

DAIMLER

Corporate Presentation
April/May 2013



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Development in Q1 2013

Very weak European markets at the beginning of 2013

Demand for passenger cars, trucks and vans in Europe lower than expected

Weak demand for trucks in North America and Japan

In USA, high demand for passenger cars and early signs of recovery of the truck market

Increase in market share in core markets

In China, sales of Mercedes-Benz passenger cars not yet back on a sustainable growth path

Great acceptance of the new A- and CLA-Class

Very positive response to the new E-Class

Product offensive of Daimler Trucks largely completed by new Arocs and new Atego

Key financials

- in billions of euros -

	Q1 2012	Q1 2013
Revenue	27.0	26.1
EBIT*		
as reported	2.1	0.9
from ongoing business	2.1	0.9
Net profit*	1.4	0.6
Earnings per share (in euros)*	1.26	0.50
Net liquidity industrial business (2012: year-end)	11.5	10.0
Free cash flow industrial business	-2.0	-1.2

* The previous year's figures were adjusted for the effects of the application of the revised IAS 19.
Further information related to the adjustments of the prior-year figures is disclosed in charts no. 38 and 39 of this presentation.

Key balance-sheet figures

- in billions of euros -

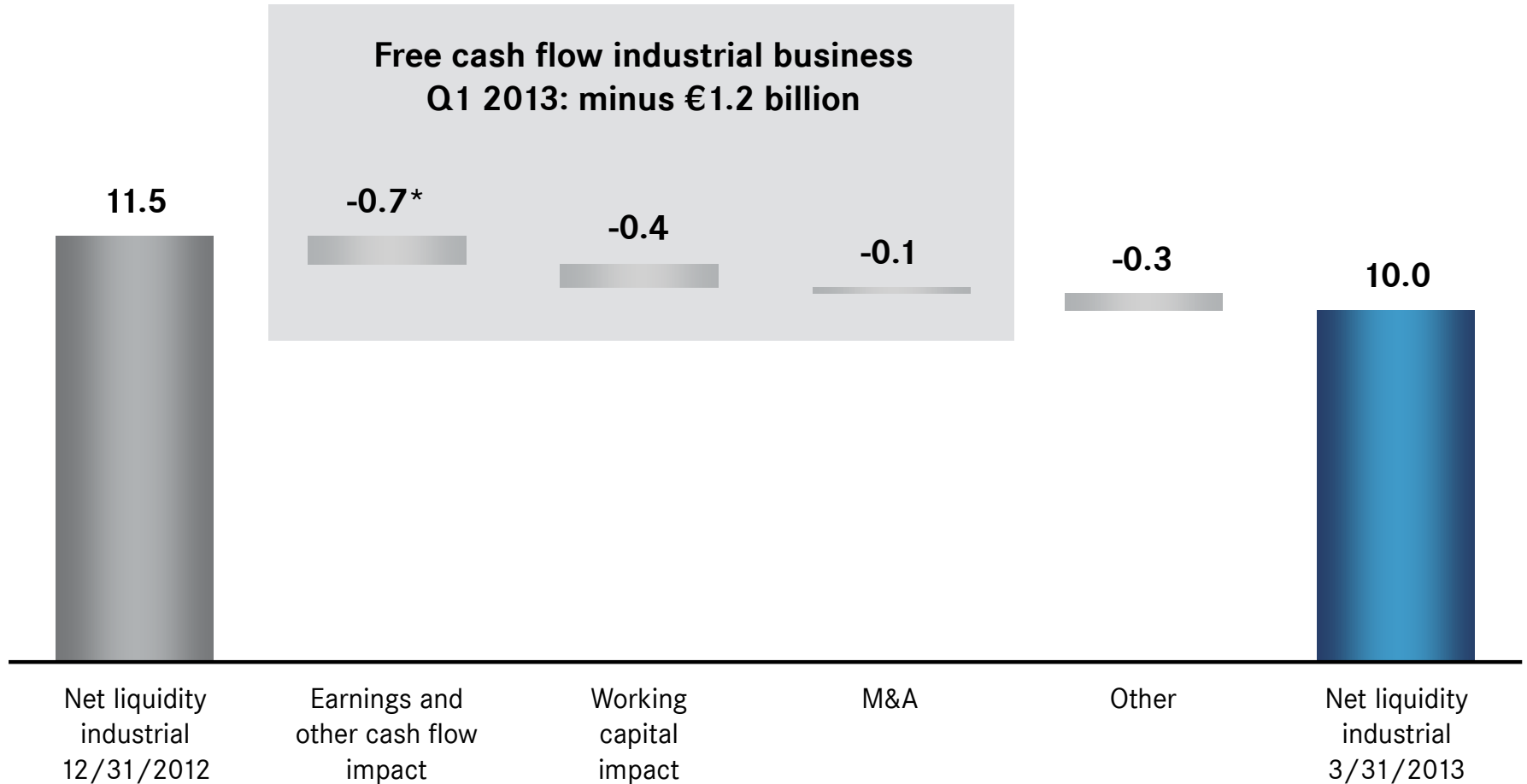
Daimler Group	Dec. 31, 2012	March 31, 2013
Equity ratio	22.7%*	22.5%
Gross liquidity	16.6	17.7
Industrial business		
Equity ratio	39.8%*	38.3%
Net liquidity	11.5	10.0

* Figures adjusted for the effects of the application of the revised IAS 19.

Further information related to the adjustments of the prior-year figures is disclosed in charts no. 38 and 39 of this presentation.

Net industrial liquidity: Development in Q1 2013

- in billions of euros -



* Including investments in property, plant and equipment and capitalized development cost of €1.4 billion

Unit sales

- in thousand units-

	Q1 2012	Q1 2013	% Change
Daimler Group	502.1	501.6	-0.1
of which			
Mercedes-Benz Cars	338.3	341.5	+0.9
Daimler Trucks	107.7	101.4	-5.8
Mercedes-Benz Vans	51.2	52.6	+2.7
Daimler Buses	4.9	6.0	+23.2

Product highlights



New E-Class



A-Class A 45 AMG



New CLA-Class

Product highlights



Mercedes-Benz Arocs



Mercedes-Benz Antos



Freightliner Cascadia



BharatBenz trucks



Auman truck



Fuso Canter Eco Hybrid

Product highlights



Mercedes-Benz Sprinter, Vito and Citan

Product highlights



Setra ComfortClass 500



Mercedes-Benz Citaro Euro VI



Mercedes-Benz Travego Euro VI

Revenue by segment

- in billions of euros -

	Q1 2012	Q1 2013	% Change
Daimler Group	27.0	26.1	-3.4
of which			
Mercedes-Benz Cars	14.9	14.1	-5.5
Daimler Trucks	7.4	7.0	-4.9
Mercedes-Benz Vans	2.1	2.0	-4.9
Daimler Buses	0.7	0.8	+2.9
Daimler Financial Services	3.1	3.6	+13.9
Contract volume of Daimler Financial Services*	80.0	81.7	+2.1

* Figures as of December 31, 2012 and March 31, 2013.

EBIT by division

- EBIT in millions of euros; RoS in % -

	Q1 2012		Q1 2013	
	EBIT	RoS*	EBIT	RoS*
Daimler Group	2,098	6.6	917	2.6
of which				
Mercedes-Benz Cars	1,230	8.2	460	3.3
Daimler Trucks	376	5.1	116	1.7
Mercedes-Benz Vans	167	8.0	81	4.1
Daimler Buses	-105	-14.4	-31	-4.1
Daimler Financial Services	344	-	314	-
Reconciliation	86	-	-23	-

* Return on sales; Daimler Group excluding Daimler Financial Services

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Daimler's identity: a unique combination of leading technologies, strong brands and market leverage



Daimler strategy: Combining growth and efficiency across the entire group

Growth strategies

- Strengthening core business
- Growing in new markets
- Leading in green and safety technologies
- Shaping new mobility services

Efficiency Programs

- Modularization
- Cost reduction
- Flexibility

Combining growth and efficiency in every division

Examples for Mercedes-Benz Cars and Daimler Trucks

Growth Strategy Mercedes-Benz 2020

“Fit for Leadership”

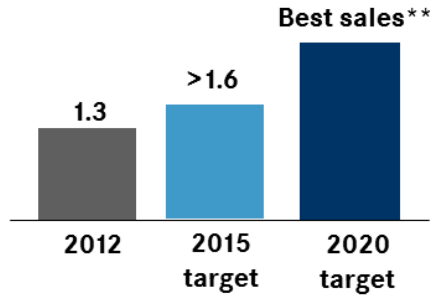
Growth Strategy Daimler Trucks Global Excellence

“Daimler Trucks #1”

Our growth targets

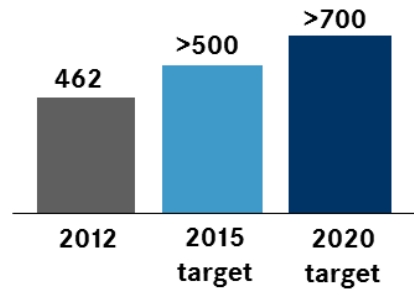
Mercedes-Benz Cars

- in million units* -



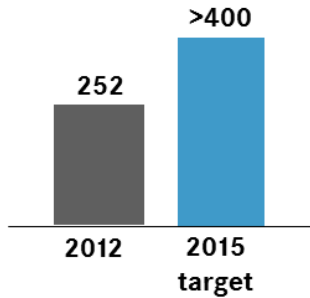
Daimler Trucks

- in thousands of units -



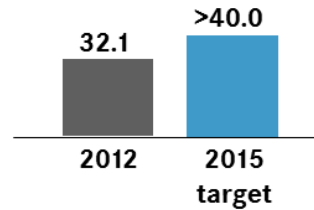
Mercedes-Benz Vans

- in thousands of units -



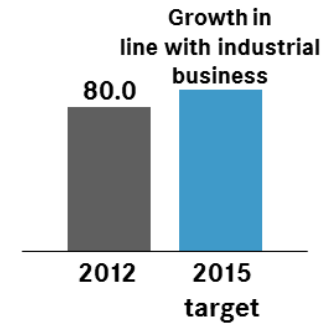
Daimler Buses

- in thousands of units -



Daimler Financial Services

- contract volume in billions of euros -



* Without smart **Within automotive premium segment; schematic representation

Our financial targets

Return on Sales / Return on Equity¹ in %



10

Mercedes-Benz
Cars



8

Daimler
Trucks



9

Mercedes-Benz
Vans



6

Daimler
Buses



17

Daimler
Financial Services¹

“Return on Sales” target automotive business 9 percent

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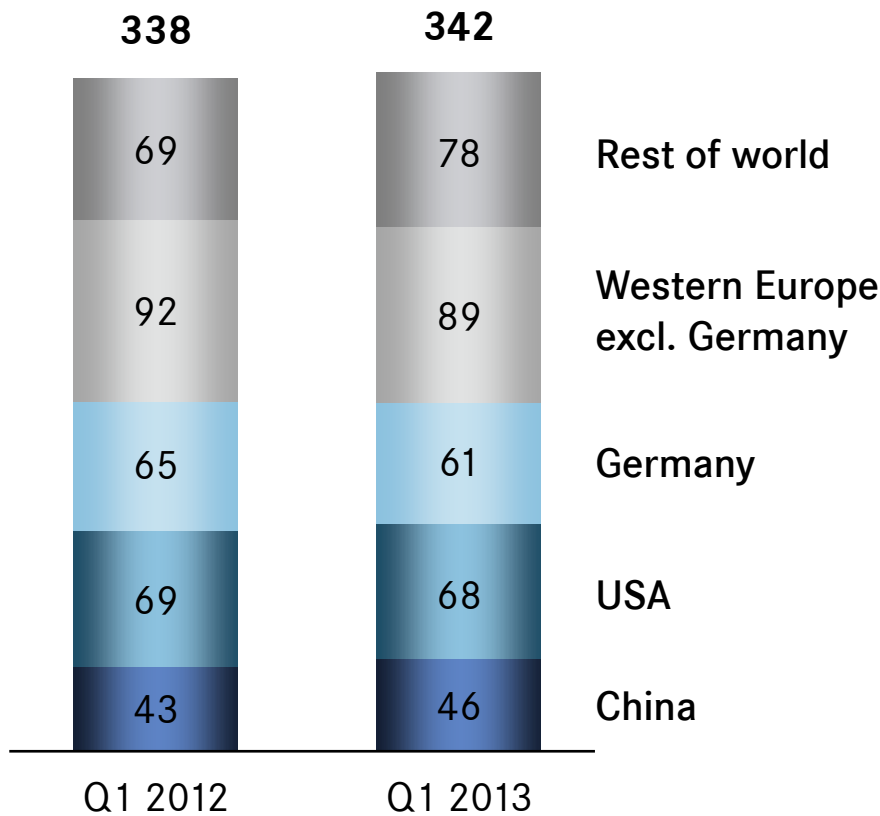
On our way to leadership in the premium segment



