

# DAIMLER

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## Daimler Trucks Division Day



Mercedes-Benz



BHARATBENZ

Mannheim, June 28th 2012

Hubertus Troska, Head of Mercedes-Benz Trucks

Daimler Trucks

## Agenda

**1** **Market Update**

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**2** Foundation Laid / Next Level of OU optimization

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**3** Global Scale Realization

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**4** Best Products / Best TCO

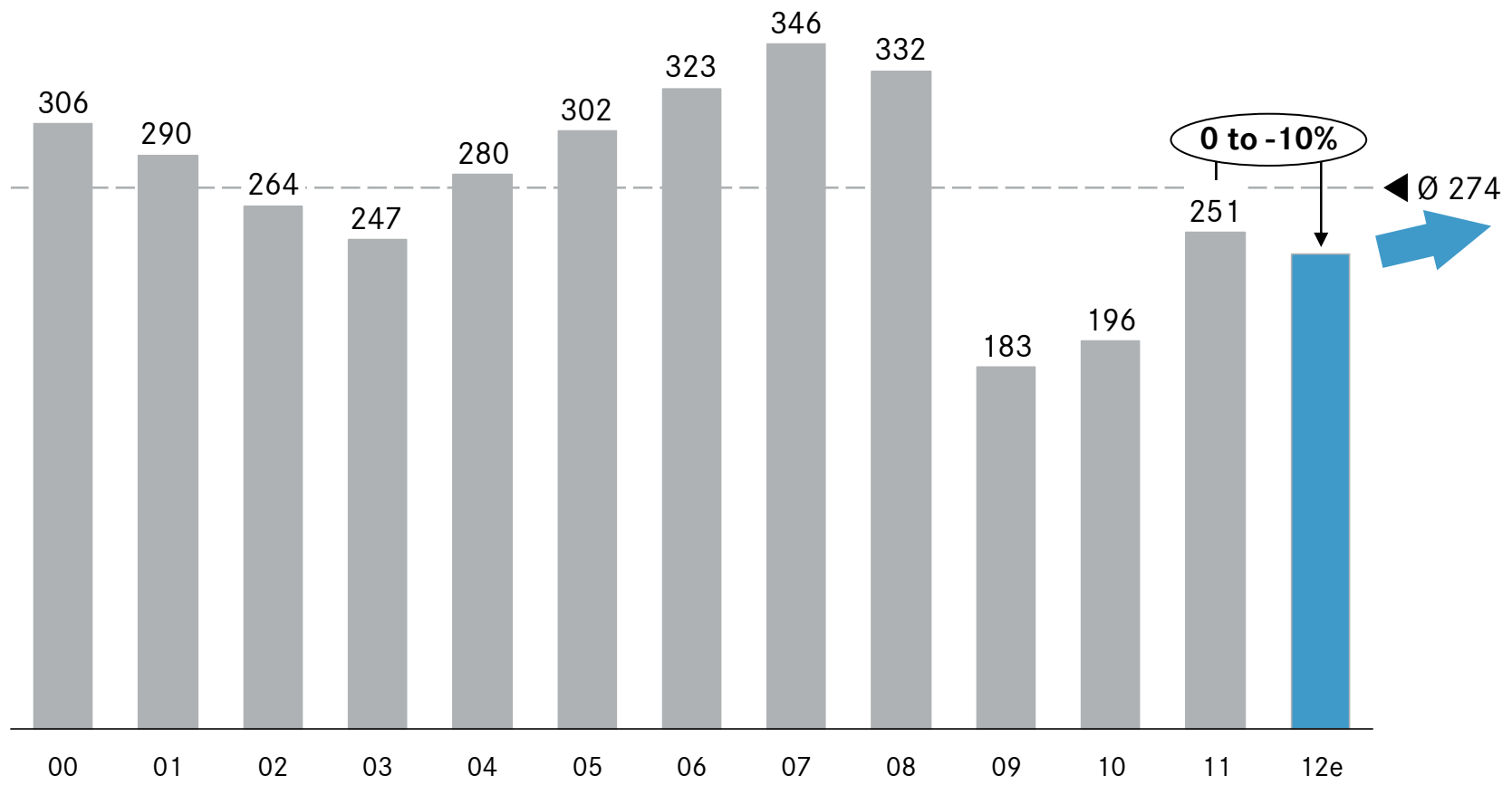
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**5** Aftersales and Services Push

