

DAIMLER

Daimler Business in China

Deutsche Bank Investor Fieldtrip

November 26, 2013

Beijing, China



Contents

1 **Significance of China Market**

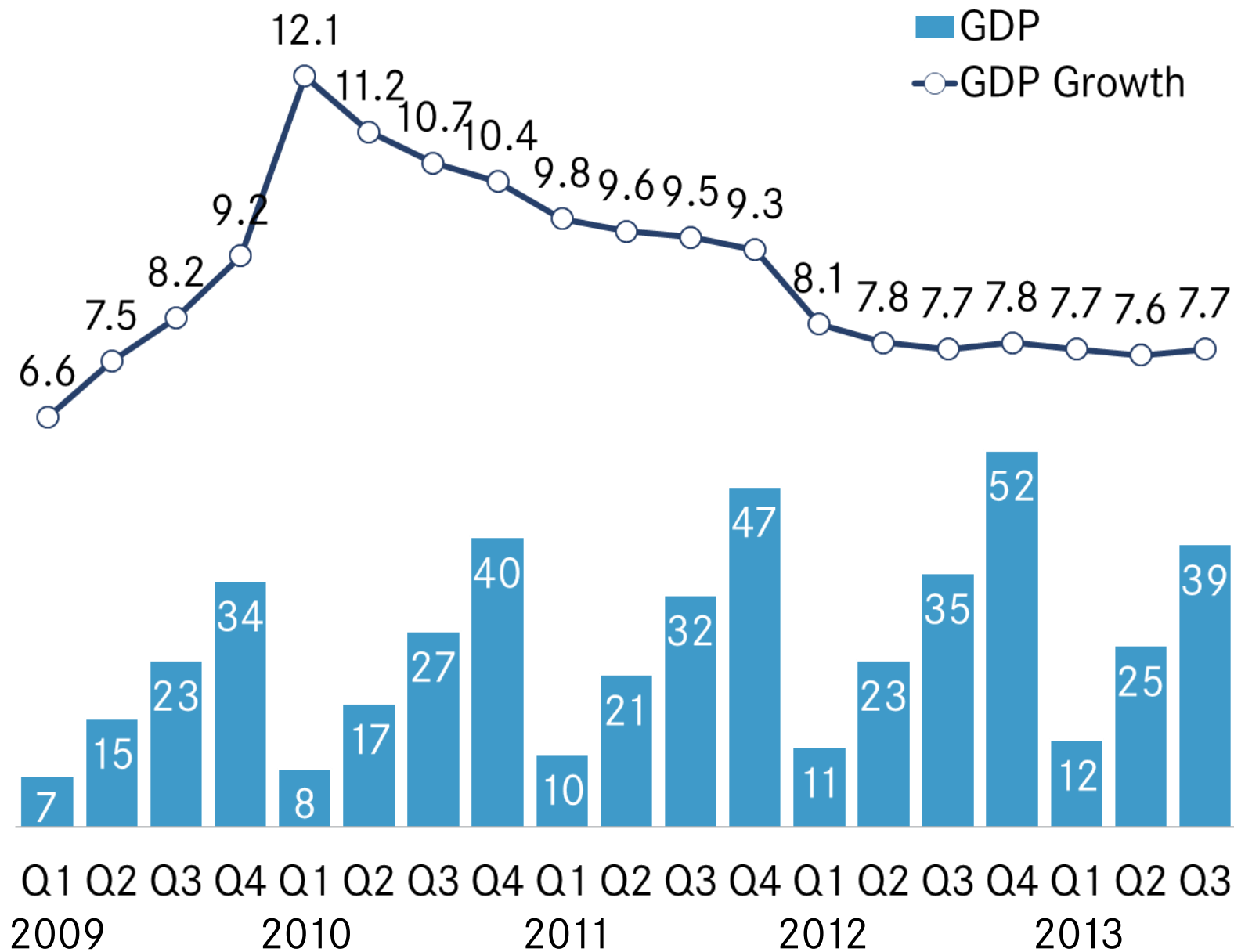
2 Presence of Daimler in China

3 Regaining momentum of Mercedes-Benz Cars

China: 2nd largest economy with more than \$8 trillion GDP, overall economy continue growing with moderate recovery