Mercedes-Benz 2020

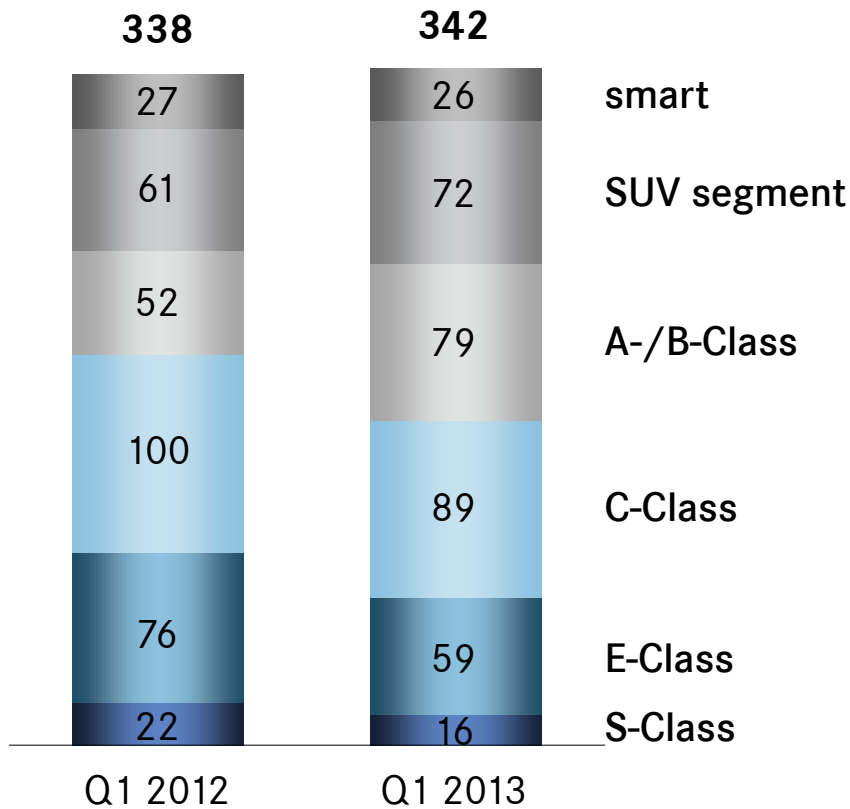
Balanced sales structure

- Unit sales in thousands -

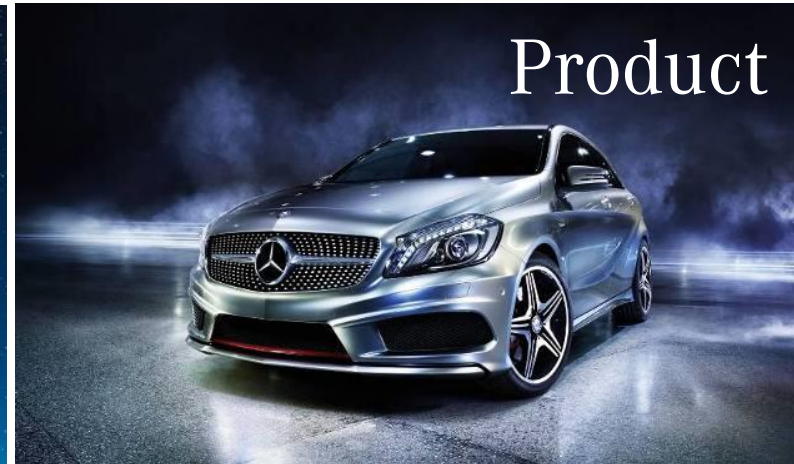


Increase in unit sales mainly of A-/B-Class and SUVs

- Unit sales in thousands -

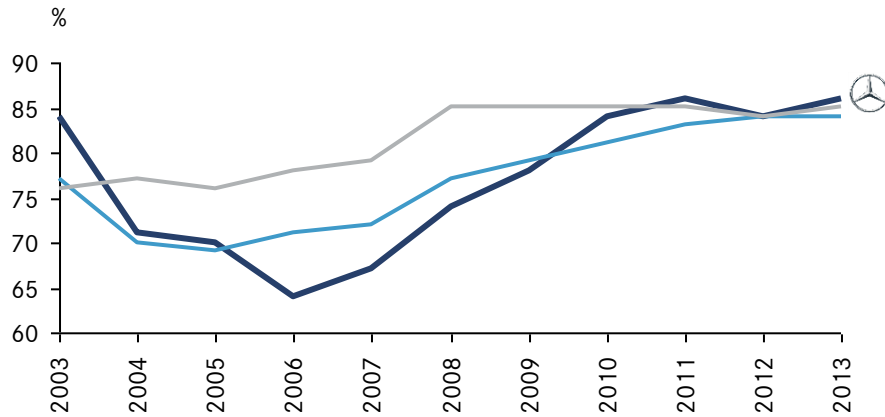


Four levers of Mercedes-Benz 2020

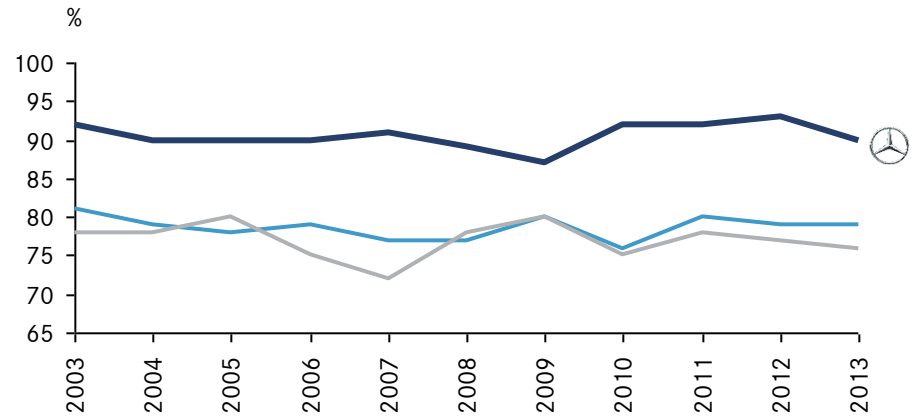


Brand: Development of brand value and perception

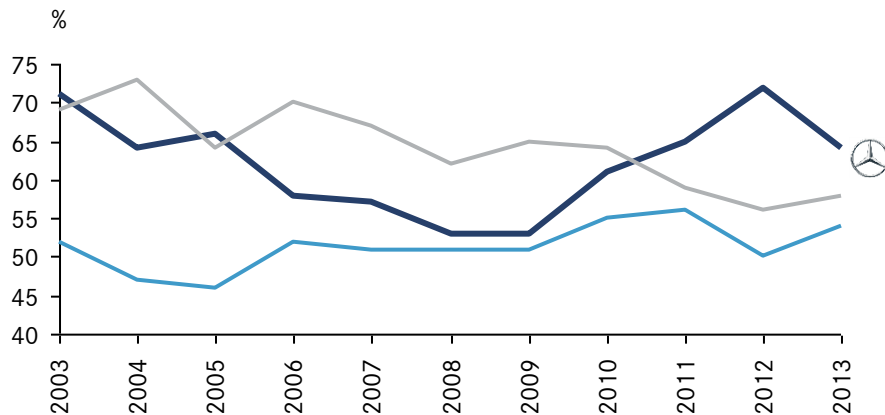
Product reliability – AMS Survey



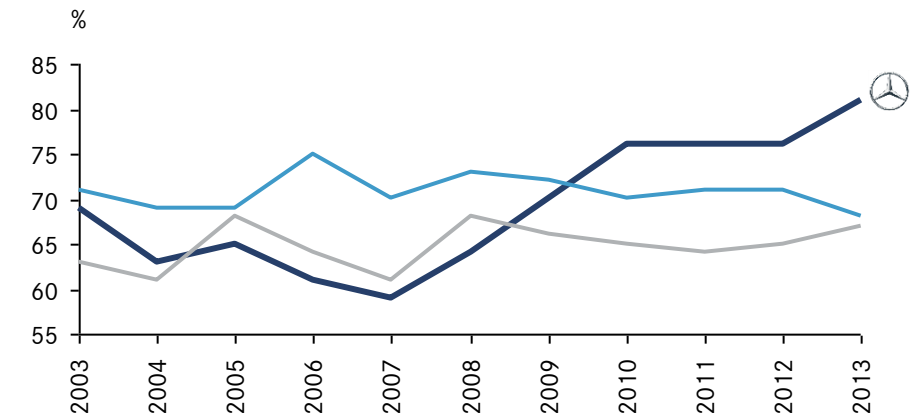
Safety – AMS Survey



Perception of advertisement – AMS Survey

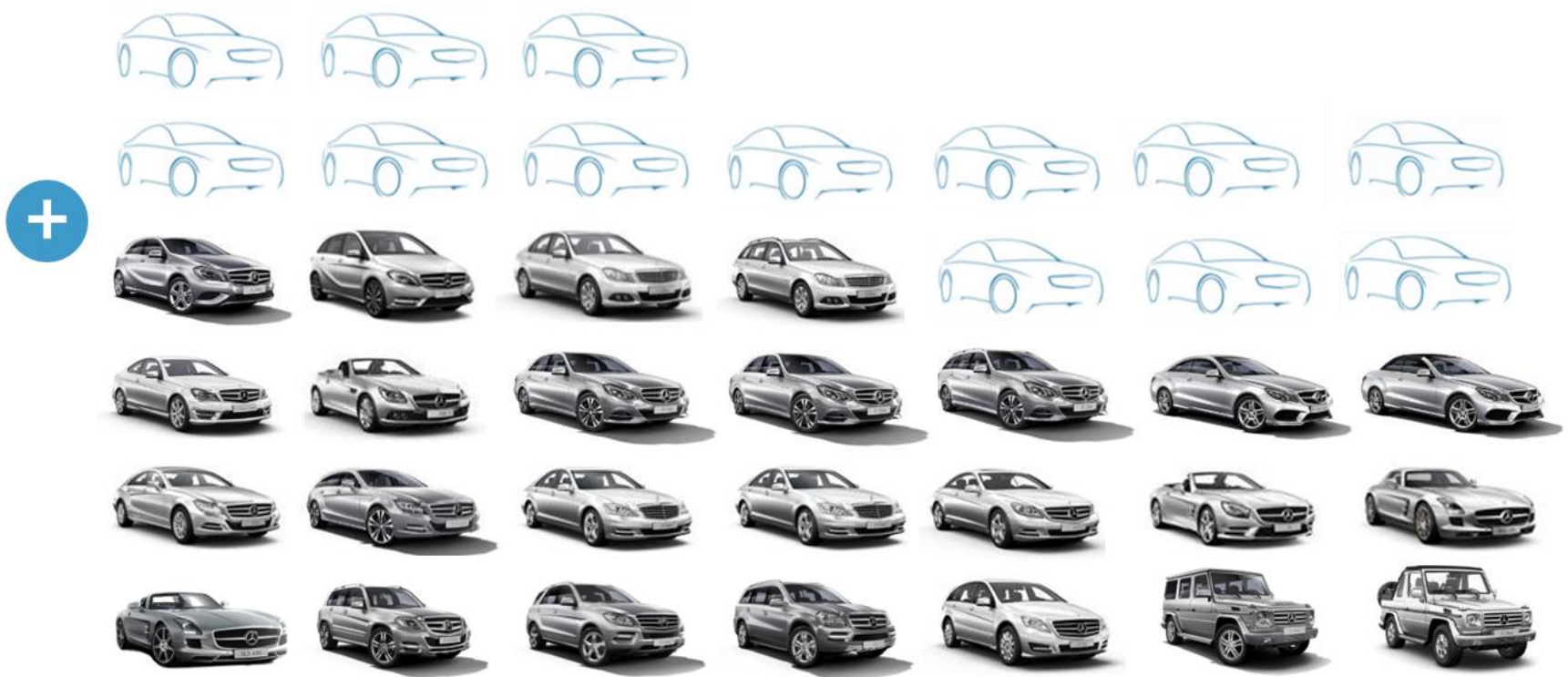


Good aftersales – AMS Survey



— Competitor A — Competitor B

Adding 13 new models to our existing portfolio by 2020



Products: Our new E-Class Family



Products: Our new A-Class



Products: Our new CLA-Class



Products: Our new CLS Shooting Brake



Products: Our new SL-Class



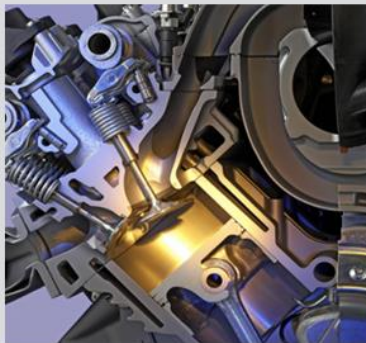
Products: SUV Offensive – Our new GLK-, G- and GL-Class