## Truck market EU 25

Truck Market Europe (MDT/HDT)\*

- '000 units -

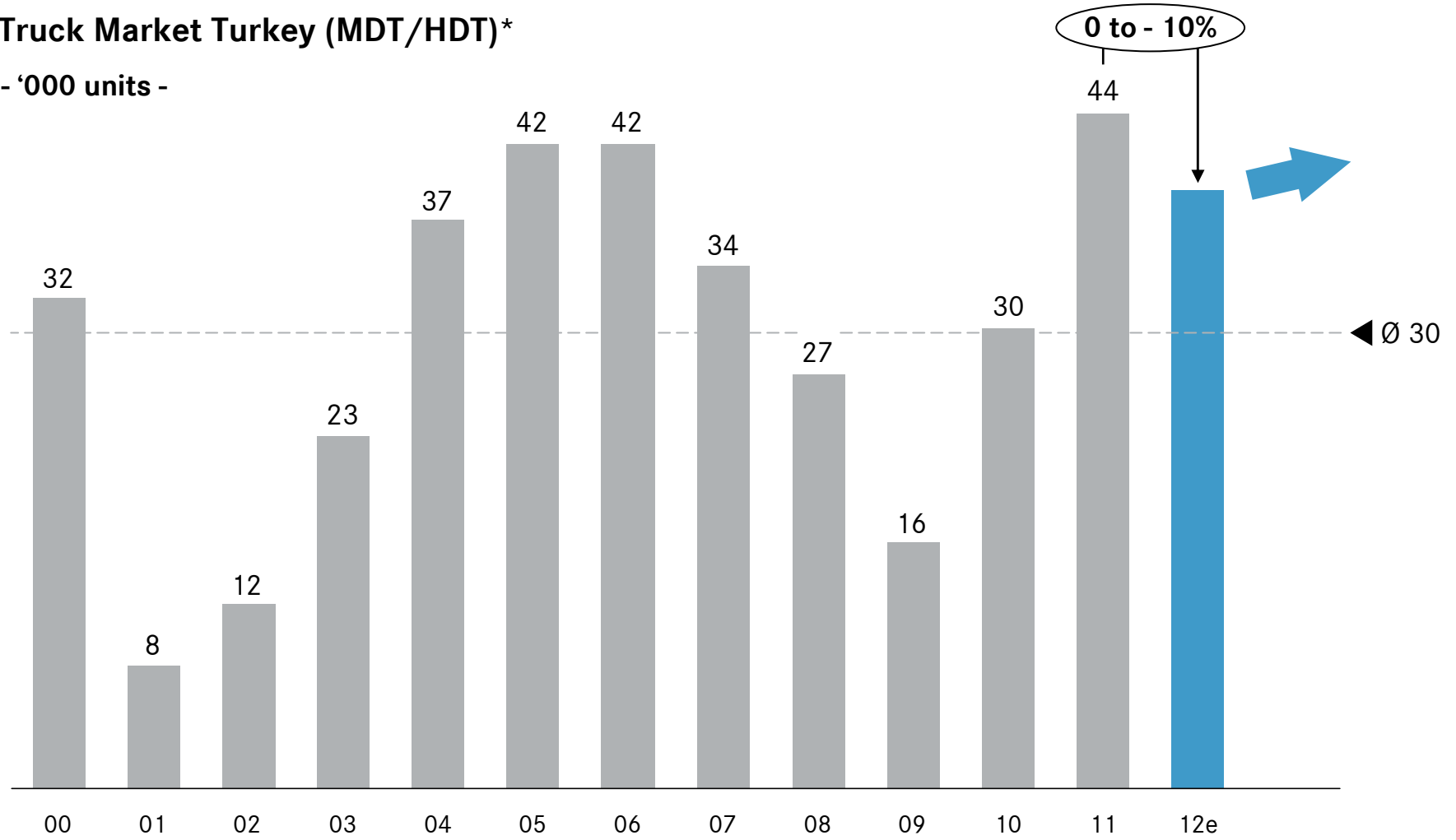


\* Truck Market EU25 (MDT/HDT) > 6t

## Truck market Turkey

Truck Market Turkey (MDT/HDT)\*

- '000 units -

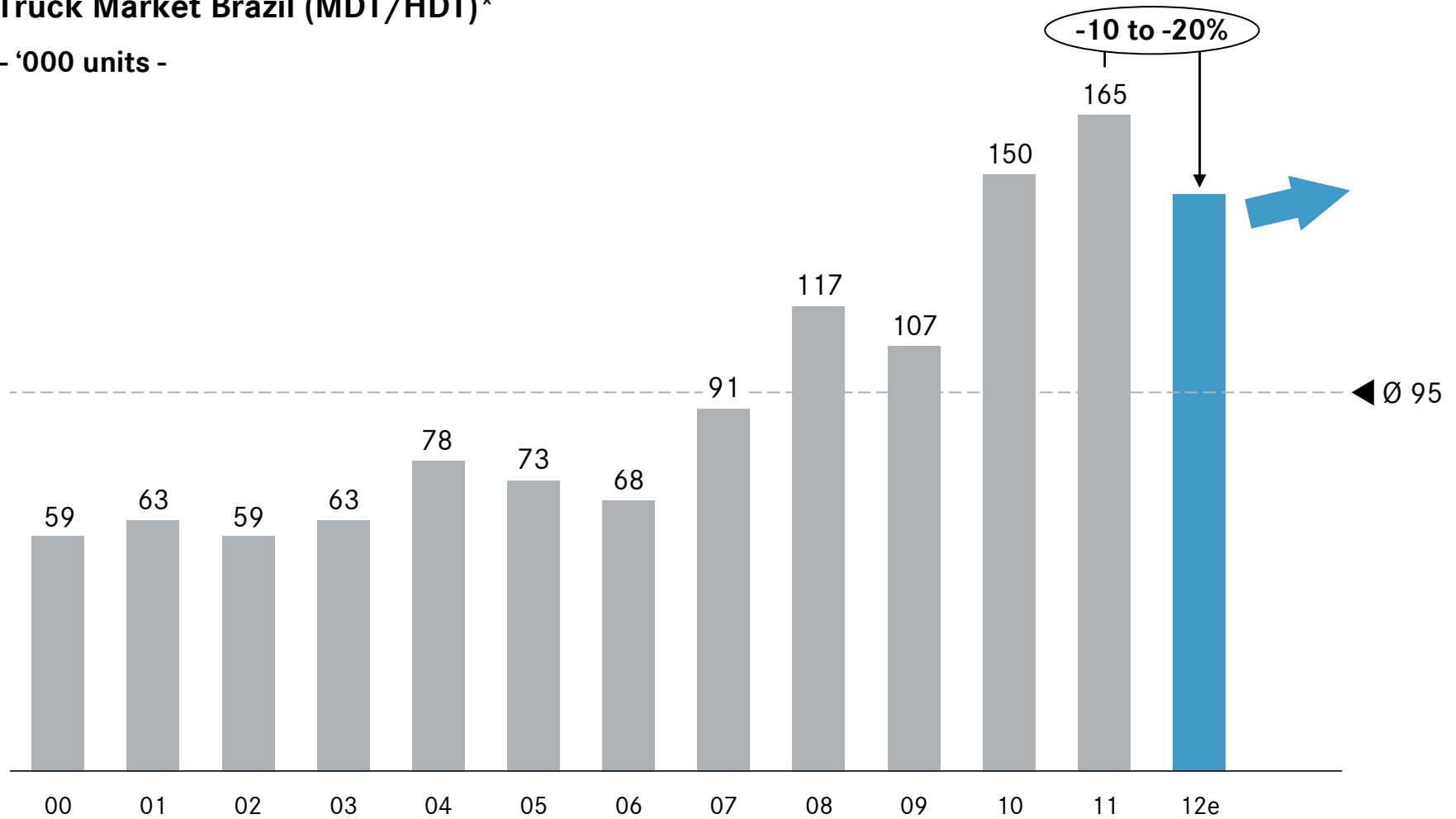


\*Truck Market Turkey (MDT/HDT) > 6t

## Truck market Brazil

Truck Market Brazil (MDT/HDT)\*

- '000 units -

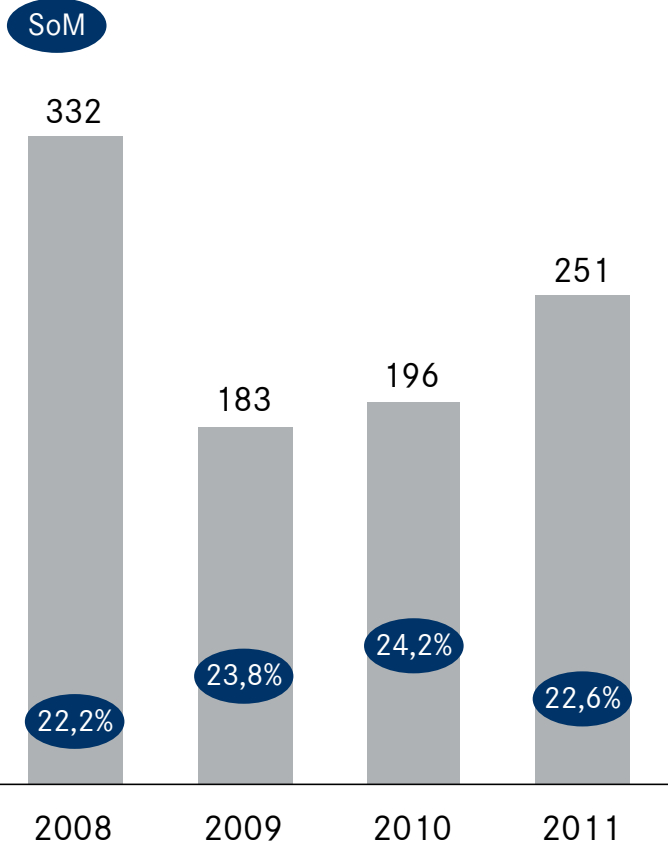


\*Truck Market Brazil (MDT/HDT) > 6t, since 01/2010 based on vehicle registrations

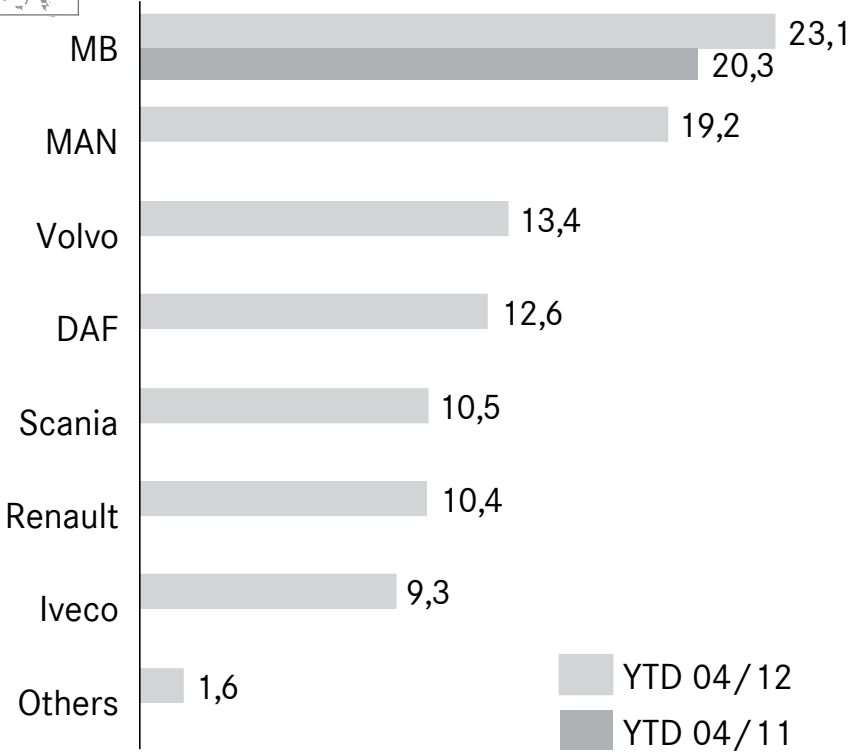
# Mercedes-Benz Trucks is market leader in Europe

