

DAIMLER

Daimler Trucks Division Day



Mercedes-Benz



BHARATBENZ

Mannheim, June 28th 2012

Dr. Albert Kirchmann, Head of Daimler Trucks Asia (Fuso)

Daimler Trucks

Agenda

1 Market Update

2 Foundation Laid / Next Level of OU optimization

3 Global Scale Realization

4 Best Products / Best TCO

5 Aftersales and Services Push

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Fuso, 80 years of Commercial Vehicle experience: 1932 - 2012



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Recent achievements for Fuso



Sep ` 11 Reopening
SC Tohoku Ishinomaki



Nov ` 11 Daimler Family Day



Dec ` 11 Tokyo Motor Show



Feb ` 12 2 Million Units
Sales Milestone in Indonesia



Mar ` 12 Mobile Tablets
for Sales Men Pilot started

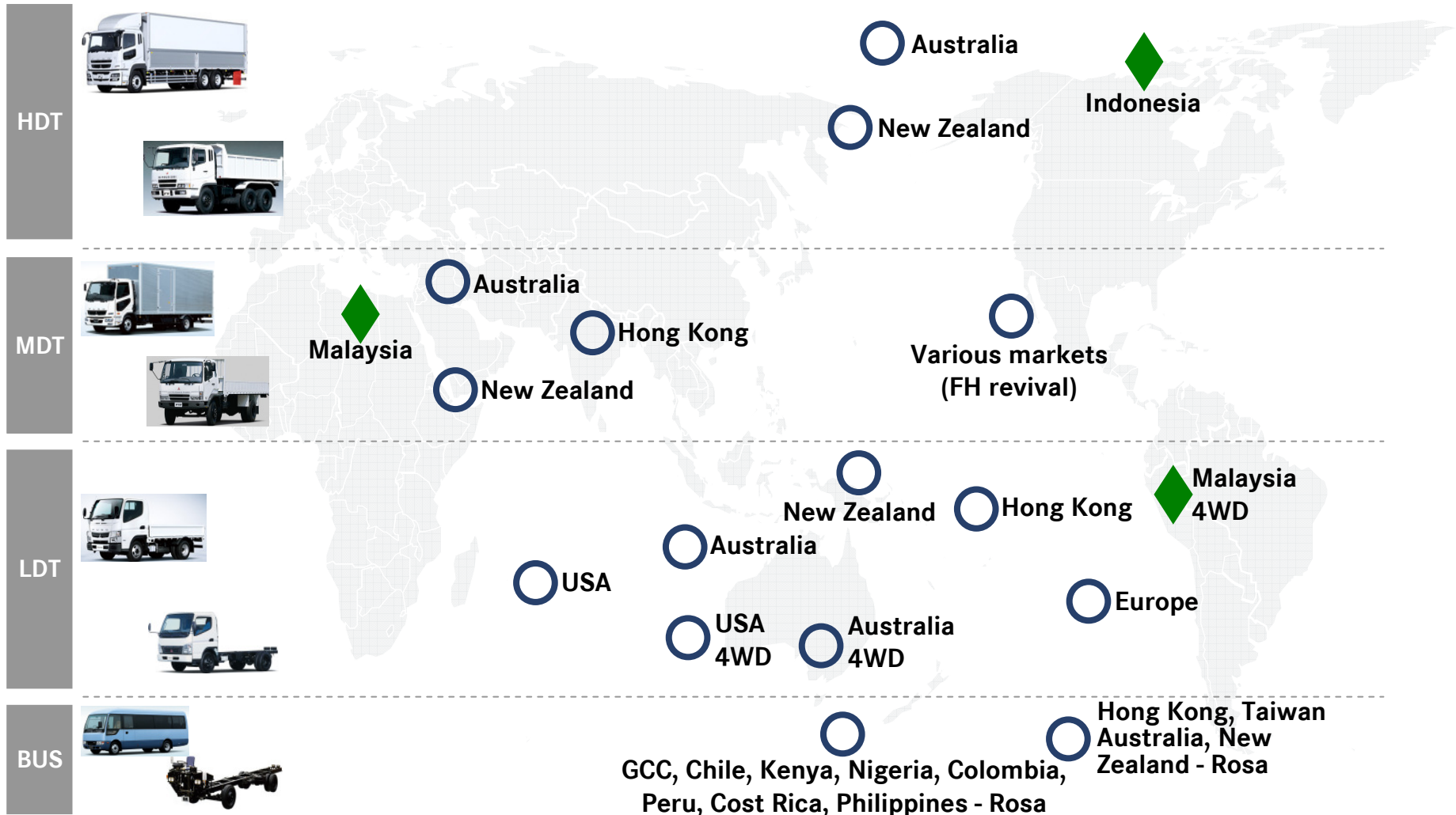


Apr ` 12 Chennai Plant inaugu-
ration MDT line Fuso based

Topline Up 2011: 20 market launches

○ Renewal
◆ New entry

2011 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

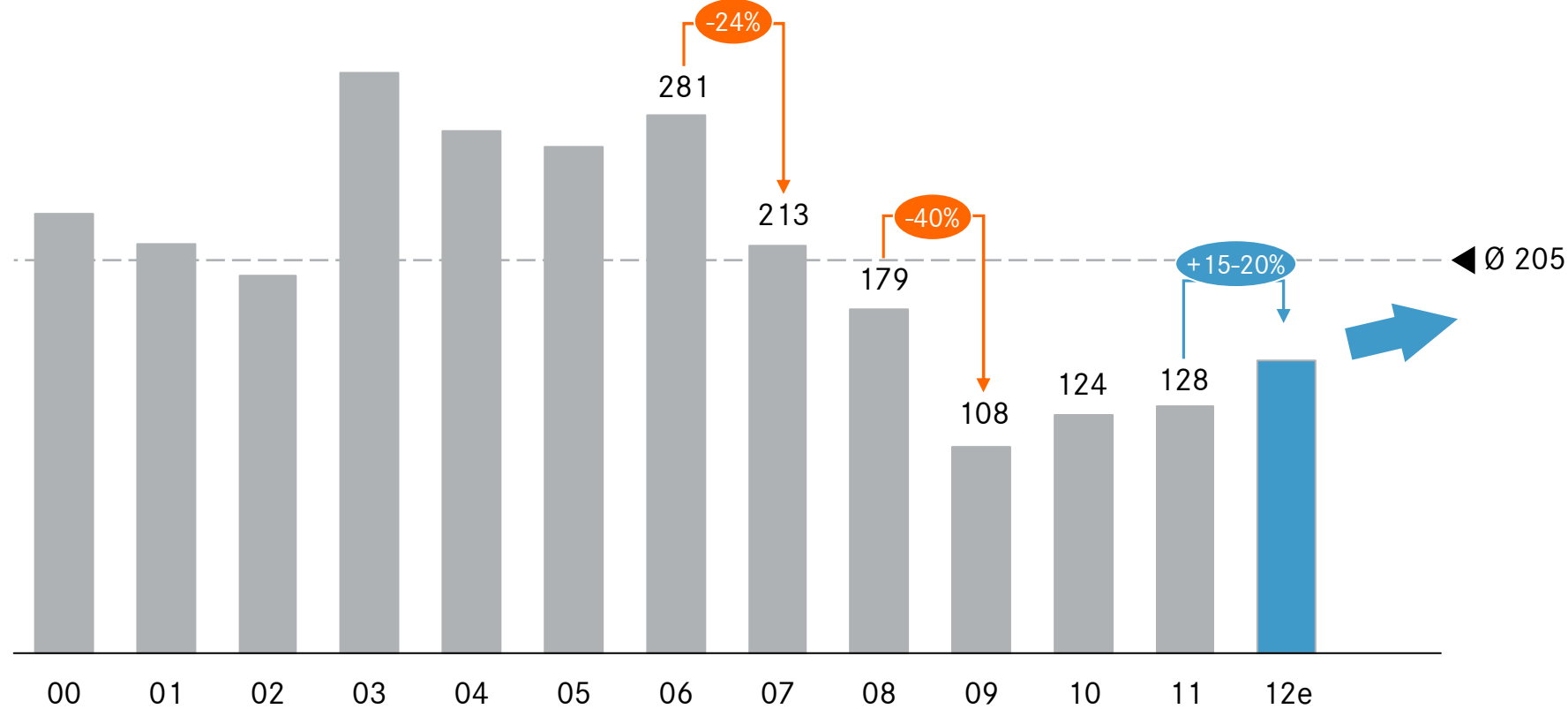


Japan Long Term Market Development: Volatile and overall decreasing trend



(Trucks & Buses)