Products: Three essential drive systems

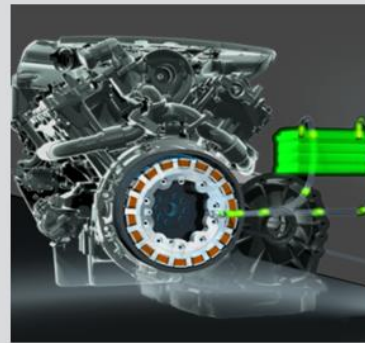
High-tech combustion engines

CDI, CGI, BlueTEC



Combustion engines with hybridization

HYBRID, BlueTEC HYBRID, Plug-in HYBRID



Electric vehicles with battery and fuel cell

E-CELL, F-CELL



A 180 CDI BlueEFFICIENCY Edition

3,6 l/km
92 gCO₂/km



E 300 BlueTEC Hybrid

4,2 l/km
109 gCO₂/km

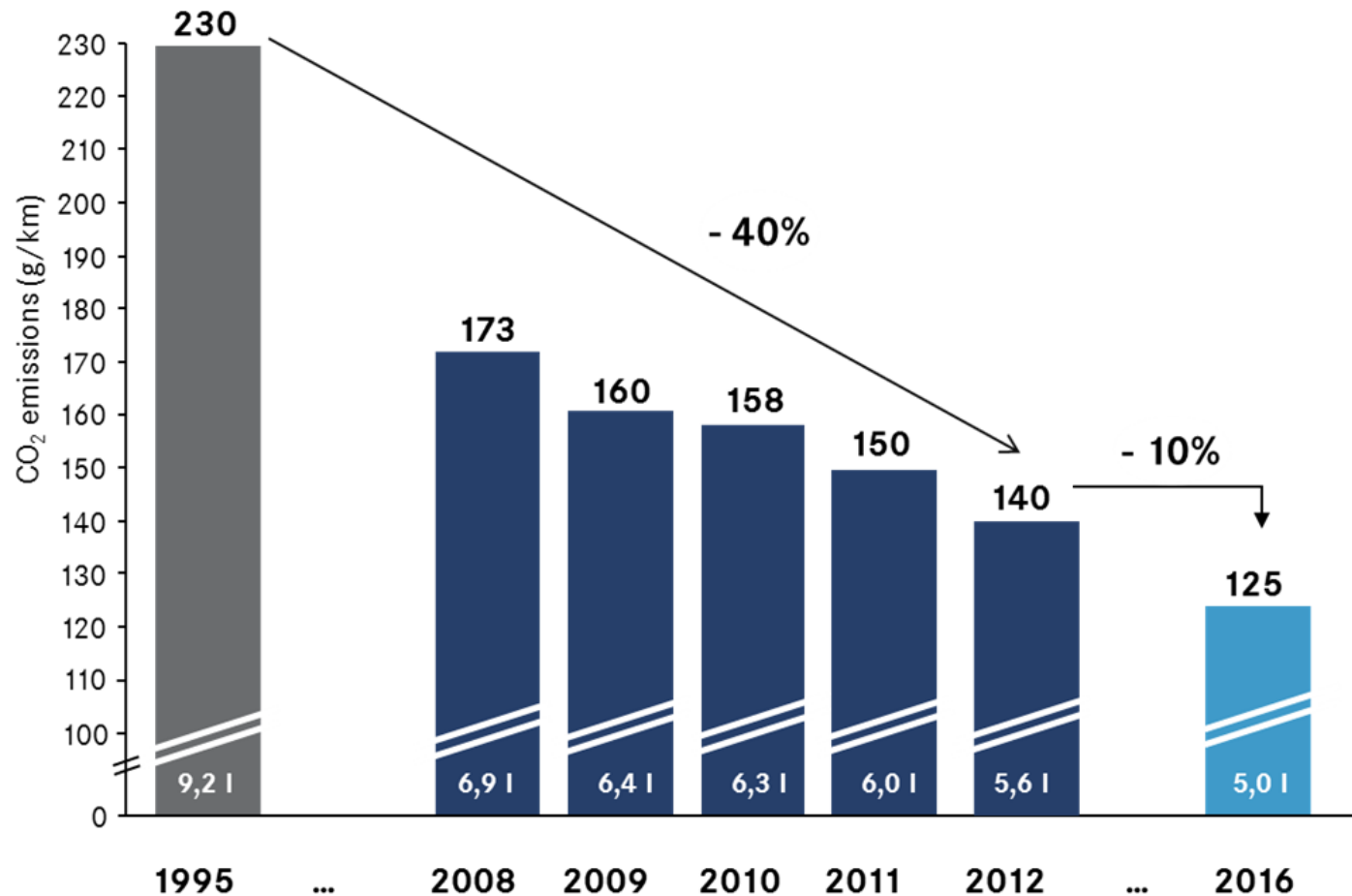


SLS AMG Coupé Electric Drive

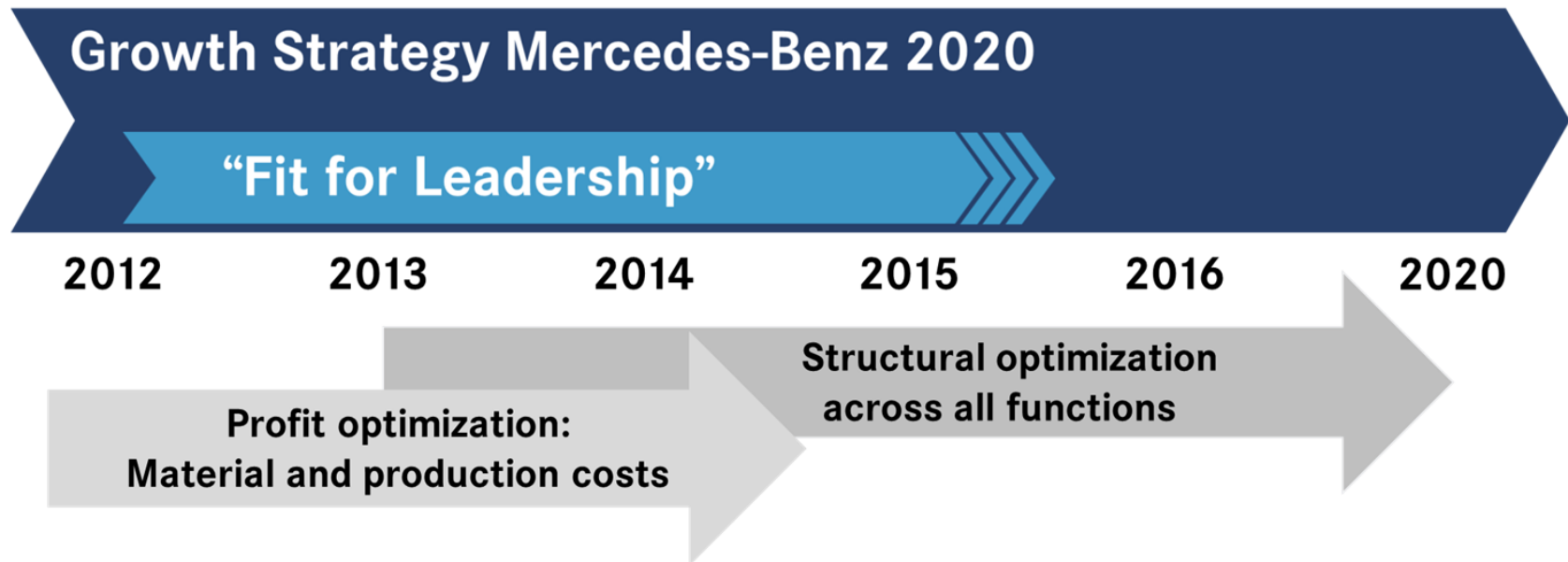
0 l/km
0 gCO₂/km

Reducing CO₂ emissions

Average CO₂ emissions per kilometer of our Mercedes-Benz Car fleet in Europe

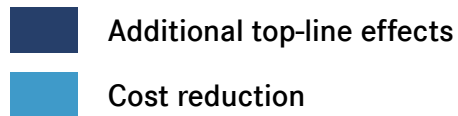


Connecting growth and efficiency

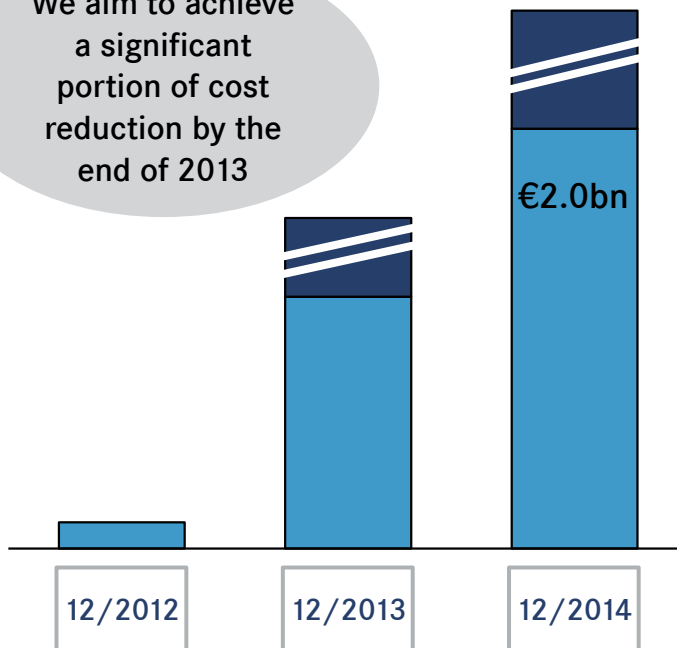


Mercedes-Benz Cars: Fit for Leadership

Flight path towards benefits



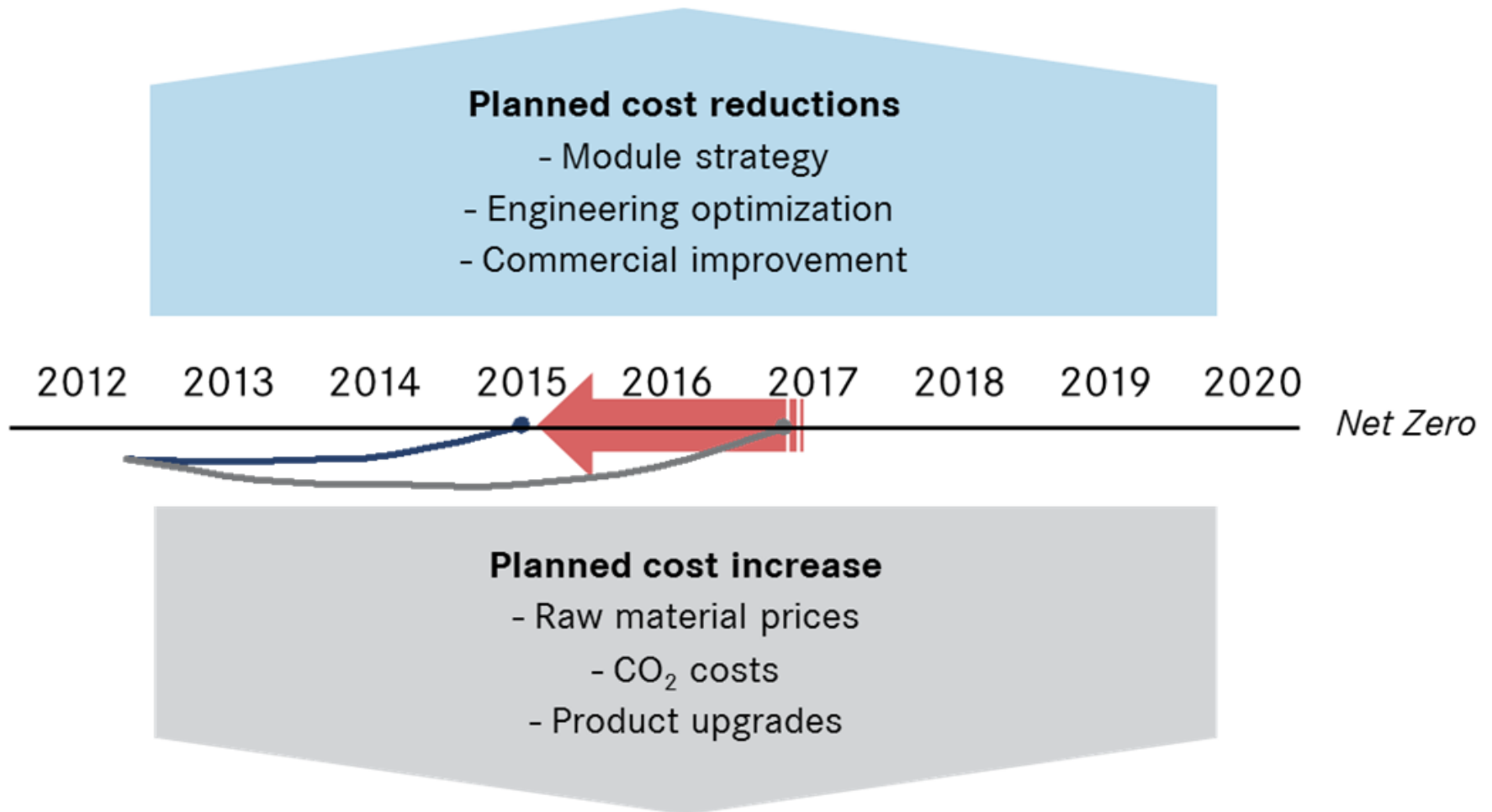
We aim to achieve a significant portion of cost reduction by the end of 2013