## Truck Market Europe\*

- '000 units -



## Market Share Europe\*

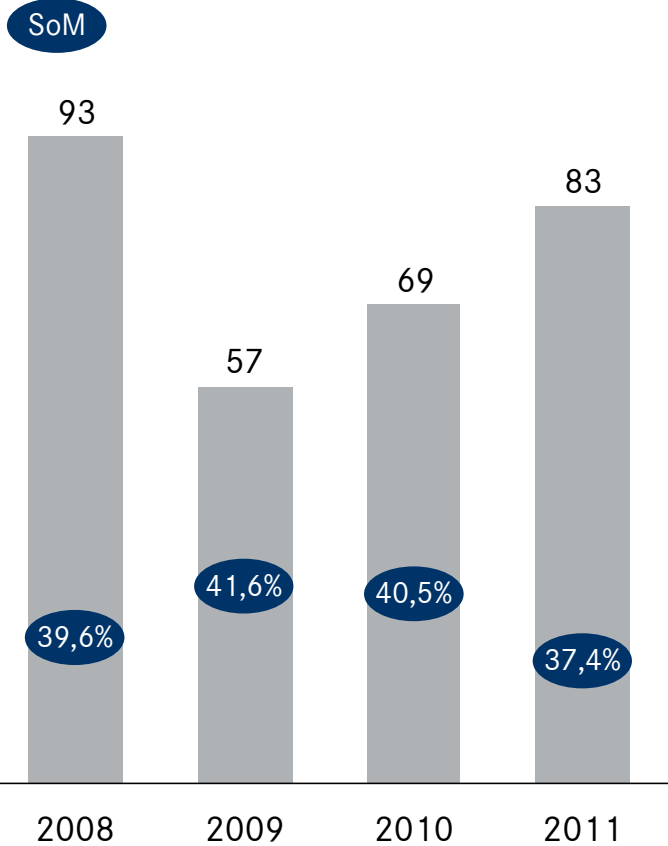


\* Truck Market EU25 (MDT/HDT) > 6t

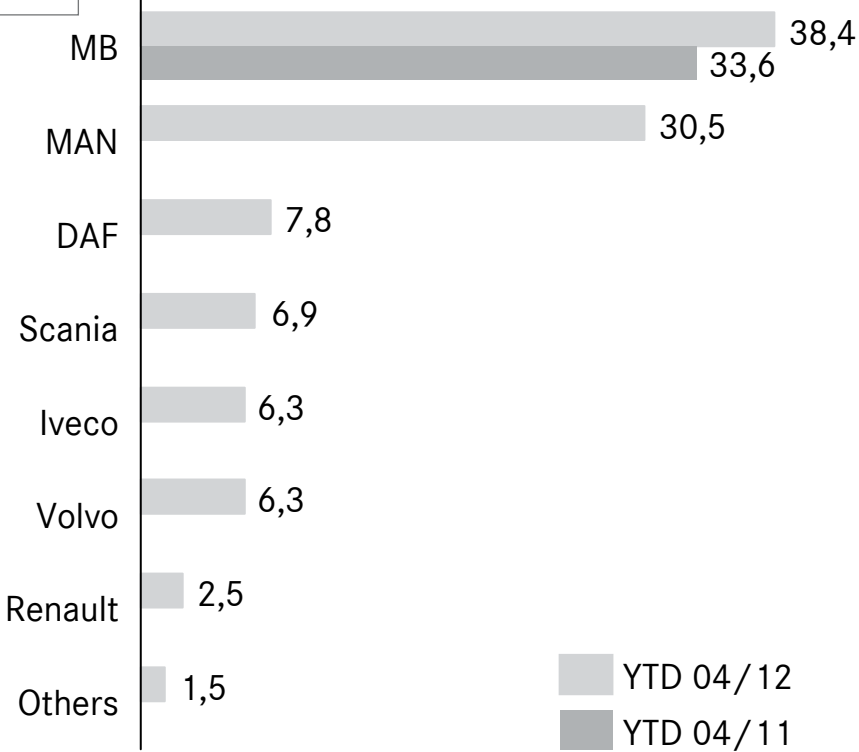
# Mercedes-Benz Trucks is market leader in Germany