- '000 units -



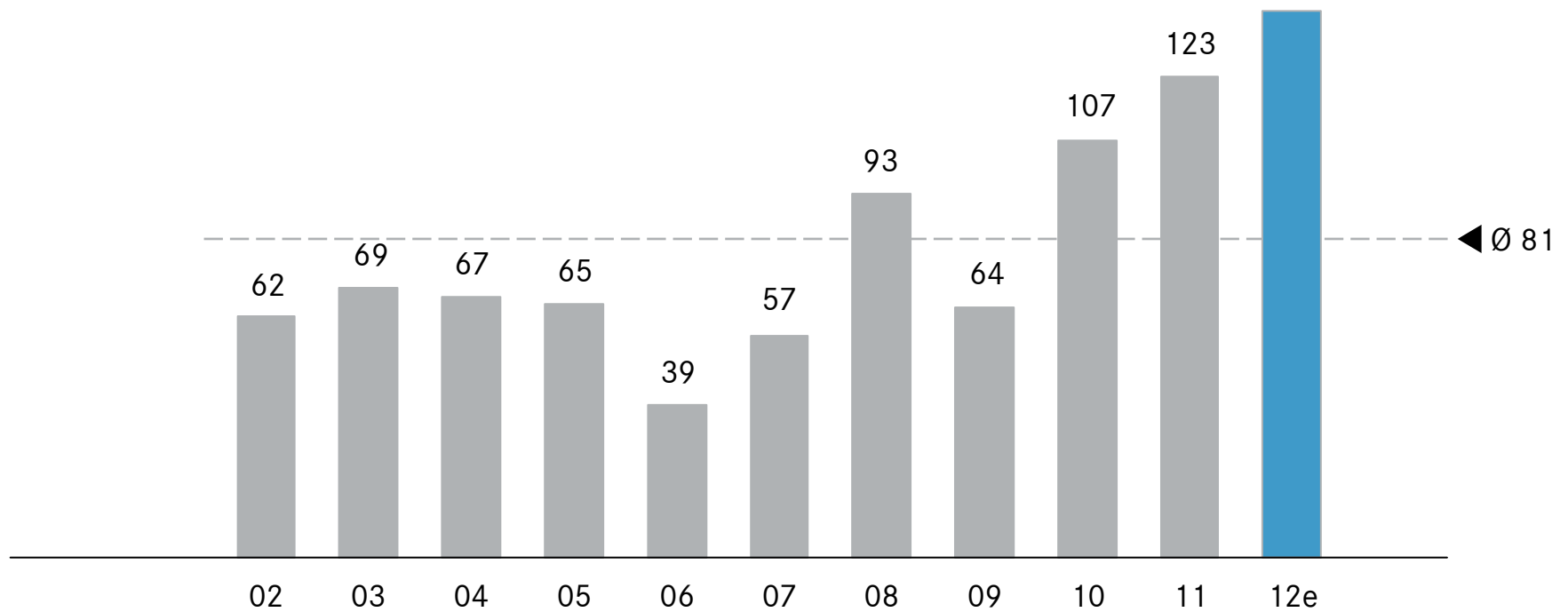
Datasource: iCORS

Indonesia Long Term Market Development: Demand increase seen in recent years



(Trucks & Buses)

- '000 units -



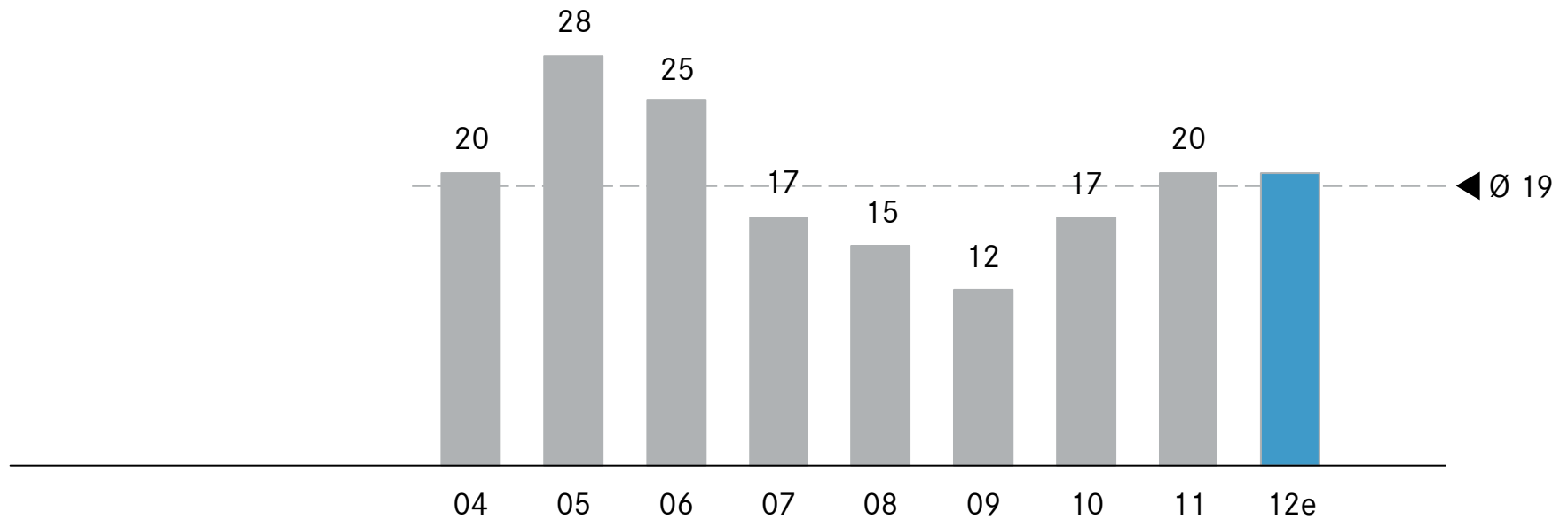
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Taiwan Long Term Market Development: Unstable demand transition



(Trucks & Buses)