China Economic Growth – GDP

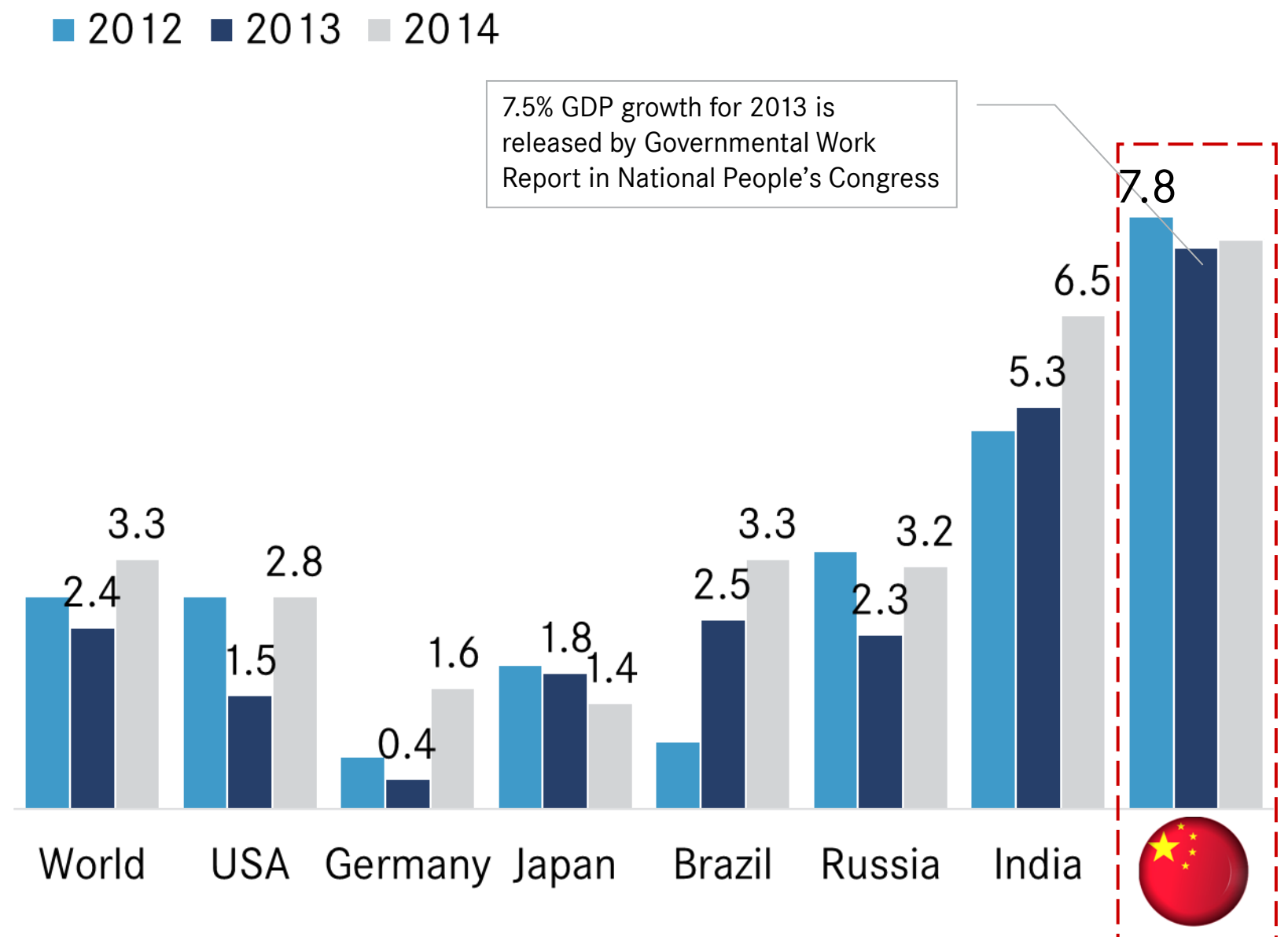
YTD, Volume in Trillion RMB, real growth in % to year ago