Key levers

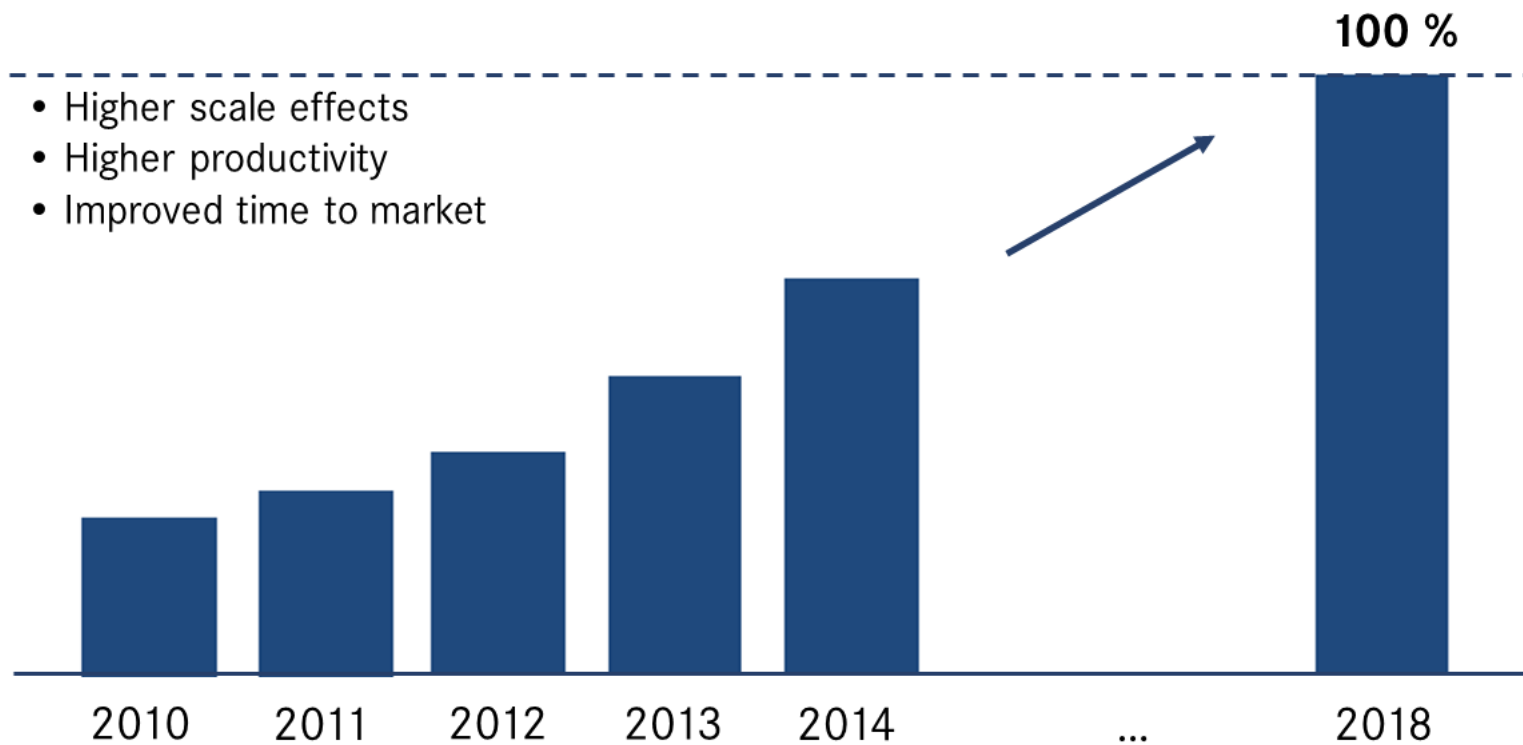
- Material costs/Net-zero approach
- Further reduction of hours per vehicle
- Optimization of funding requirements
- Reduction of fixed costs
- Increase of efficiency in use of funds
- Higher flexibility of MBC business model

Accelerated achievement of “Net Zero”



Module strategy on track

Rollout of module strategy within all passenger car models, schematic representation



Increasing productivity even further

Mercedes-Benz passenger cars: reduction of hours per vehicle



Structural improvement in our China business

Shareholder and board seats in BAIC Motor

New Board of Management position for China

Integrated Sales Company for local and imported vehicles

Equity interest in Mercedes-Benz China Ltd. increased to 75%

Development of “Sales Region West” with headquarters in Chengdu

Adding about 50 new dealerships each year

Continuously expanding the product portfolio of Mercedes-Benz

2012

2013

2014

Strategic investment in BAIC motor



Financial Outlook and Targets

- ▶ **Sales leadership**

Milestones: >1.5 in 2014 / >1.6 in 2015

- ▶ **Technology leadership**

Milestone: 125 g CO₂ / km fleet average in 2016

- ▶ **Flexible footprint and productivity improvement**

Milestone: HPV 30h in 2015

- ▶ **Capital and cost discipline**

Milestones: CapEx Ratio ~7% / R&D Ratio ~6%

- ▶ **Strategic Return Target**

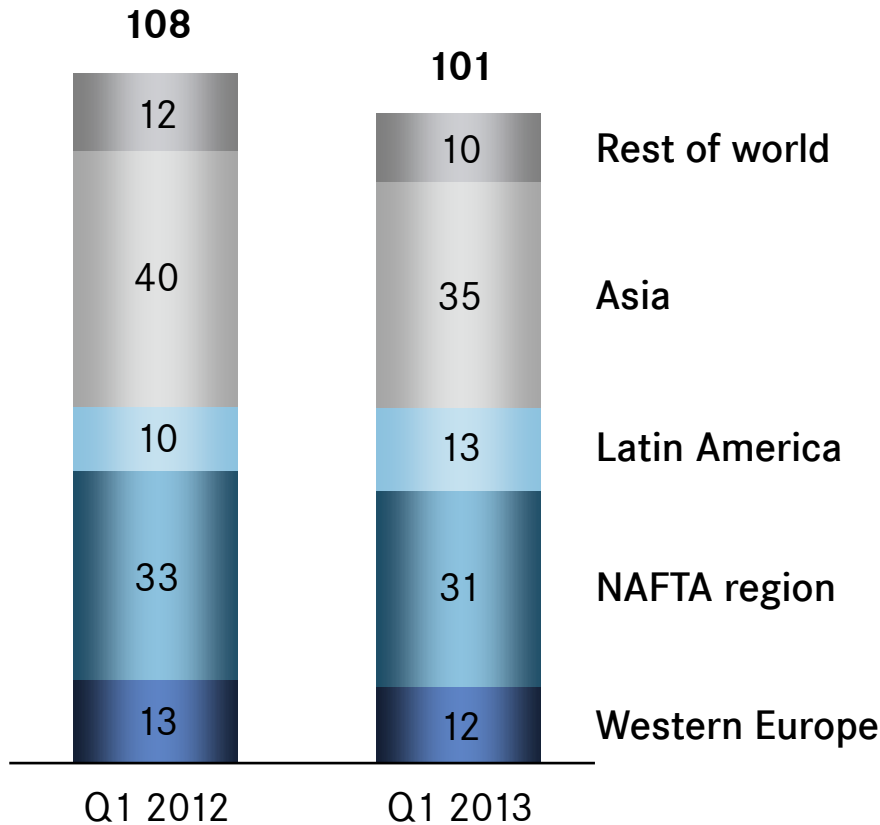
10% RoS on average

DT#1 with right structure to strengthen leadership position: "As global as possible, as local as necessary"



Sales decrease especially in Asia

- in thousands of units -

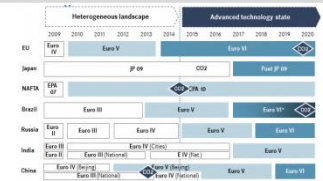


Truck industry offers positive mid-term dynamics

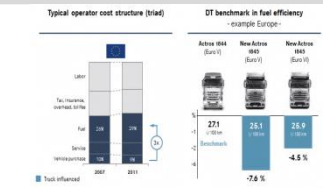
1 3.6% p.a. global growth, increasing relevance of RIC



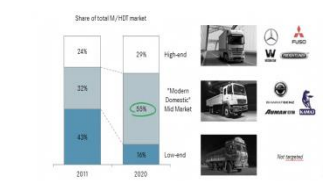
2 Convergence of emission regulations



3 TCO increasingly relevant for customers



4 Vehicle upgrading – "Modern Domestic" becoming biggest segment



5 Structural growth of high margin aftersales business

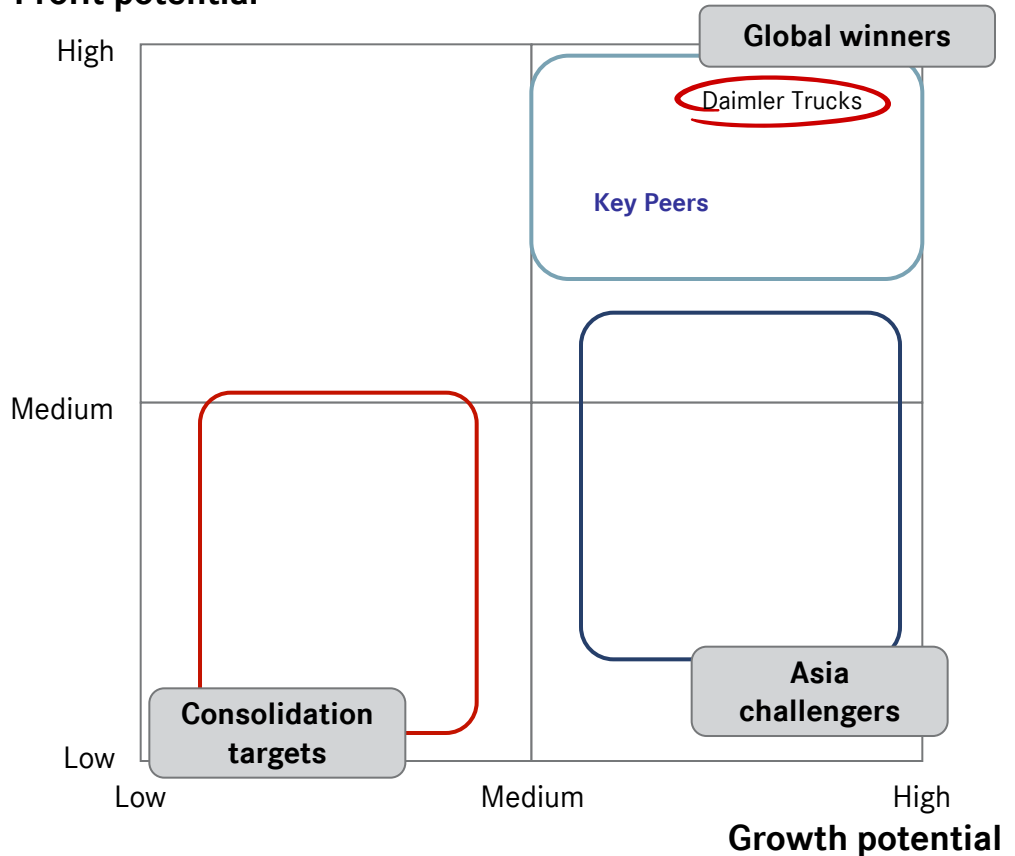


Mid-term industry dynamics give DT a clear advantage over its regional competitors in the future

Industry trends

- Triad recovery and BRIC growth
- Convergence of emission regulations
- Vehicle upgrading – new "Modern Domestic"
- Increasing TCO relevance
- Profit growth in aftersales

Profit potential



The foundation for profitable growth has been laid with a strong product pipeline with new global platforms



