer the best products in terms of TCO and fuel efficiency, globally.

- **Our vision**
  No. 1 in the global truck industry and sustainable leadership in profitability. DT#1 targets benefits of 1.6 B€, coming from Sales / After Sales Push, variable / fixed cost reduction and platform/module rollout