## Truck Market Germany\*

- '000 units -



## Market Share Germany\*



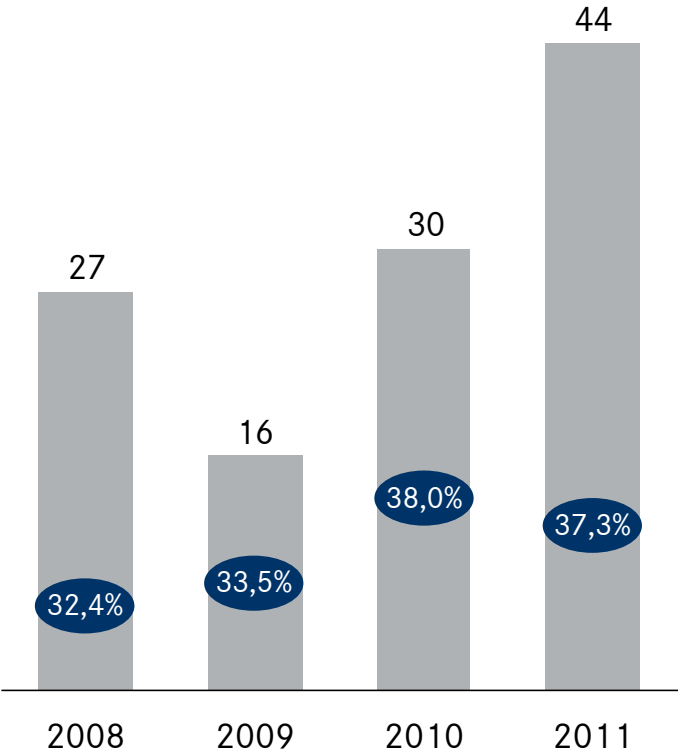
\*Truck Market Germany (MDT/HDT) > 6t

# Mercedes-Benz Trucks also clear market leader in Turkey

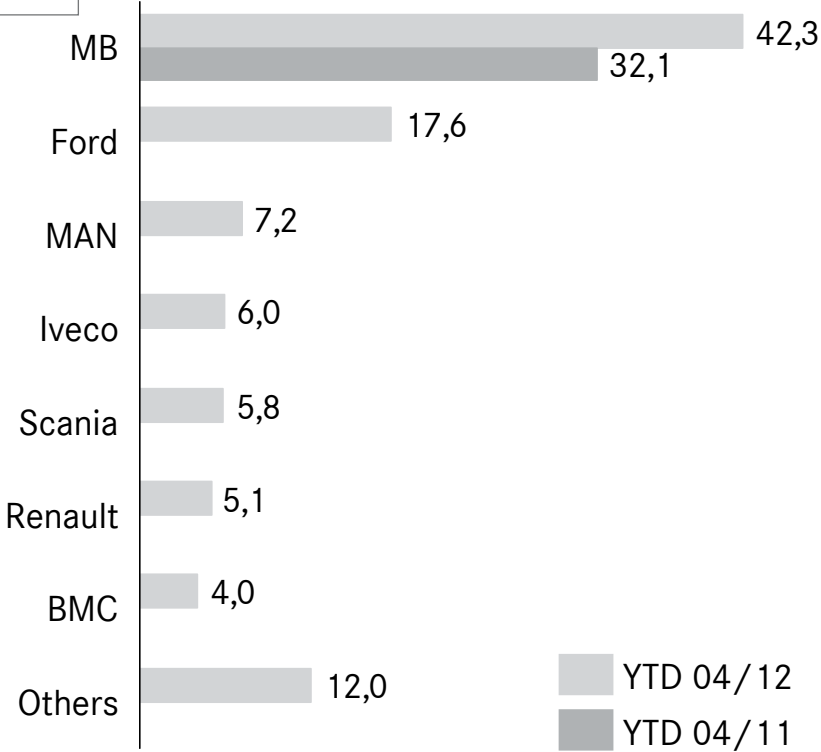
## Truck Market Turkey\*

- '000 units -

SoM



## Market Share Turkey\*



\*Truck Market Turkey (MDT/HDT) > 6t

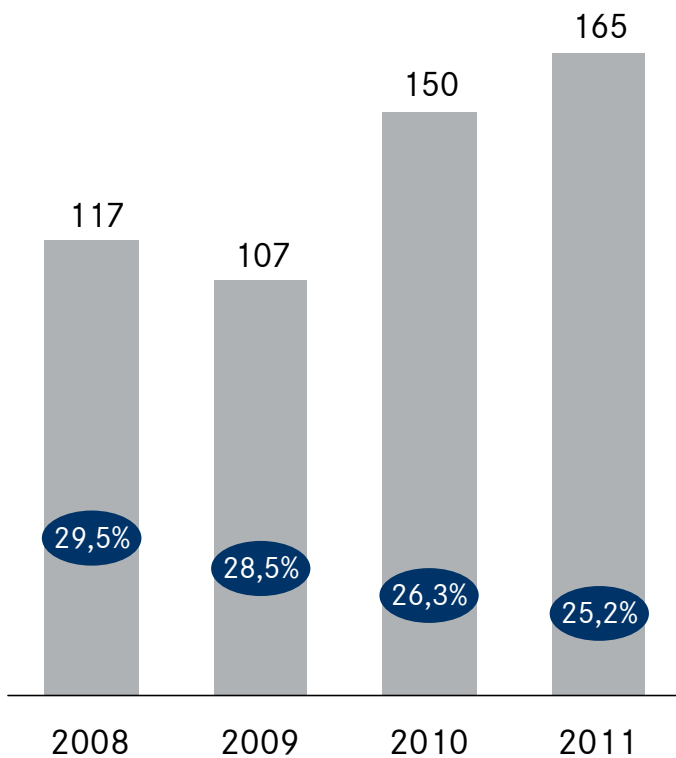


# Mercedes-Benz Trucks Brazil with increasing market share

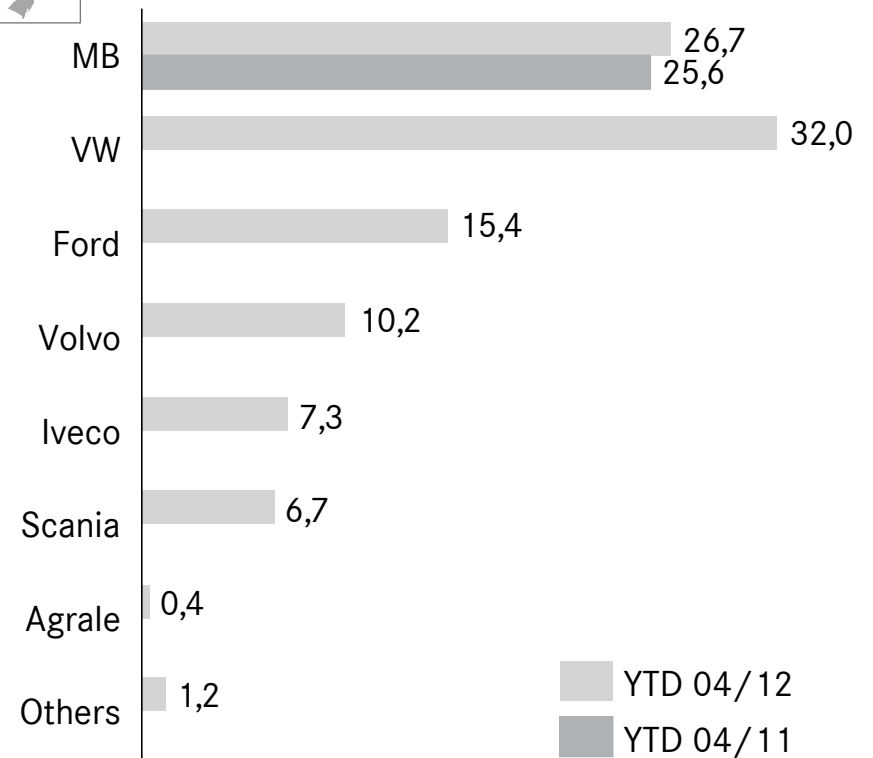
## Truck Market Brazil\*

- '000 units -

SoM

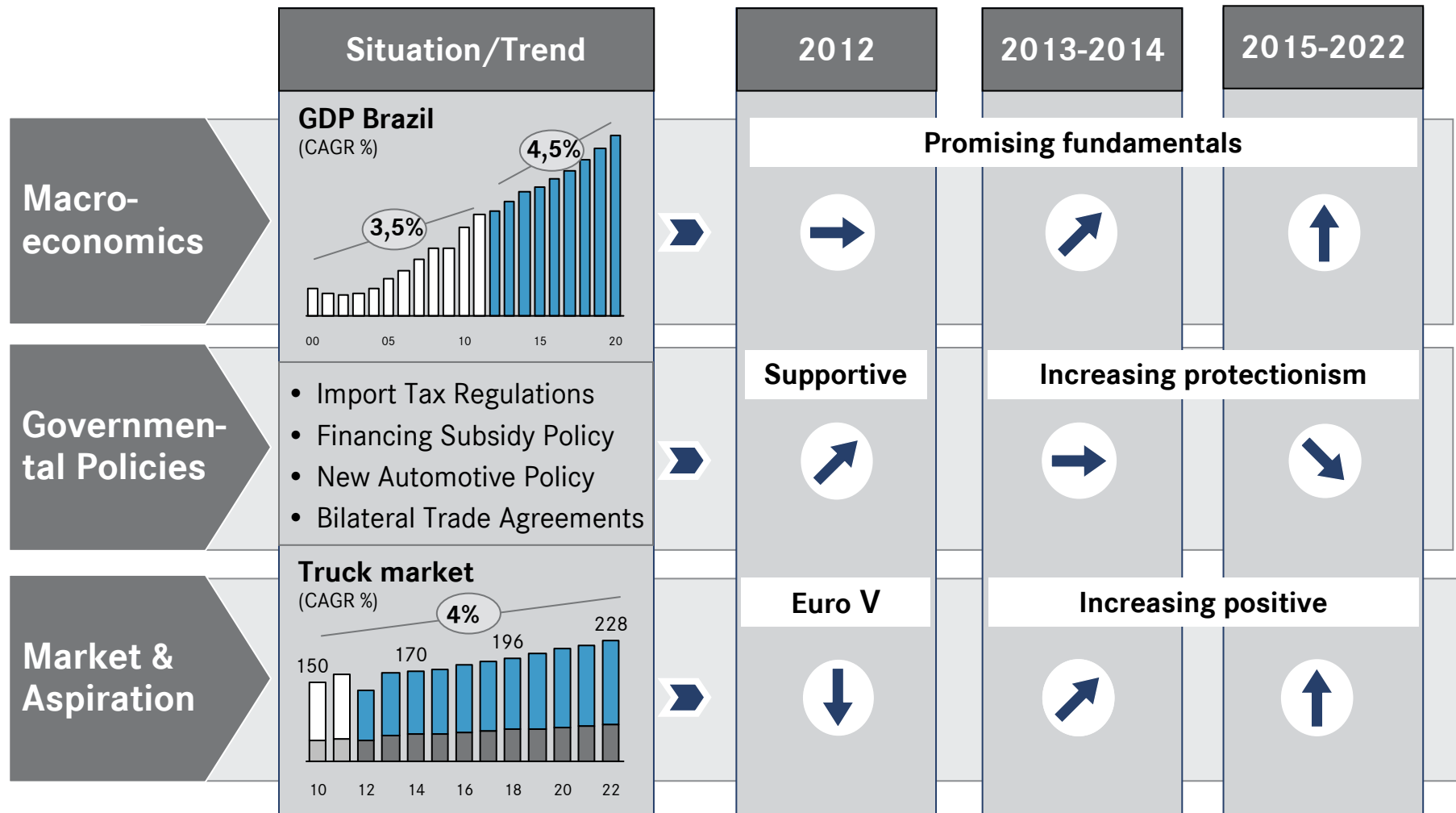


## Market Share Brazil\*



\*Truck Market Brazil (MDT/HDT) > 6t, since 01/2010 based on vehicle registrations