SFTP



Cascadia



Super Great HDEP



Actros Brazil



Antos



Severe Duty Line



Canter Hybrid



MDEG/HDEP




Bharat Benz




Auman

Product offensive to continue over next years


Achieving global scale effects



Global engine platforms
HDEP/MDEG



PowerShift
transmission platform



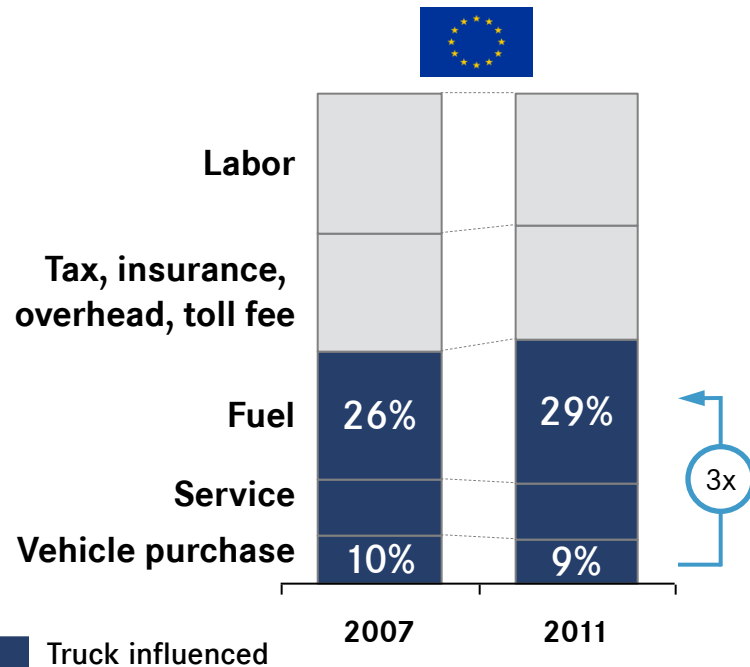
Common
axle platform



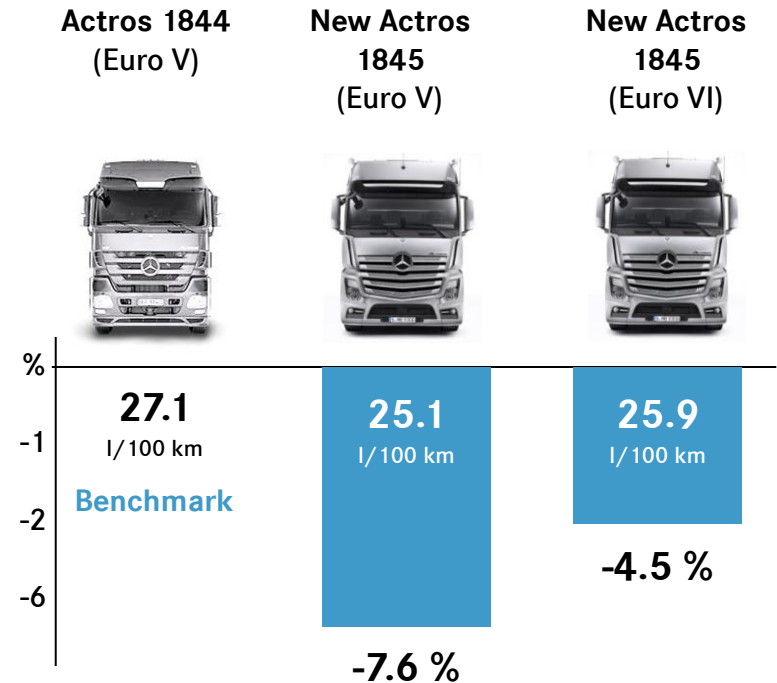
Integrated Powertrain
with global application

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

Accelerating Global Excellence: “Daimler Trucks #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



Current focus



Excellence Programs of OUs

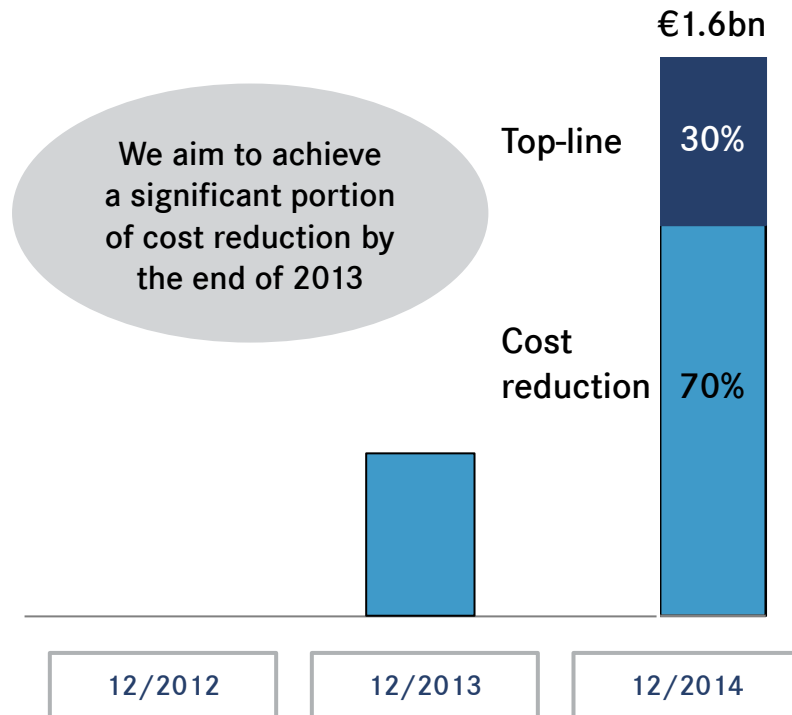


Cross-business Excellence Initiatives



Daimler Trucks #1

Flight path towards benefits



Key levers

- Sales and aftersales push
- Module strategy to realize global scale
- Future Asia Business Model
- Strong efficiency push in all Operating Units:
 - Fixed costs
 - Material costs
 - Production costs
 - Warranty and quality costs

DT#1 with right structure to strengthen leadership position: “As global as possible, as local as necessary”



4 OU Excellence Initiatives covering our global business

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

8 Work packages for synergy effects

- WP1: Daimler Trucks business portfolio
- WP2: Sales push (white spots)
- WP3: Truck sales & marketing dedication
- WP4: Aftersales & downstream push
- WP5: DT product strategy & management
- WP6: New setup Truck Product Engineering
- WP7: Lean Daimler Trucks
- WP8: Asia business Model

Eight cross-business work-packages to achieve our vision



Our Vision:

We are No. 1 in the global Truck business, create superior value for our customers and are benchmark for quality and profitability, [Wave 1](#)

WP 1	WP 2	WP 3	WP 4	WP 5	WP 6	WP 7	WP 8
DT business portfolio	Sales push (white spots)	Truck S&M dedication	Aftersales/downstream push	DT product strategy and management	New TP setup	Lean DT	Asia business model
<ul style="list-style-type: none"> • Optimize funding allocation and portfolio: <ul style="list-style-type: none"> – Businesses – Products – Projects – Cooperations 	<ul style="list-style-type: none"> • Develop untapped or not yet fully covered markets and product segments • Optimize international market management model 	<ul style="list-style-type: none"> • Optimize truck dedication and customer orientation for MB Europe 	<ul style="list-style-type: none"> • Further improve integrated services for our customers • Enhance global aftersales and remanufacturing business 	<ul style="list-style-type: none"> • Realize global scale and sourcing advantages through enhanced platform/module strategy and optimized material costs 	<ul style="list-style-type: none"> • Develop future TP setup • Improve R&D allocation and efficiency • Focus on platform, module and commonality 	<ul style="list-style-type: none"> • Optimize indirect functions • Establish lean processes and mindset 	<ul style="list-style-type: none"> • Develop integrated business model for Asia to increase Asia market exploitation

Financial Outlook and Targets

▶ Outlook 2013

Increase in unit sales and EBIT in the magnitude of the prior year expected

▶ Target

We continue to target a RoS of 8% on average over the cycle, supported by DT#1, however, from a later starting point.

▶ Sales leadership

Milestones: over 500k in 2015 / 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

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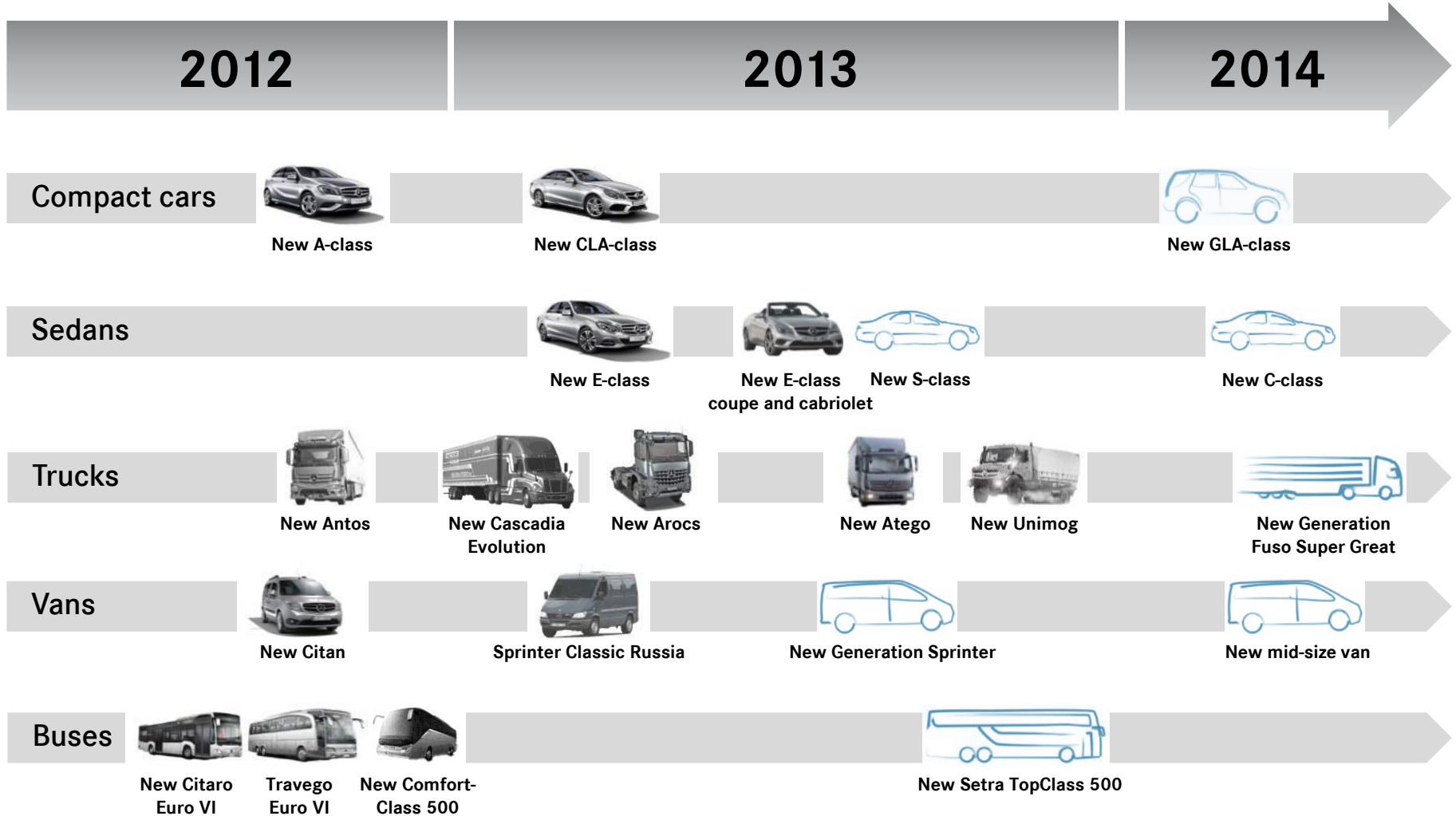
Daimler Group

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Launch of new vehicles



Assumptions for automotive markets in 2013

Car markets	Global	+2% to +4%
	Western Europe	decline
	U.S./Asia	growth in China and USA
Truck markets	NAFTA	up to -5%
	Europe	around -5%
	Japan	up to -5%
	Brazil	up to +10%
Van markets	Europe	around -5%
Bus markets	Western Europe	at prior year's level
	Brazil	moderate growth

Sales outlook FY 2013



- Further unit sales increase
- Strong momentum from new compact cars and SUVs
- Launch of new CLA, E-Class and S-Class



- Unit sales slightly above prior year
- Further increase based on strong product portfolio
- Growth of market share in major regions



- Increase in unit sales
- Support from new city van Citan and new generation of Sprinter
- Launch of Sprinter Classic in Russia



- Higher unit sales
- Growth supported by new Mercedes-Benz Citaro and Setra 500
- Maintain market leadership in core markets

2013 expectations for EBIT from ongoing business

Second half of 2013:

Earnings improvement expected compared with the level of the first half, due to the planned new models, the assumptions made for the development of markets important to Daimler and the increasing effects of the efficiency measures that have been initiated.