- '000 units -



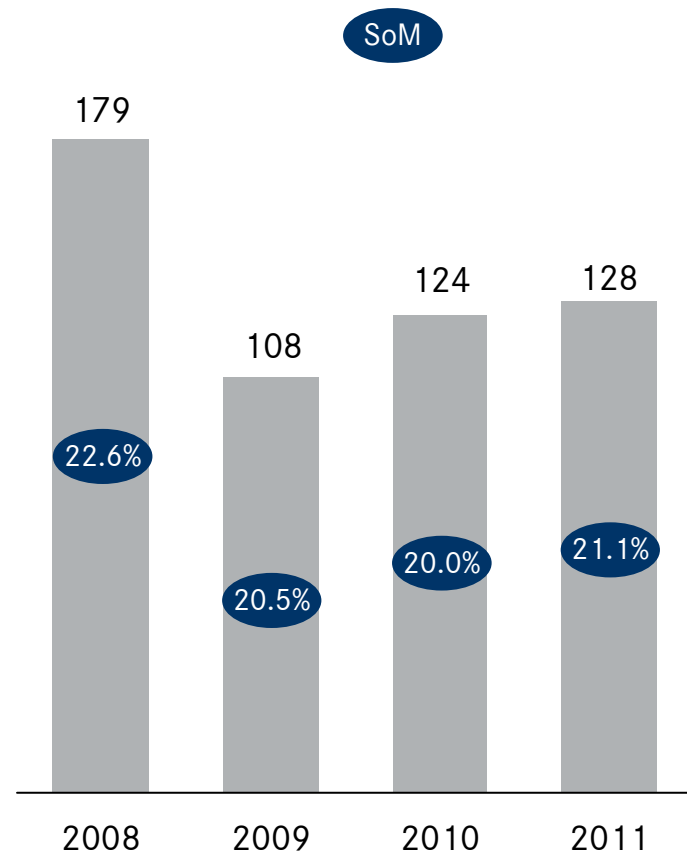
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Japan Market Share increasing



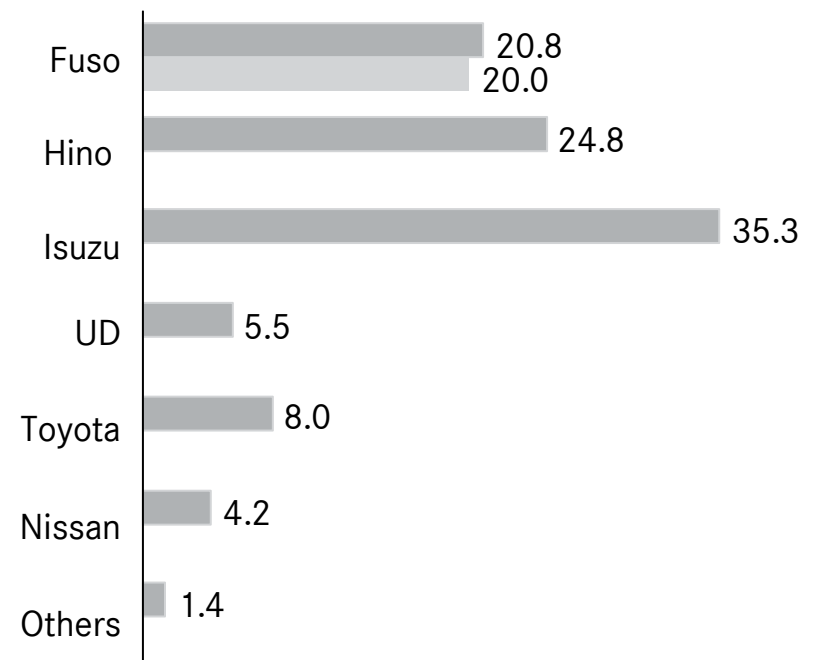
Total Market Japan

- '000 units -



Total Market Share Japan

■ YTD 05/12
■ YTD 05/11



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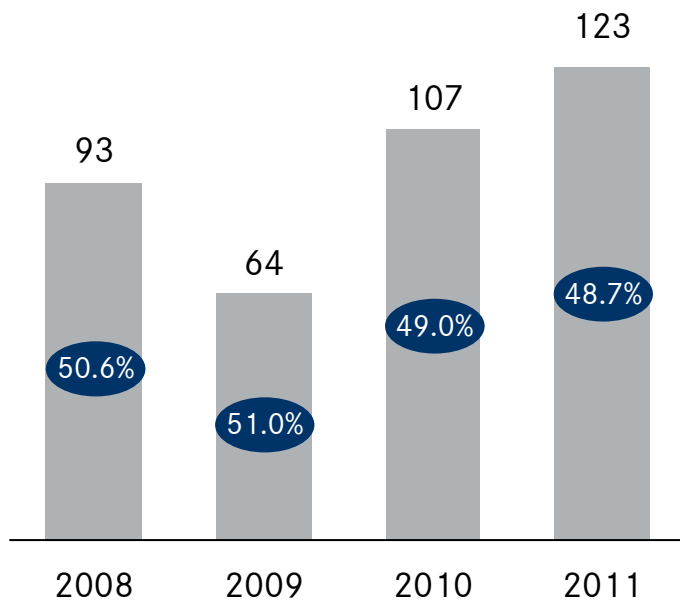
Indonesia Market Share defending around 50%: No 1!