## Promising macroeconomic and positive market outlook are accompanied by protectionist trends



## Measures to sustainably recover and strengthen our Brazil Truck operation

### First immediate measure

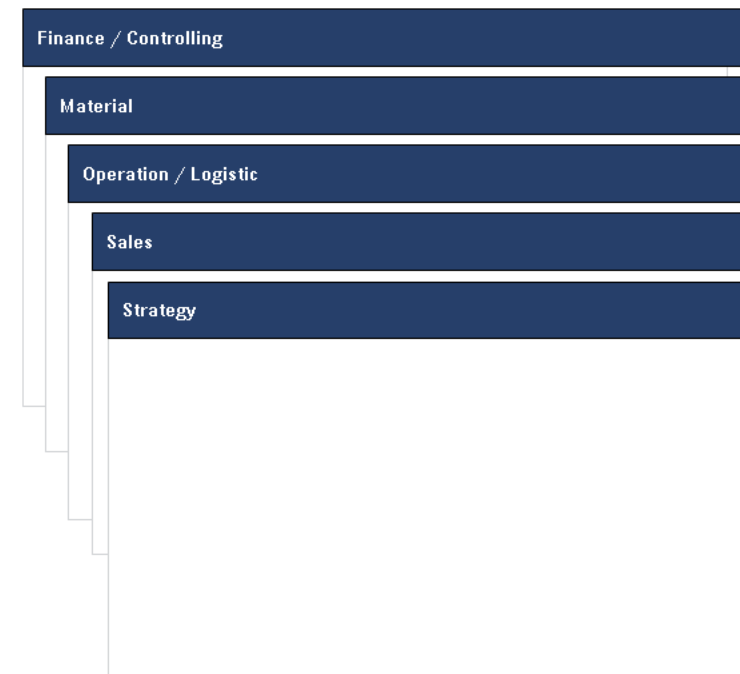
**Brasilien**

### Daimler drosselt die Produktion

Daimler drosselt wegen der geschrumpften Nachfrage nach Nutzfahrzeugen in Brasilien die Produktion in seinen dortigen Werken. Rund 1500 Mitarbeiter absolvierten in den kommenden fünf Monaten Qualifizierungsmaßnahmen, sagte eine Daimler-Sprecherin am Mittwoch in Stuttgart. Der Konzern beschäftigt bei seiner Tochter Mercedes Benz do Brasil landesweit rund 15 000 Mitarbeiter in drei Produktionswerken. Die Nutzfahrzeugnachfrage ist in Brasilien zuletzt geschrumpft, da sich viele Speditionen bereits im vergangenen Jahr – vor Einführung der verschärften Abgasnormen – neue Lkws zugelegt haben. Im ersten Quartal brach der Absatz von Daimler Trucks in Lateinamerika um 28 Prozent auf rund 10 000 Fahrzeuge ein. Auch Daimlers schärfste Konkurrenten, Volvo und MAN, wiesen zuletzt schwächere Verkaufszahlen in Südamerika aus. *rtr*

- 1.500 workers put on leave for 5 months
- 300 hours of training
- Compensation shared between DT and workers' fund

### Midterm strategy

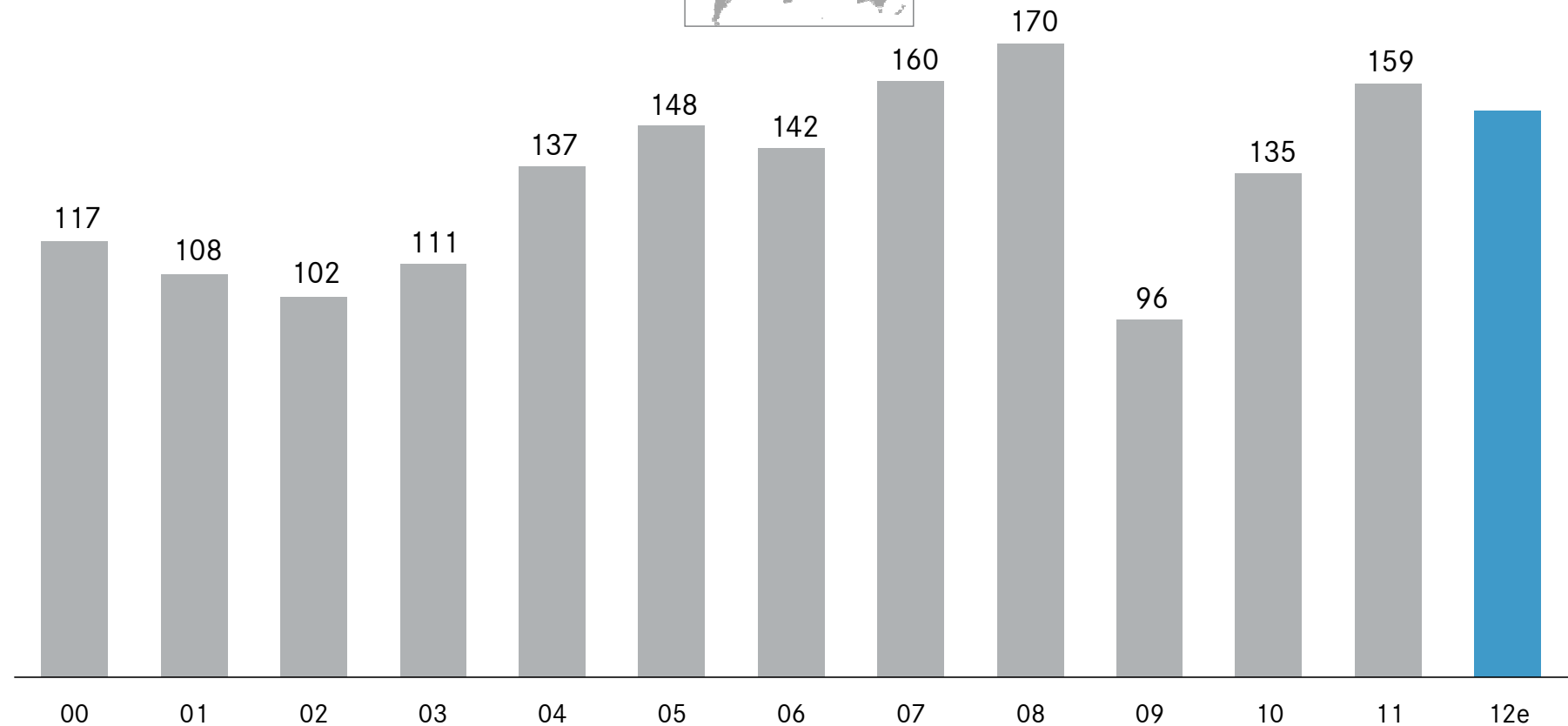


- Analysis of situation Trucks @ MBBras
- Baselining and derivation of levers
- Recommendation for improving and sustainably safeguarding profitability

2011 was a strong year for MB Trucks, but it has become clear that economic conditions remain volatile.

## Mercedes-Benz Truck sales worldwide

- '000 units -



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4 Best Products / Best TCO

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5 Aftersales and Services Push

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

### Global Excellence

#### Global Excellence Pillars

Management of Cycles

Operational Excellence

Growth and Market Exploitation

Future Product Generations

#### Achievements so far

Flexibility Measures ✓

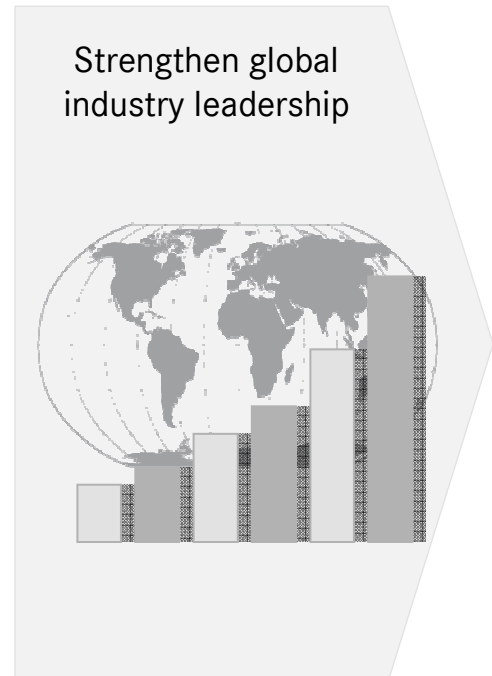
Efficiency Programs ✓

BRIC Expansion ✓

Global Platform Roll-out ✓

#### Next phase

Strengthen global industry leadership



## Management of Cycles – Flexible Global Production Network allows to quickly adjust to down cycles.

- Workforce flexibility

Flexible working hours  
Flexible shift models  
Time account system

- Flexible cycle time

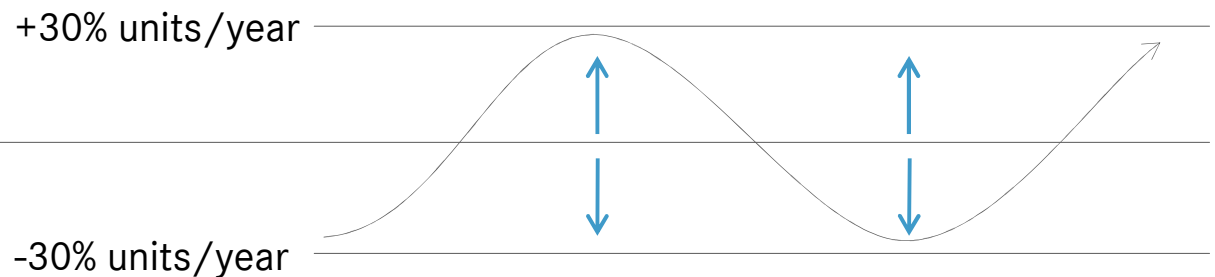
430 ↔ 300 units/day

- Facility flexibility

Flexible network  
Wörth ↔ Aksaray



\* e.g. Wörth, Aksaray and Brazil



## Focus on BRIC for growth and market exploitation

### Brazil



▶ 50+ years – “home market” in LA

- ▶ Strengthen top market position
- ▶ Integration into international product and component network
- ▶ Mercedes-Benz Actros production at new Juiz de Fora plant

### Russia



▶ Strategic partnership with Kamaz

- ▶ Cooperation with Russian HDT market leader
- ▶ Partnership for technology transfer and joint projects

### India



▶ Daimler subsidiary: Daimler India CV Ltd.