Full year 2013:

Daimler: Due to the fact that there will be no further equity-method results from EADS in the course of the year as well as lowered market expectations and the weaker than expected EBIT in the first quarter, Group EBIT from the ongoing business is expected to be below the previous year's level.

Mercedes-Benz Cars: Full-year EBIT is expected to be below the previous year's level.

Daimler Trucks and Mercedes-Benz Vans: Full-year EBIT is expected in the magnitude of the prior year.

Daimler Buses: Earnings are expected to be higher than in the prior year.

2014 and the following years:

Improvements in operative profit expected for all automotive divisions and for the Group.

Daimler Financial Services:

Stable development of earnings anticipated in the next two years.

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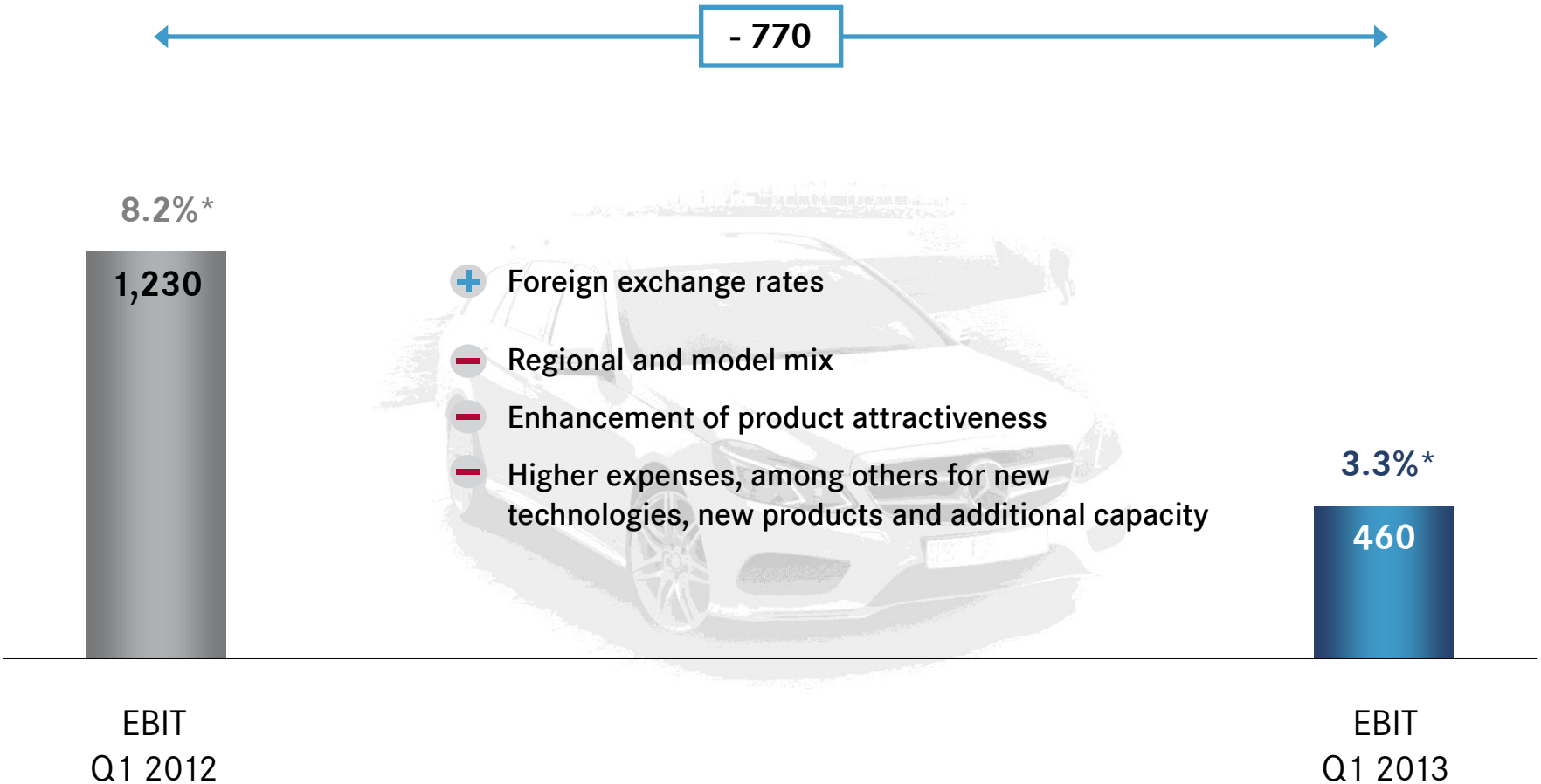
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EBIT Mercedes-Benz Cars