Total Market Indonesia

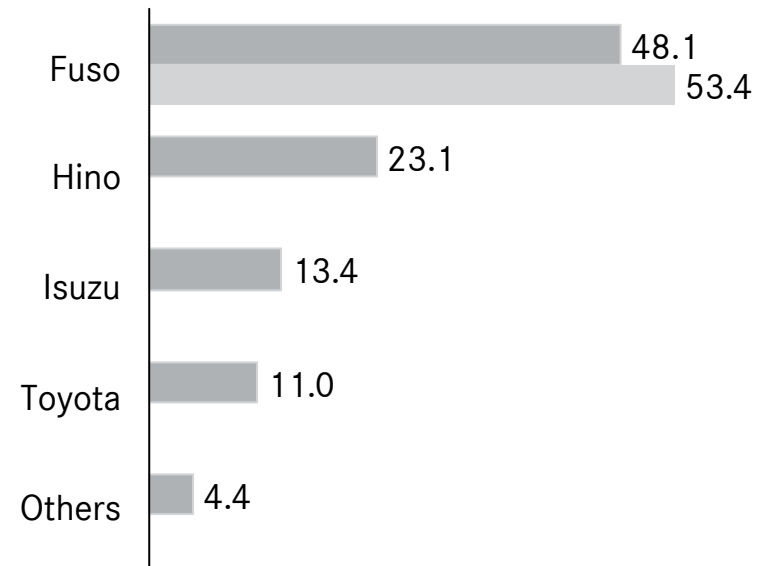
- '000 units -

SoM



Total Market Share Indonesia

■ YTD 05/12
■ YTD 05/11



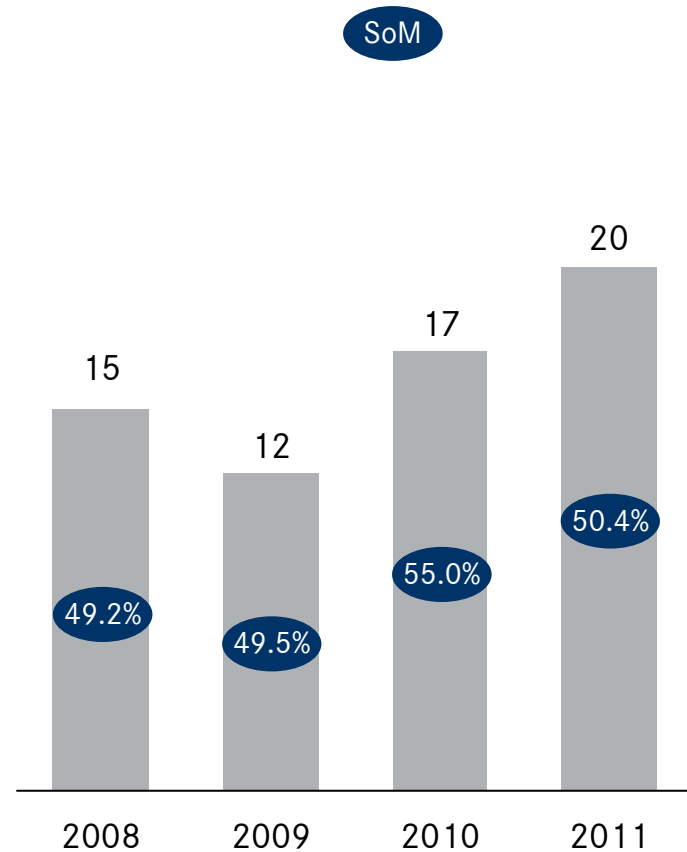
Datasource: iCORS

Taiwan Market Share on 50% level: No 1!