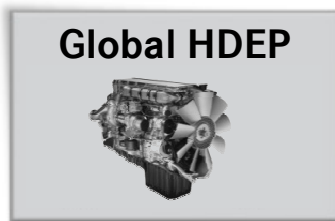
### China



▶ JV with Foton



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



**HDEP**  
Global HD engine platform



**New Actros**  
Global platform for cab-over-engine trucks



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

**Roll-out of global product platforms has just begun**

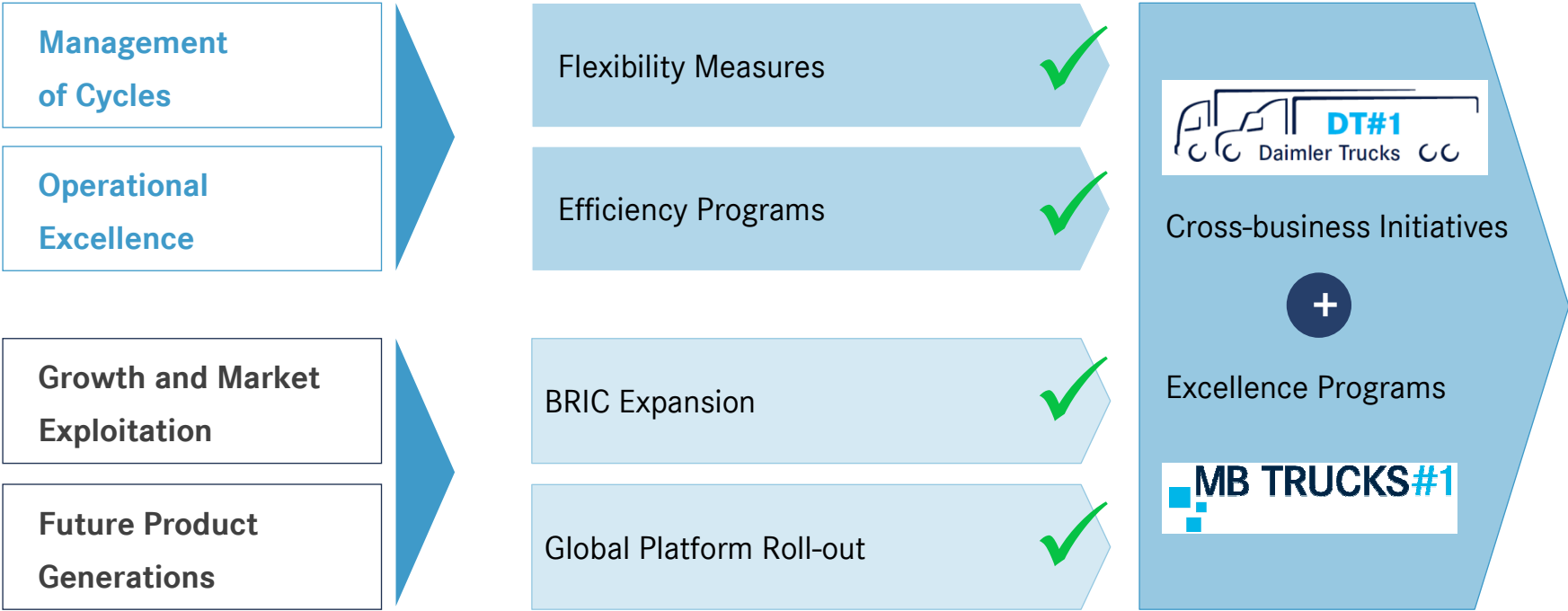
# We have defined a clear roadmap for Global Excellence to strengthen our global leadership position: DT#1