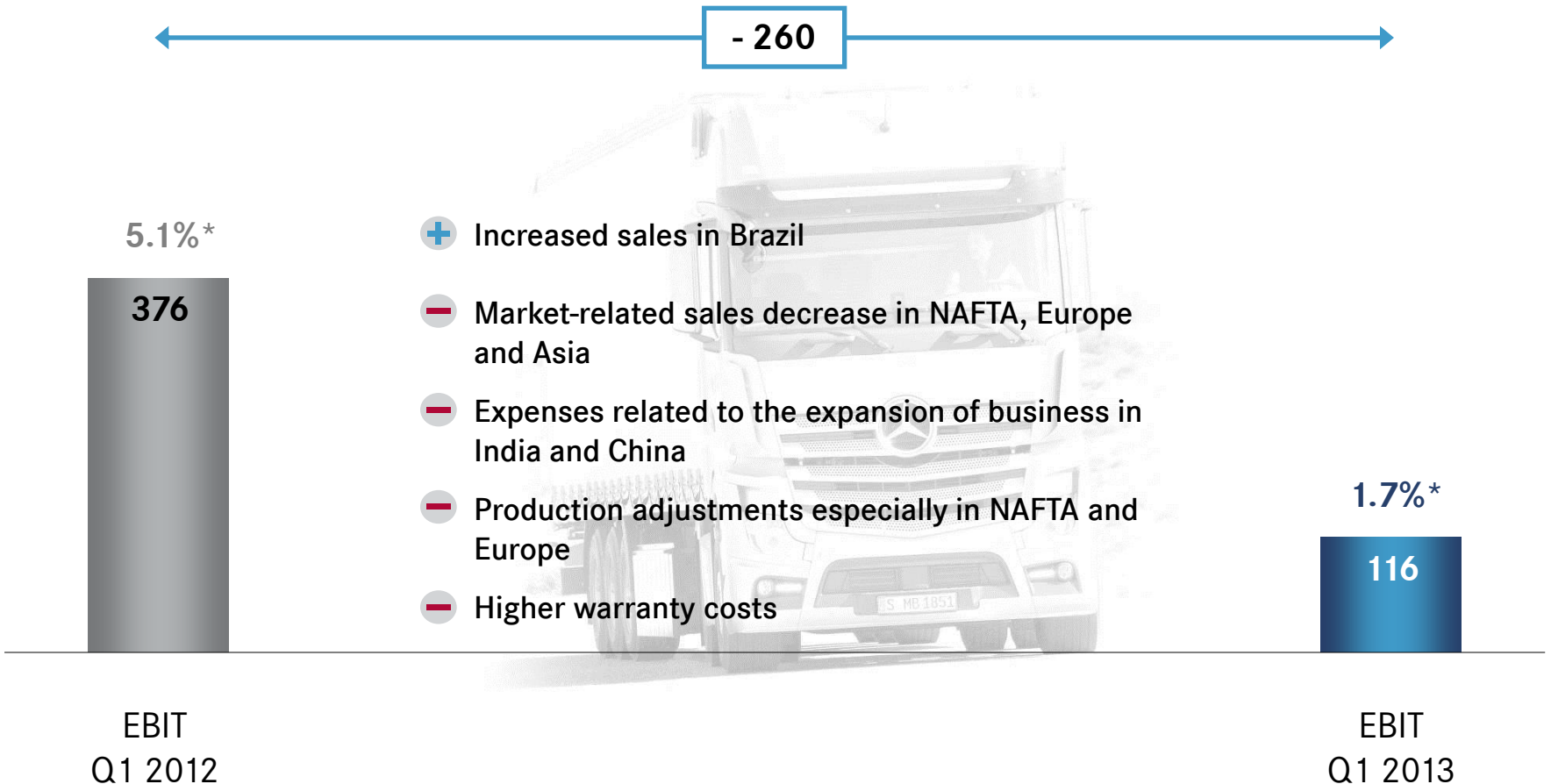
- in millions of euros -



* Return on sales

EBIT Daimler Trucks

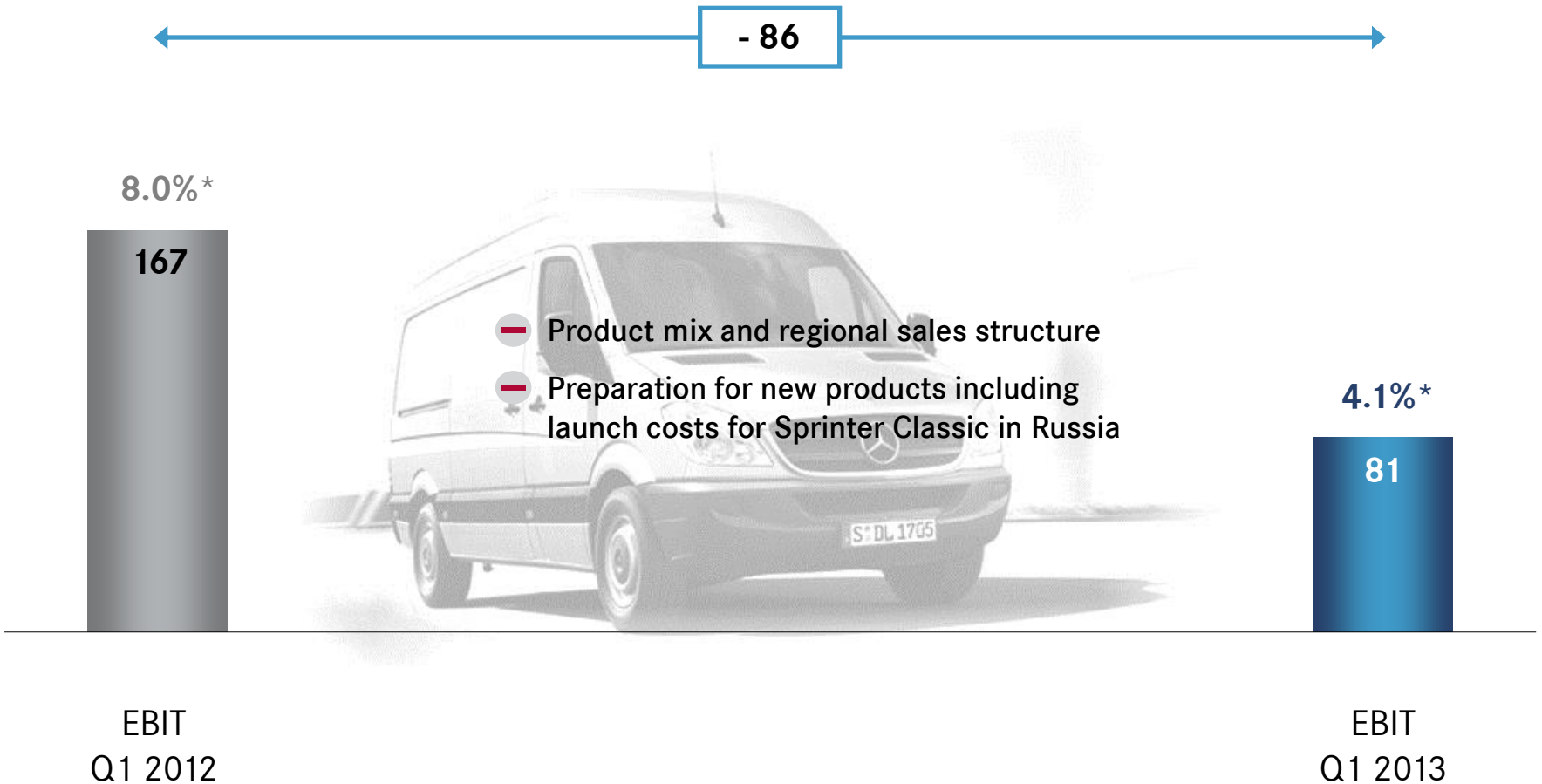
- in millions of euros -



* Return on sales

EBIT Mercedes-Benz Vans

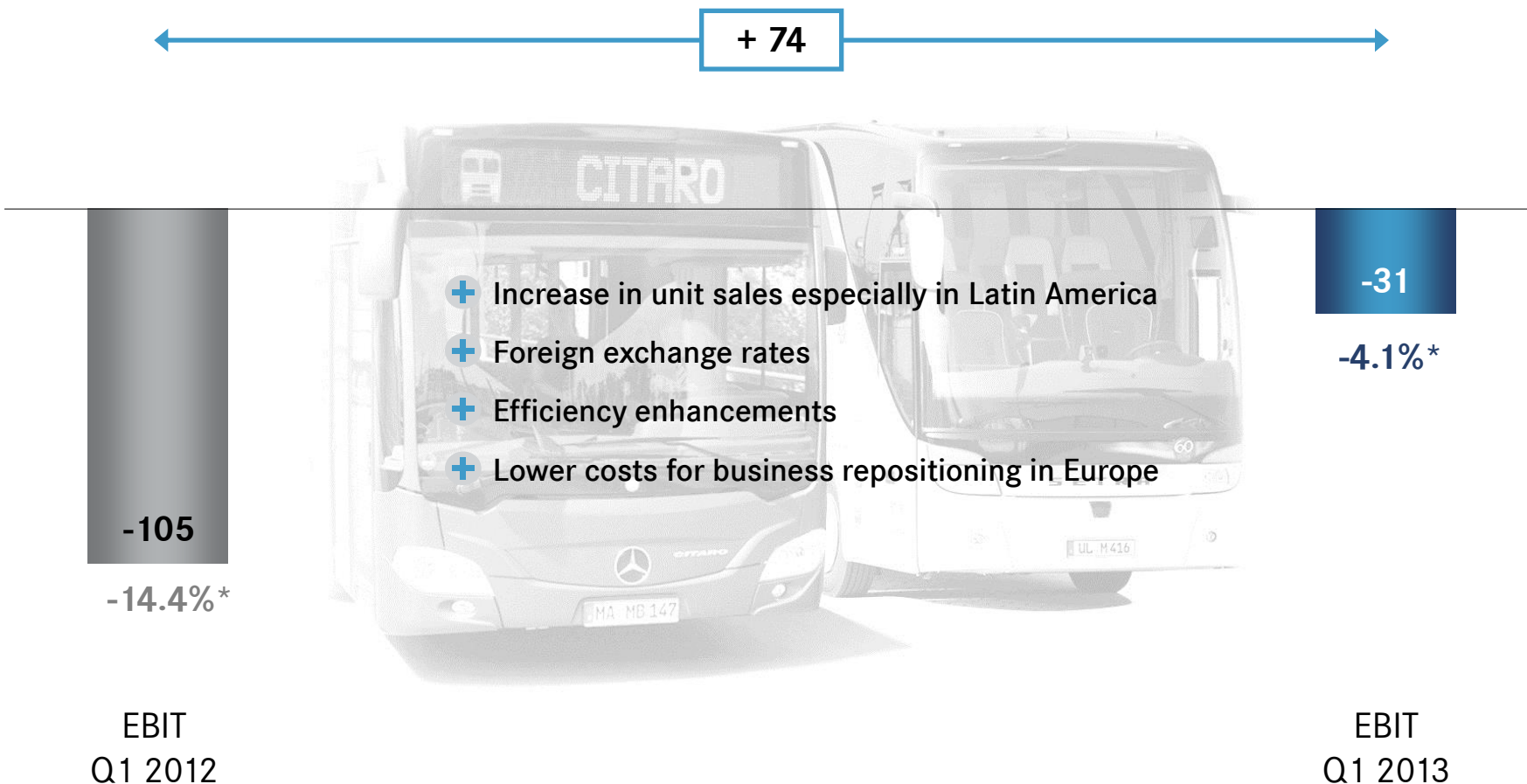
- in millions of euros -



* Return on sales

EBIT Daimler Buses

- in millions of euros -



* Return on sales

EBIT Daimler Financial Services

- in millions of euros -



344

- + Higher contract volume
- Higher cost of risk
- Lower interest margins

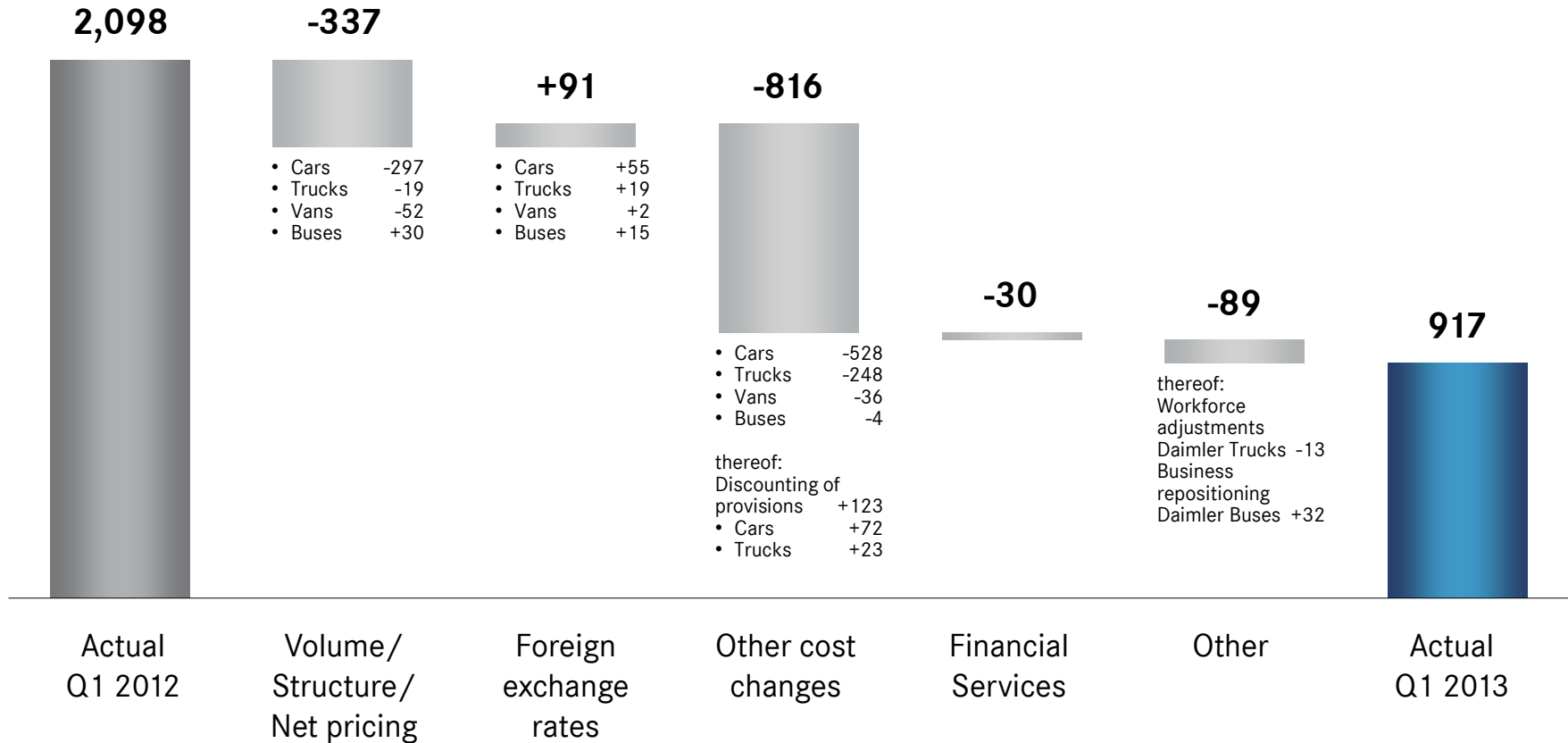
314

EBIT
Q1 2012

EBIT
Q1 2013

Group EBIT in Q1 2013

- in millions of euros -



Special items affecting EBIT

- in millions of euros -

	1 st quarter	
	2012	2013
Daimler Trucks		
Workforce adjustments*	-	-13
Daimler Buses		
Business repositioning**	-36	-4

* Daimler Trucks expects special items from workforce adjustments of up to €250 million.

** Daimler Buses expects special items from the business repositioning of up to €30 million in 2013.

EBIT from ongoing business

- EBIT in millions of euros; RoS in % -

	Q1 2012		Q1 2013	
	EBIT	RoS*	EBIT	RoS*
Daimler Group	2,134	6.8	934	2.7
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Reconciliation	86	-	-23	-

* Return on sales; Daimler Group excluding Daimler Financial Services

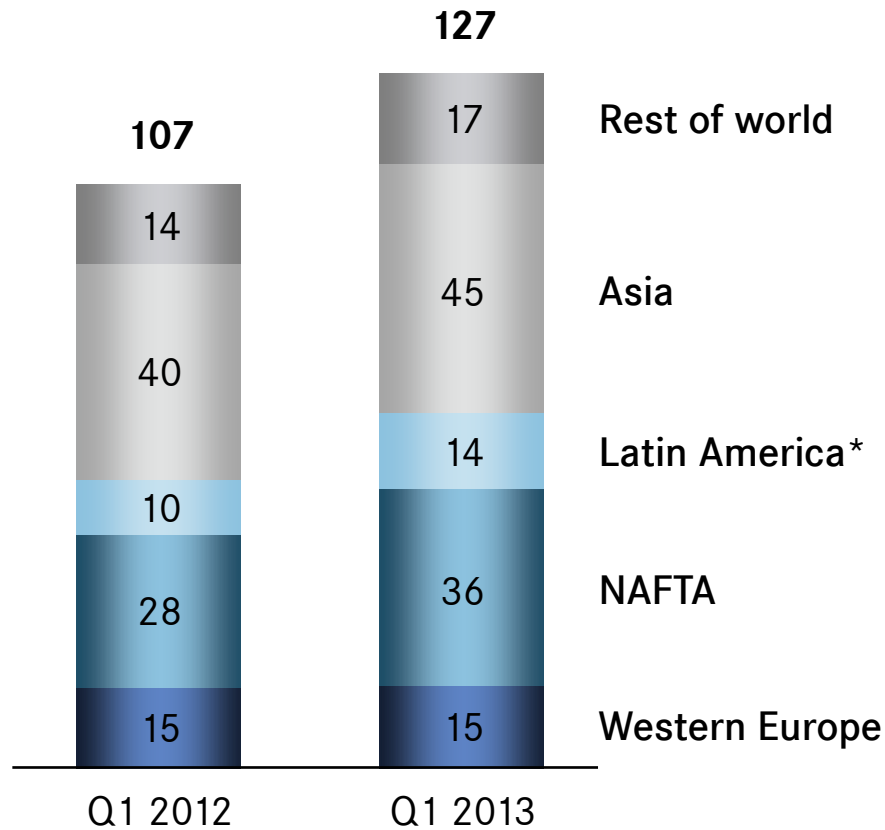
Capital expenditure / Research and development

- in billions of euros -

	Investment in property, plant and equipment			Research and development expenditure		
	Actual 2011	Actual 2012	Plan 2013-2014	Actual 2011	Actual 2012	Plan 2013-2014
Daimler Group	4.2	4.8	10.2	5.6	5.6	10.8
of which						
Mercedes-Benz Cars	2.7	3.5	7.3	3.7	3.9	7.6
Daimler Trucks	1.2	1.0	2.0	1.3	1.2	2.3
Mercedes-Benz Vans	0.1	0.2	0.7	0.4	0.4	0.6
Daimler Buses	0.1	0.1	0.2	0.2	0.2	0.3
Daimler Financial Services	0.02	0.02	0.03	-	-	-

Higher level of order intake in most regions

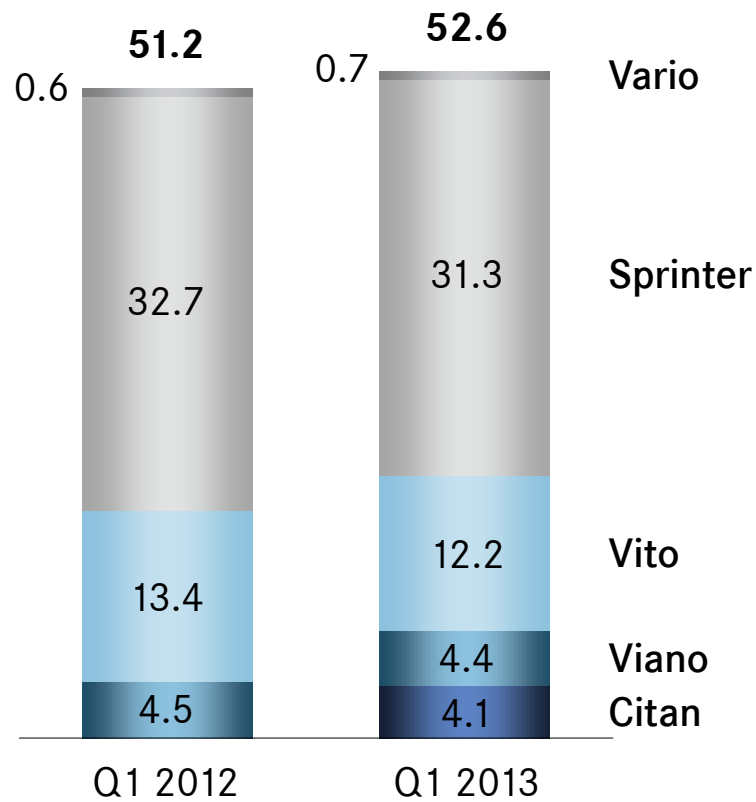
- in thousands of units -



* Due to the business model, incoming orders in Brazil correspond with unit sales.