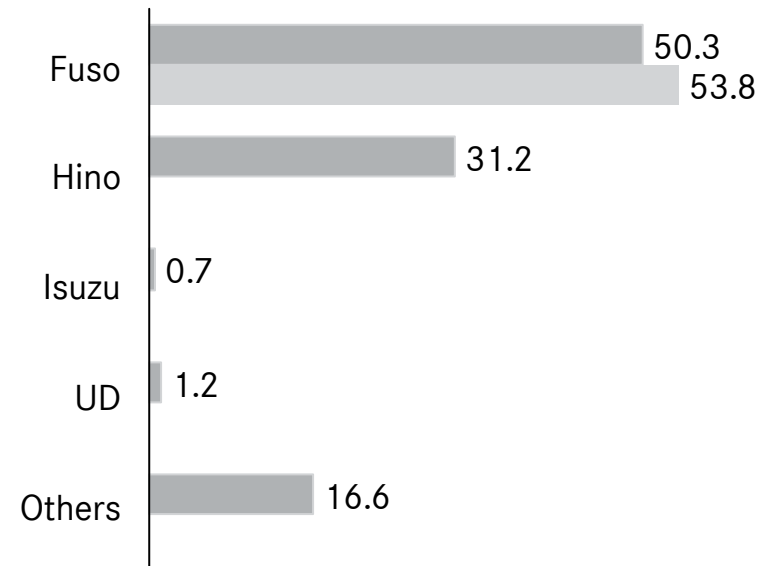
Total Market Taiwan

- '000 units -



Total Market Share Taiwan

■ YTD 05/12
■ YTD 05/11

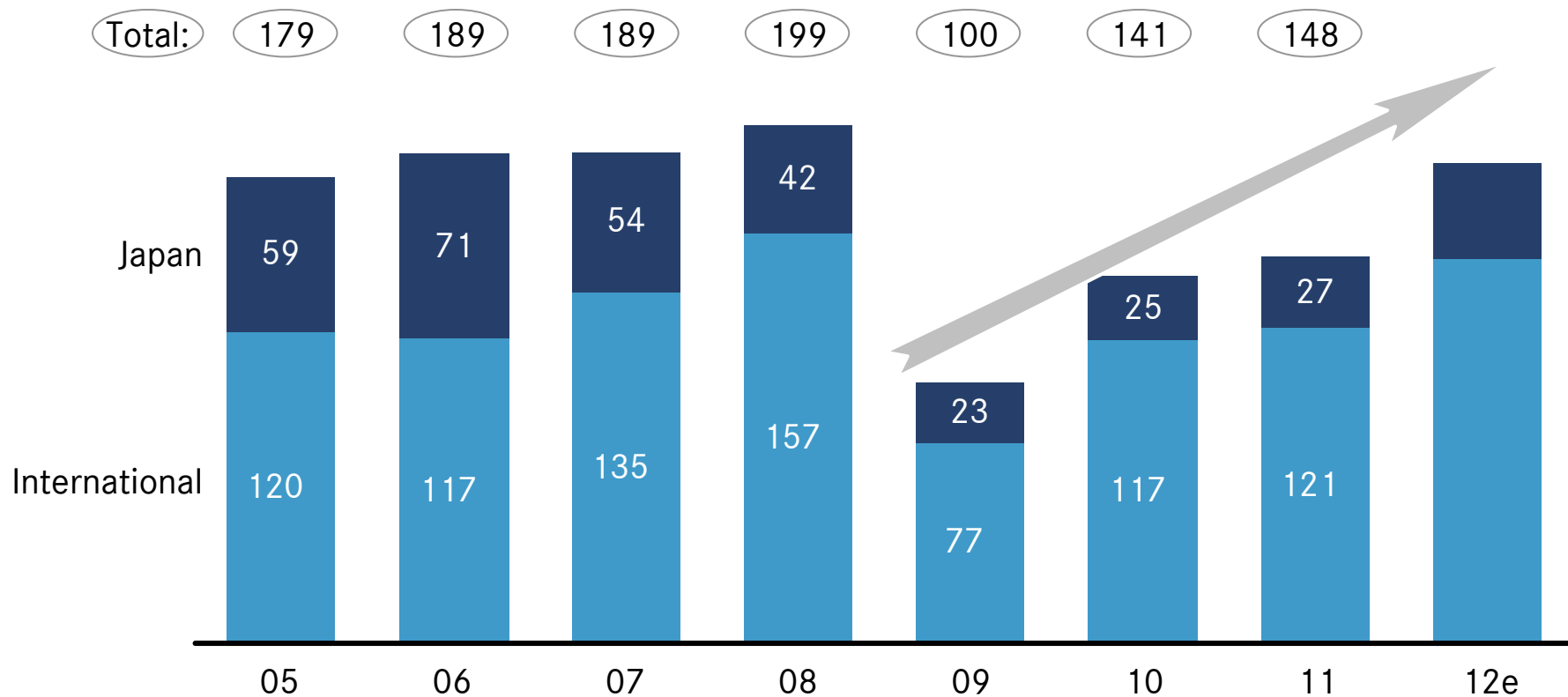


Datasource: iCORS

Fuso's strong recovery after the Lehmann Shock and the earthquake in 3/2011

Sales volume development (Trucks & Buses)

- '000 units -



Note: Fuso's full year consolidation to DAI in 2005

Datasource: iCORS

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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

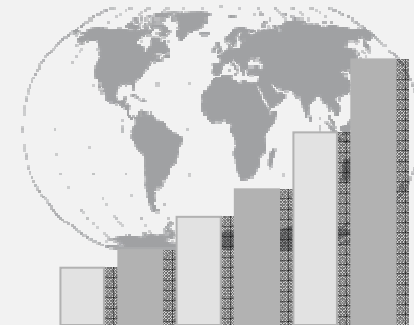
Efficiency Programs

BRIC Expansion

Global Platform Roll-out

Next phase

Strengthen global
industry leadership



What we have achieved in recent years

Business structure has been optimized under GET it Done!...