Global Excellence

Global Excellence Pillars

Achievements so far

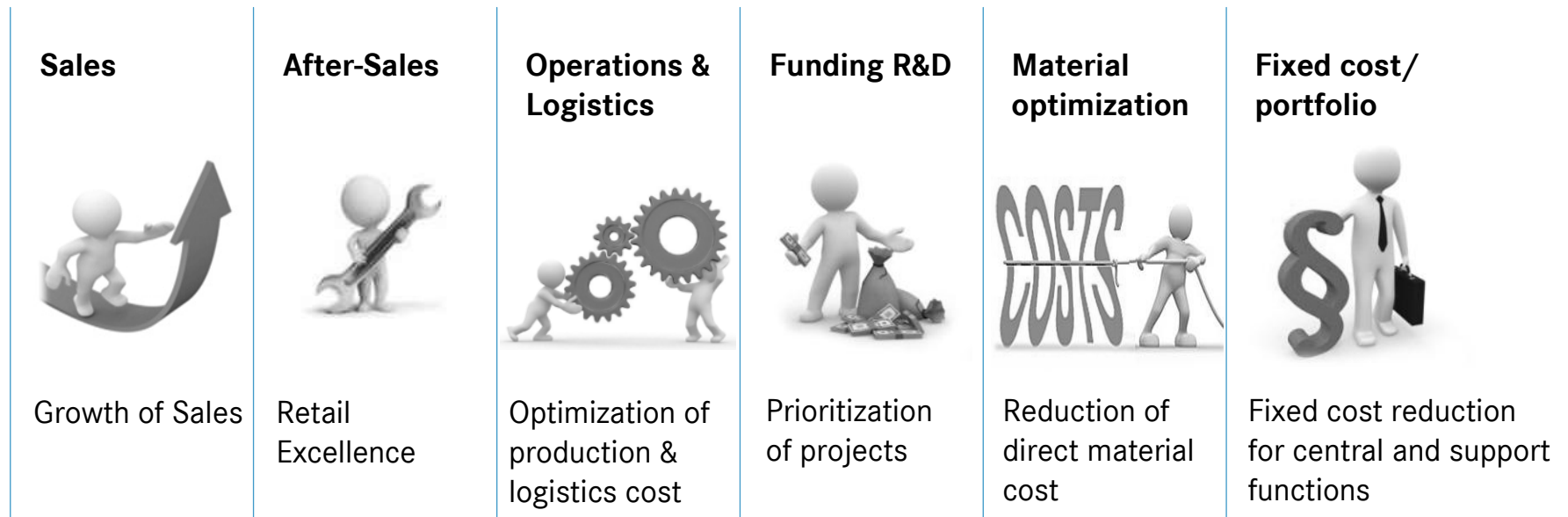
Next phase



**Underlining the Daimler Trucks target of 8% RoS across the cycle**

## MB Trucks #1 - Good strategic foundation laid for the next wave of OU optimization ...

### MB TRUCKS#1



**.. with significant contribution to the Daimler Trucks success in the next years!**

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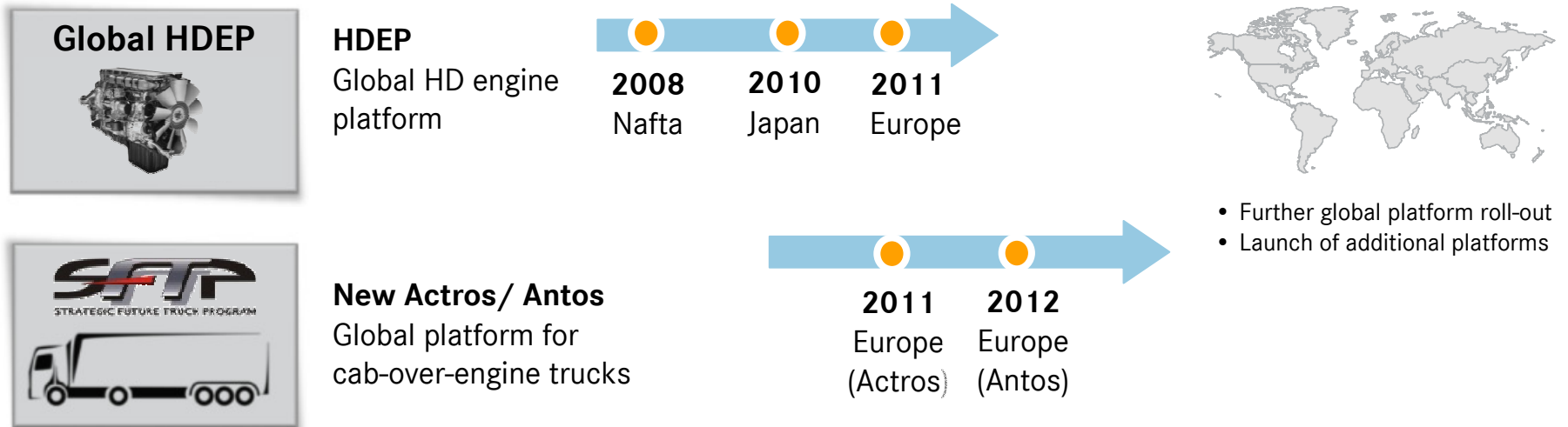
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4 Best Products / Best TCO

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5 Aftersales and Services Push

## Global scale realization to be continued with the new Mercedes-Benz Antos



**Roll-out of global product platforms has just begun**

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## Future Product Generations: Global Product Offensive



## Future Product Generations: Global Product Offensive

Long-distance

The new Actros



Distribution >18t

The new Antos



“More to come”

The new “...”



...to be continued...

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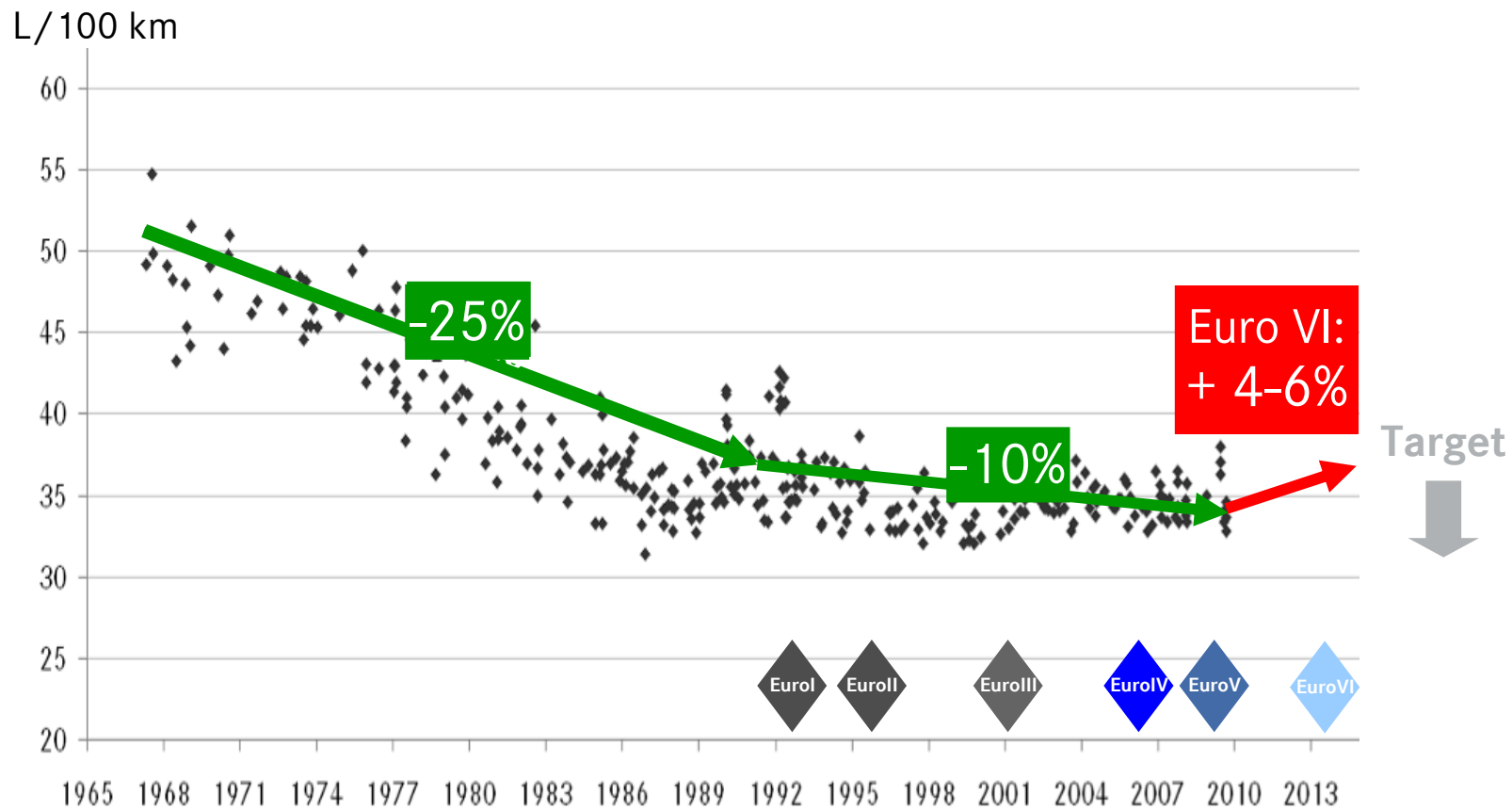
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5 Aftersales and Services Push



## Euro standards have clearly slowed down the fuel savings. Euro VI causes additional consumption of 4 to 6%!

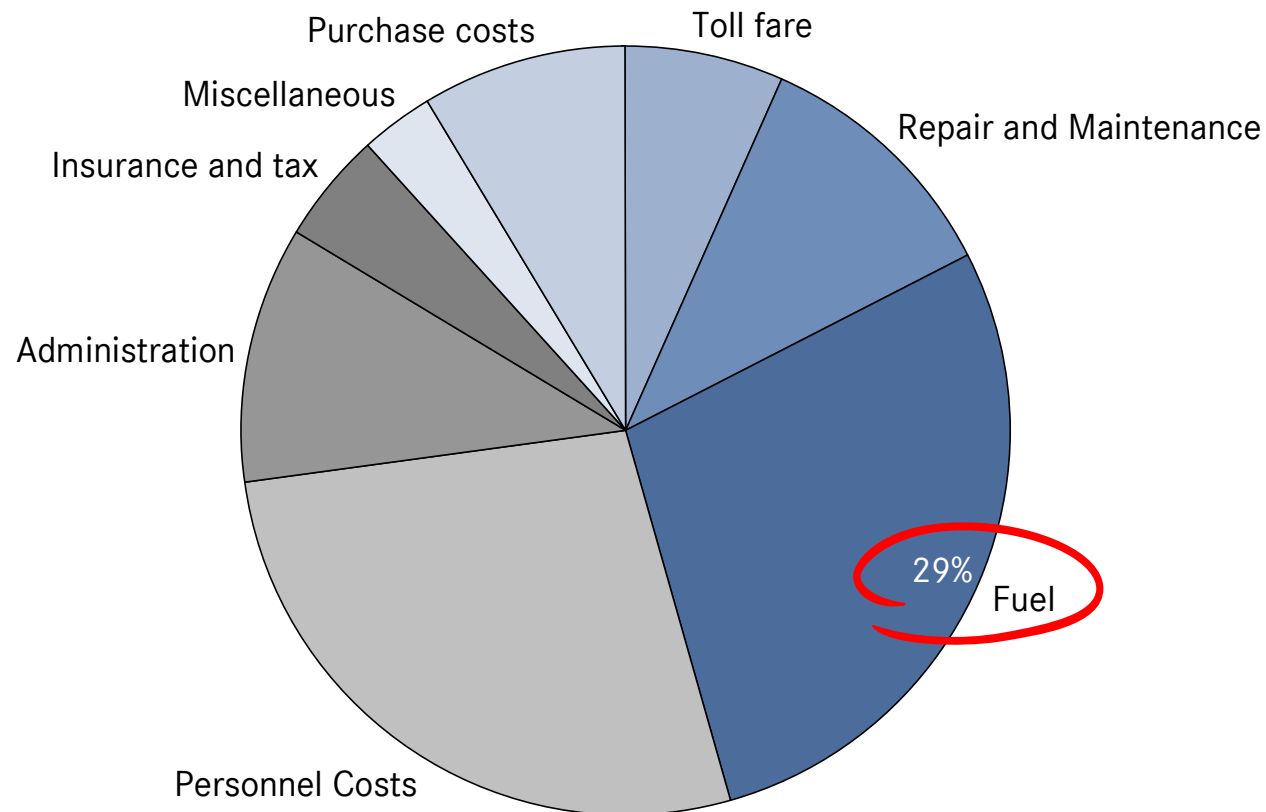
Actual situation: Euro standards and fuel effects\* for the truck industry



\* Source "Lastauto Omnibus" test report 1966-2009, (all Brands)

## Major profitability leverage is fuel consumption...

Total Cost of Ownership (TCO)\*



1 litre diesel = 2,64 kg CO<sub>2</sub>

\* Example: Actros 1844 LS (150 tkm/a, 48 Months, Germany)

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## The new Actros. Positioning on 3 core elements.