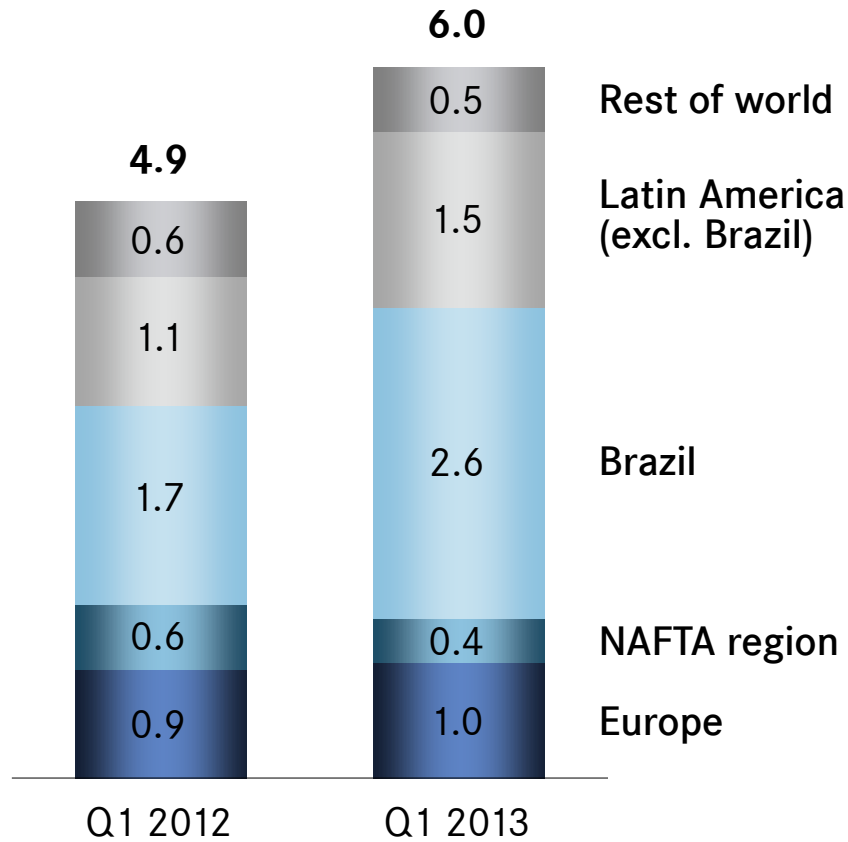
Higher unit sales due to increase outside Western Europe

- Unit sales in thousands -



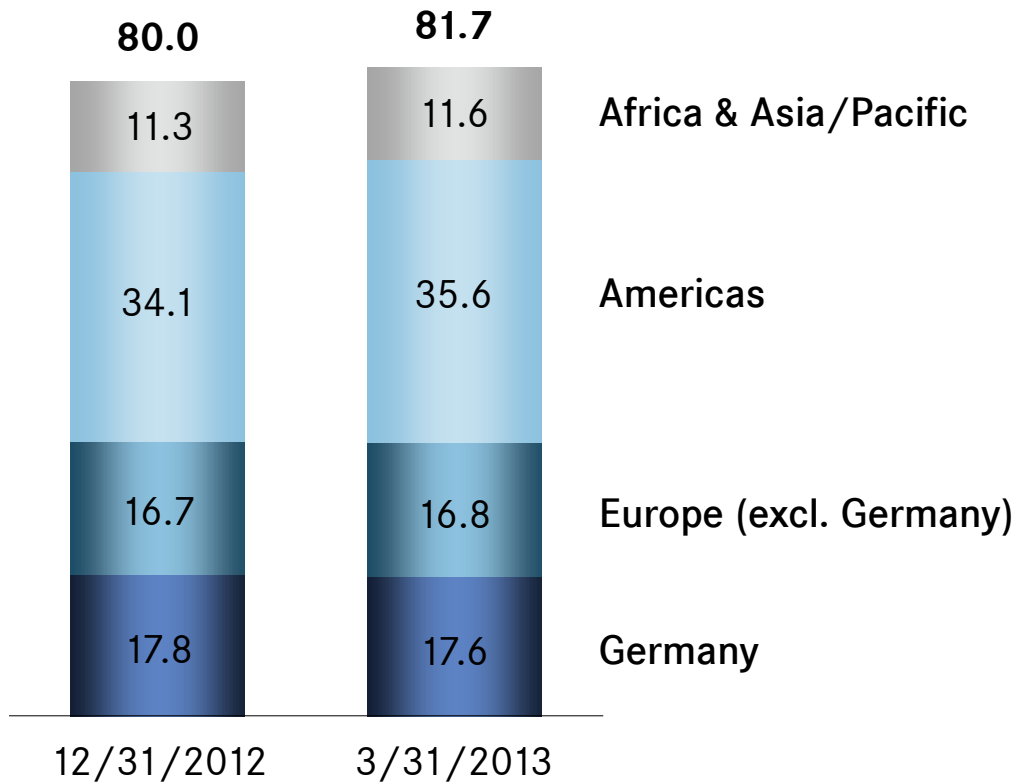
Increase in unit sales especially due to higher demand in Brazil

- Unit sales in thousands -

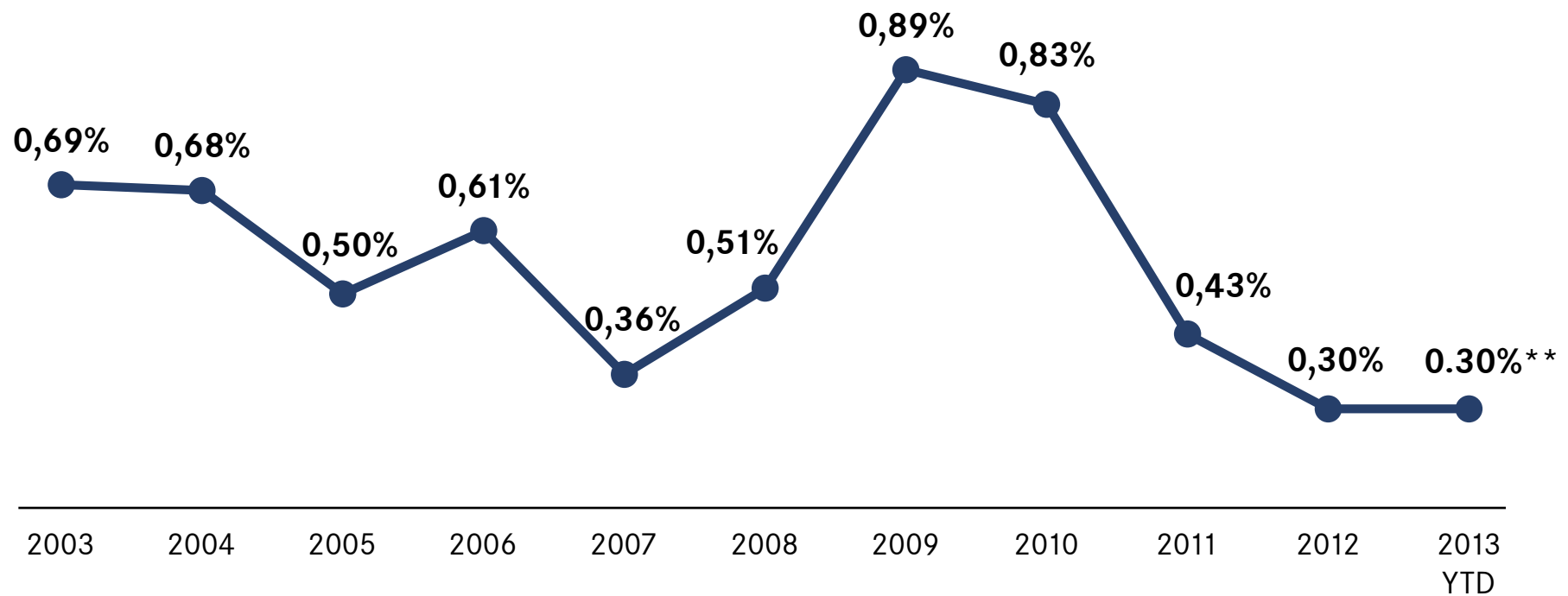


Increase in contract volume driven by growth in the Americas regions

- in billions of euros -



Net credit losses*

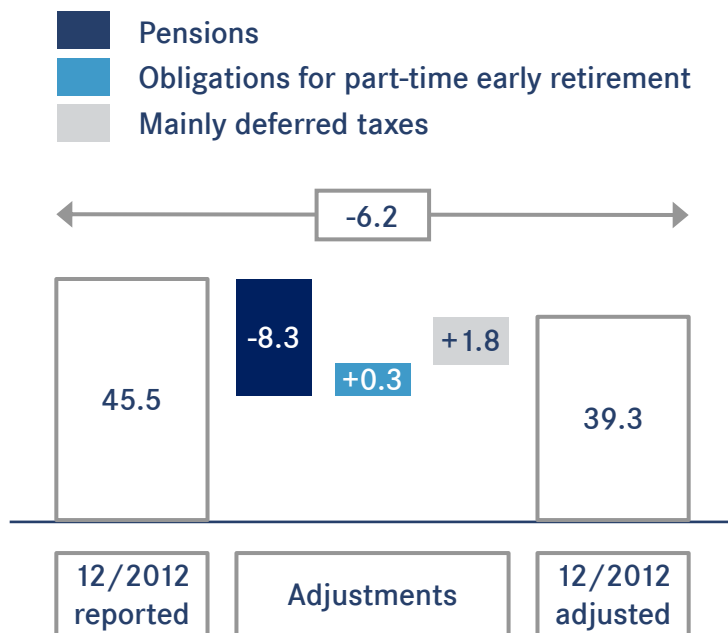


* as a percentage of portfolio, subject to credit risk

** annualized rate

Effects of the application of the revised accounting standard IAS 19

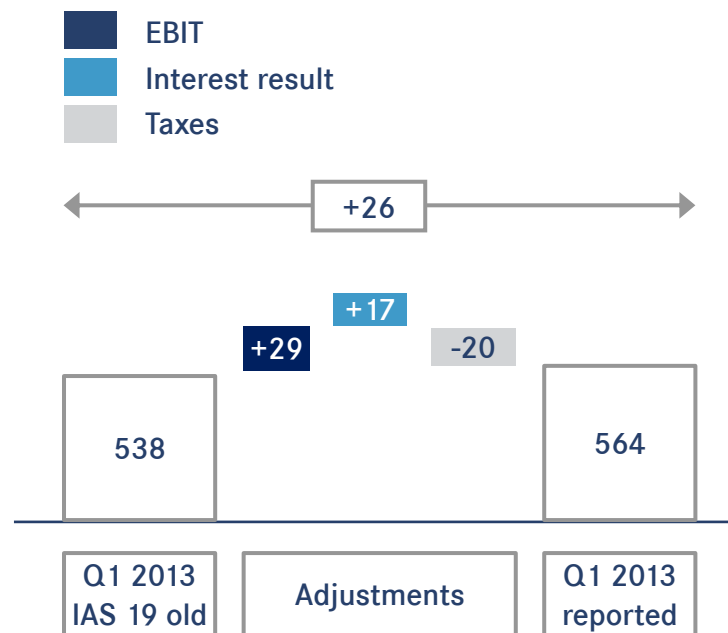
Total equity (in billions of euros)



Direct effect of actuarial gains and losses on equity

Pro-rata addition to part-time early retirement provision

Net profit (in millions of euros)



EBIT:

Effects of part-time early retirement provision

Interest result:

No amortization of actuarial gains and losses
 Net interest approach: expected rate of return of plan assets equals discount rate of defined benefit obligation

Effects of the application of IAS 19 on the major positions of the consolidated financial statements

- in millions of euros -

Effects on the consolidated statement of financial position	Dec. 31, 2011	Dec. 31, 2012
Investments accounted for using the equity method	-357	-342
Other assets	-37	-33
Total equity	-4,045	-6,139
Provisions for pensions and similar obligations	4,682	8,264
Provisions for other risks	-334	-347
Balance of deferred tax assets and deferred tax liabilities	-697	-2,153

Effects on the consolidated statement of income	Q1 2012	FY 2012
EBIT	-30	-7
Interest result	46	193
Income taxes	-6	-63
Net profit	10	123

Disclaimer

The figures in this document are preliminary and have neither been approved yet by the Supervisory Board nor audited by the external auditor.

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 euro zone; 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; 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.