Streamlining Product Portfolio

Streamlining Japan Retail Network & Enhancing International After Sales

Material Cost Optimization

Realignment of Manufacturing Operations

Fixed Cost Reduction

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

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



Cross-business Initiatives

+

Excellence Programs

My Share Our Future
私ができること **FUSO** 2015

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

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“What to do” is defined: A holistic improvement program with 5 goals ...



**Leader in
Green
Innovation**



**Customer #1
Japan**



**Profitable
Global
Player**



**Efficiency
Leader**



**Employer #1
in
our Industry
/ Markets**



... and “how to do”: Fuso 2015 – Clear subgoals, clear targets with over 1,000 detailed initiatives!



1	2	3	4	5
Leader in Green Innovation	Customer #1 Japan	Profitable Global Player	Efficiency Leader	Employer #1 in our Industry/ Markets
Green Products	Product Satisfaction	Full Potential Sales	IT Landscape	Employee Satisfaction
Green Factory and Infrastructure	Trust-Based Sales	Full Potential After Sales	Cross-Functional Processes	Qualified Staff and Organizations
Green Supply Chain	Dependable Service	Further Global Setup	Material and Production Efficiency	Employer Attraction & CSR
▼	▼	▼	▼	▼
-7.5% in CO2 emissions	Significantly increase customer satisfaction in Japan	Increase international sales volume to over 200,000 units annually	Net Cost Reduction of 2%	Further increase in Employee Satisfaction and Employer Attractiveness

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Daimler Technology Made in Japan: Fuso Hybrid Development and Global Hybrid Center

GLOBAL HYBRID CENTER

- **GLOBAL** : all Daimler Truck brands
 - Mercedes-Benz
 - FREIGHTLINER
 - FUSO
 - WESTERN STAR
 - BHARATBENZ
- **HYBRID**
 - Target configuration: Diesel Hybrid System
- **CENTER** (Trucks)
 - LDT to HDT
 - Standardized Powertrain
 - Focus high volume models

Hybrid system with standardized components and common E/E interface

Provide system functionality for each regional project

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New Canter Eco Hybrid: Introduced in May 2012



- 30% fuel economy improvement vs. conventional model
- Fuel economy 12.8 km/liter is a whole new dimension (Major competitor HEV: 12.2 km/liter)
- DUONIC dual-clutch + hybrid technology is the world's first package

Hybrid Super Great under Development: Announced in Oct. 2011



- First Hybrid Heavy Duty Truck announcement
- 10% fuel efficiency improvement vs. conventional trucks in highway driving
- Case study for heavy-duty hybrid development in Daimler Trucks globally

The CO₂ reduction effect as long-haul HDT HEV is more than five times of LDT HEV in a long mileage application

Light Duty Truck HEV



Based on city delivery application (FES) for Fuso Canter with ISS



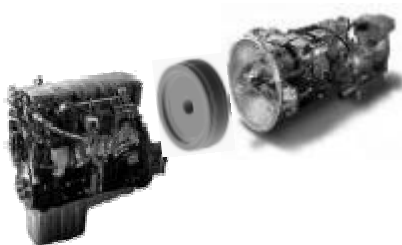
GVW: 5 t
(LIFT HEV)

Quantity of annual CO₂ reduction

-2t

Payload 2 ton class
Annual mileage: 48,000km
FES : 12.8 km/l (hybrid) vs.
10.6 km/l (diesel)

Heavy Duty Truck HEV



Based on long haul application (highway only) for HDT (25t) without ISS



GVW: 25 t
(Super Great HEV)