Comfort

Driving dynamics

Profitability

## Payday for our customers' wallet

### Fuel consumption / CO<sub>2</sub> of the new Actros



**-6-7%** **-4-5%**

**“New Actros”  
vs. Actros**

#### Calculation example:

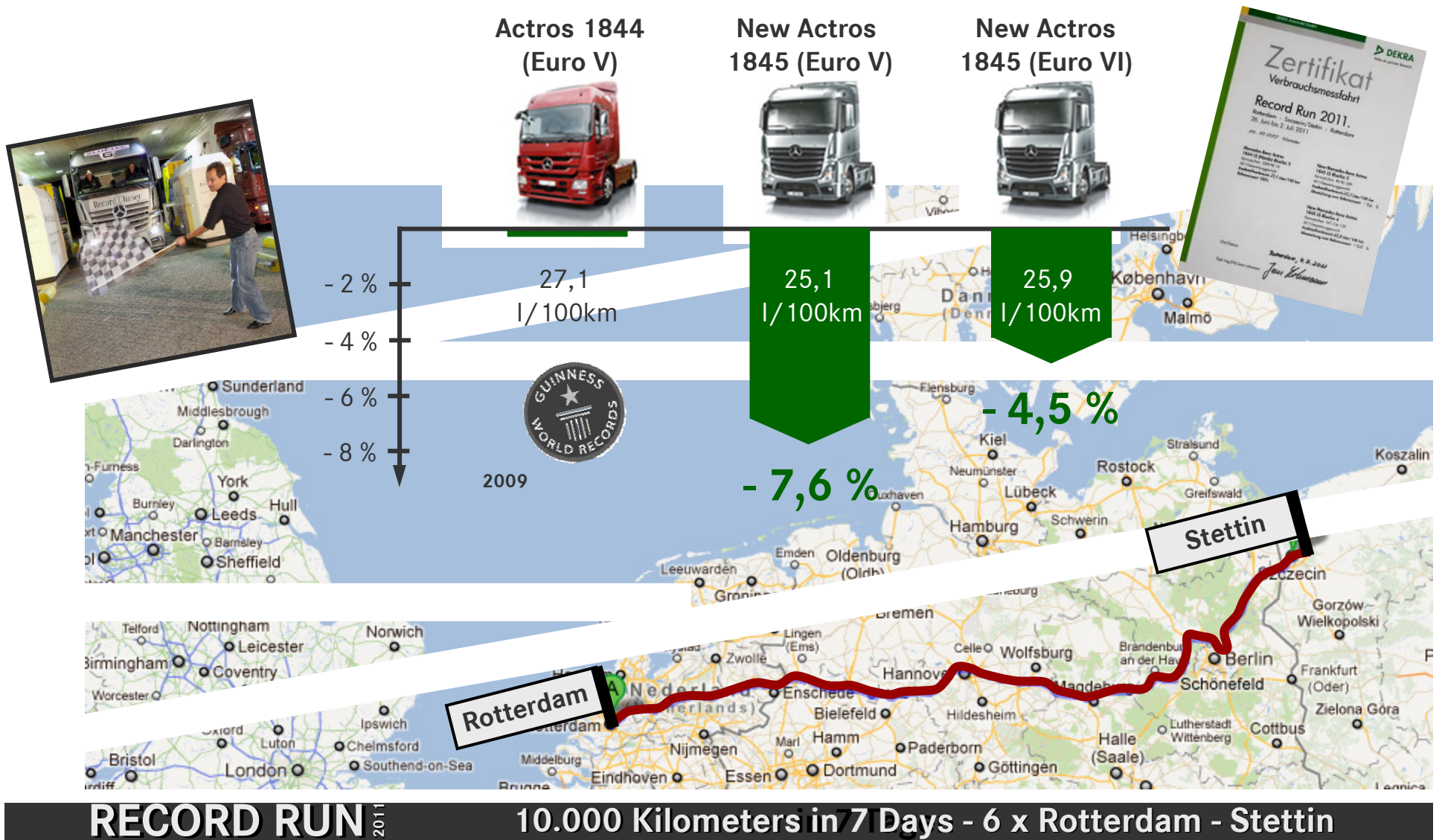
General cargo: Germany → Italy  
Mileage: 150.000 km/year  
Diesel price: 1,35 €/liters

	Actros Euro V	The new Euro V (-6-7%)	The new Euro VI (-4-5%)
l/100 km	33 l	31 l	32 l
€/year	66,800 €	62,800 €	64,800 €
Δ €/year		4,050 €	2,020 €
Δ €/5 years		20,250 €	10,100 €

**Strengthening of benchmark position!**

**Lowest TCO - proven benchmark!**

## Record Run 2011: The new Actros is world champion





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## Truck of the year 2012



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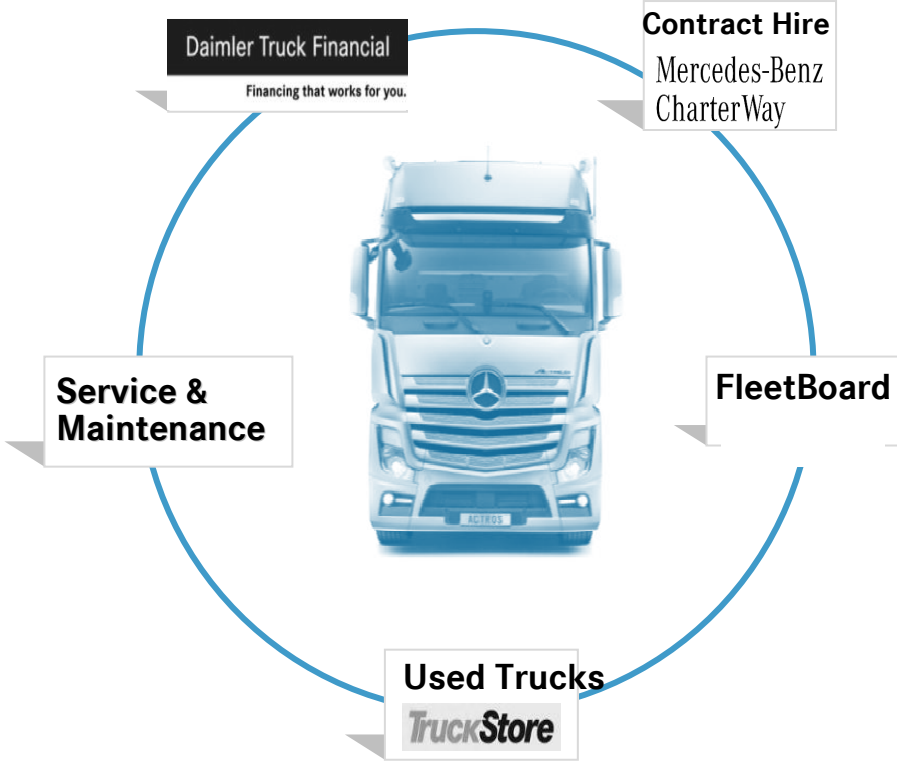
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4 Best Products / Best TCO

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**5 Aftersales and Services Push**

# Benchmark Services important part of product success





## Truck dedicated After-Sales Retailers for our Customers



### ... opened

- Aachen 2009
- Berlin 2009
- Milano 2009
- Moscow 2010
- Valencia/Gandia 2011
- Augsburg 2011
- Hamburg 2011



Trucks you can trust



## 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 worsening of the sovereign-debt crisis in the eurozone; 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.