Quantity of annual CO₂ reduction

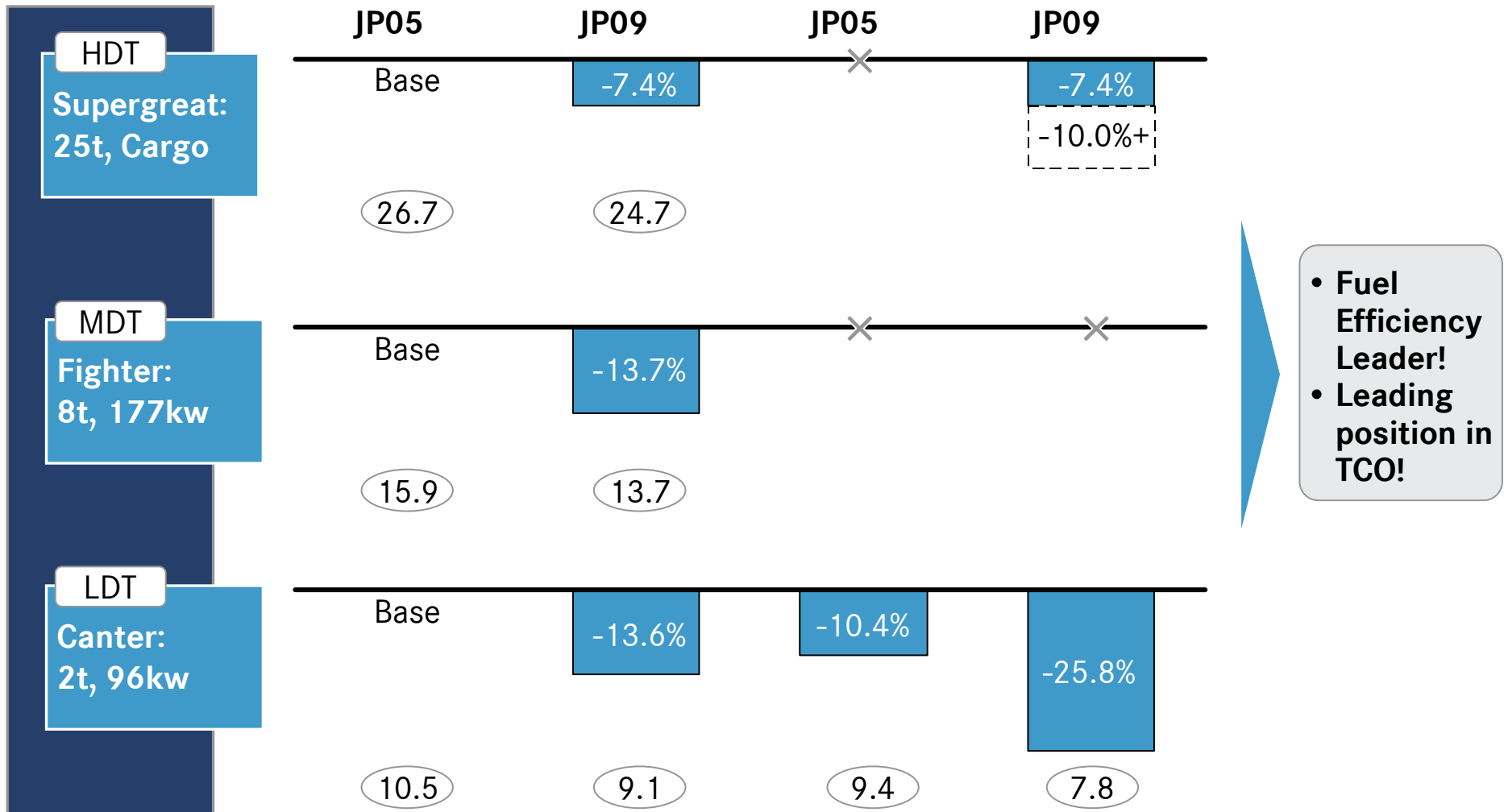
-11t

Payload 15 ton class
Annual mileage: 150,000km
FES: 4.5 km/l (hybrid)
4.0 km/l (diesel)

Fuel Efficiency Development

Improve

L/100km



• Fuel Efficiency Leader!
• Leading position in TCO!

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New multi-lateral approach creates effective aftersales and service momentum

New Approach

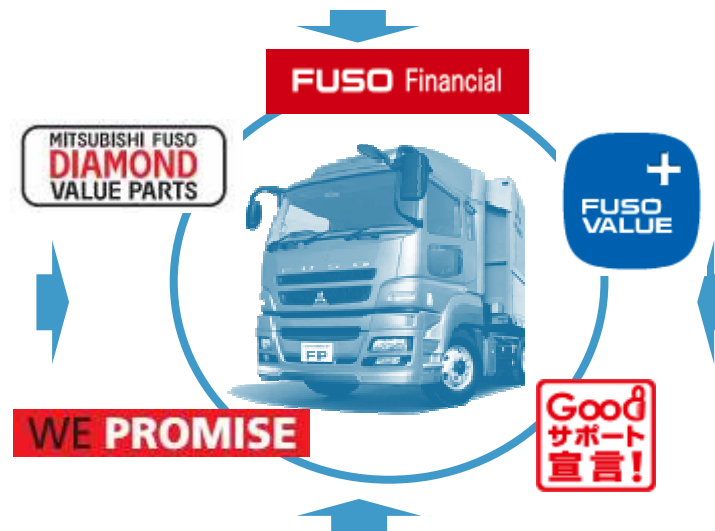
- **BDC** for approaching new/lost small-scale customers (**Shaken**, Maintenance kit)
- Direct approach (**3S**², consultation team) for larger, important customers

Proactive Pricing

- Dynamic pricing **List price repositioning** for parts and service



Capture customers



Customer based offering

- **Diamond Value Parts** to attack imitation parts
- Downstream products (e.g., **FUSO Value**, **warranty** program) for better **TCO** appeal

Dealer/Channel Support and Management

- Dealer empowerment program (**User segmentation, smart pricing**)
- Parts trader management
- Parts availability improvement

1. **BDC**: **B**usiness **D**evelop **C**enter 2. **3S**: **S**ales, **S**ervice, **S**pare parts



Thank You



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.