Source: National Bureau of Statistics of China

World Economic Growth – GDP

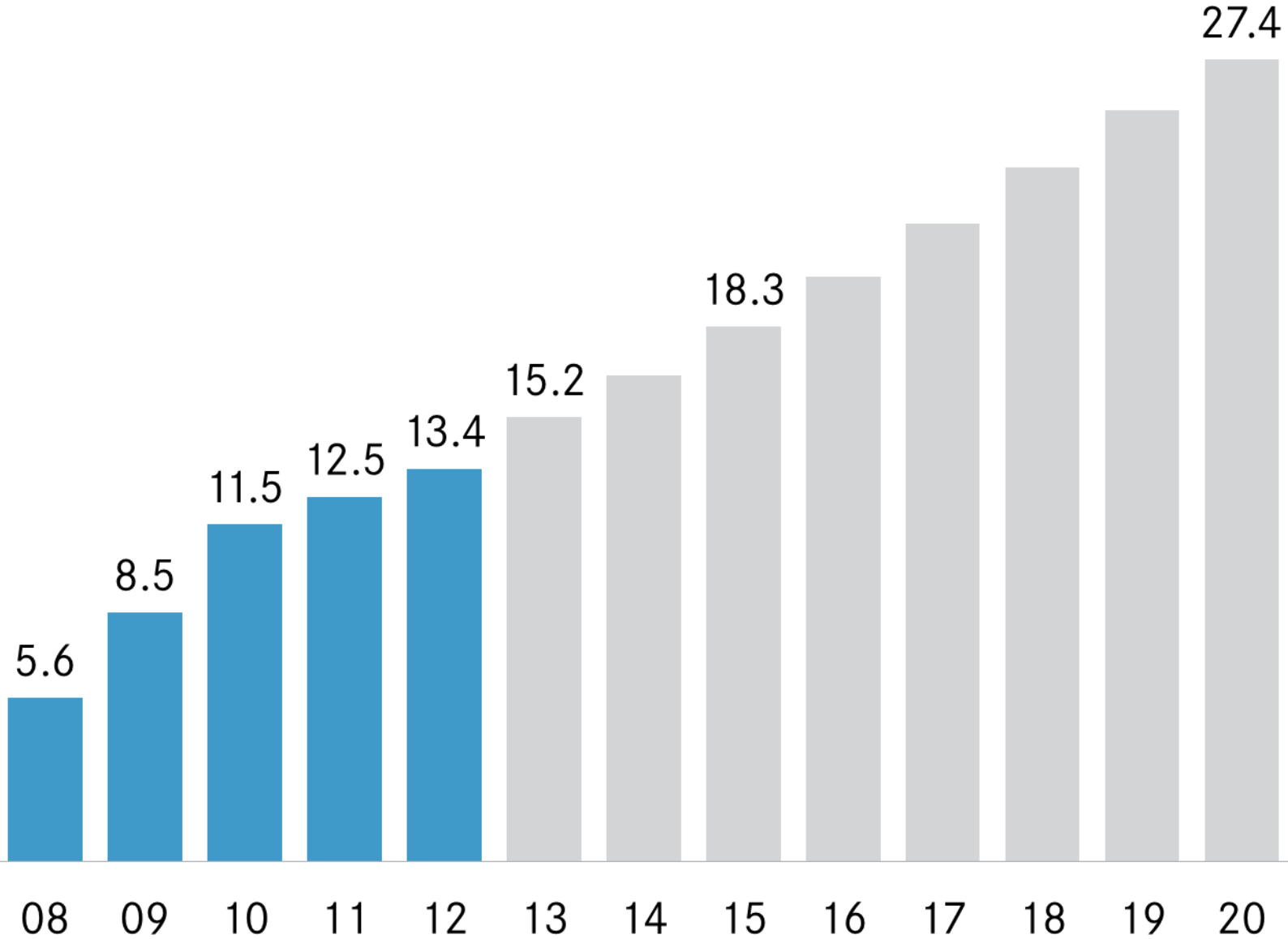
real growth in % to year ago



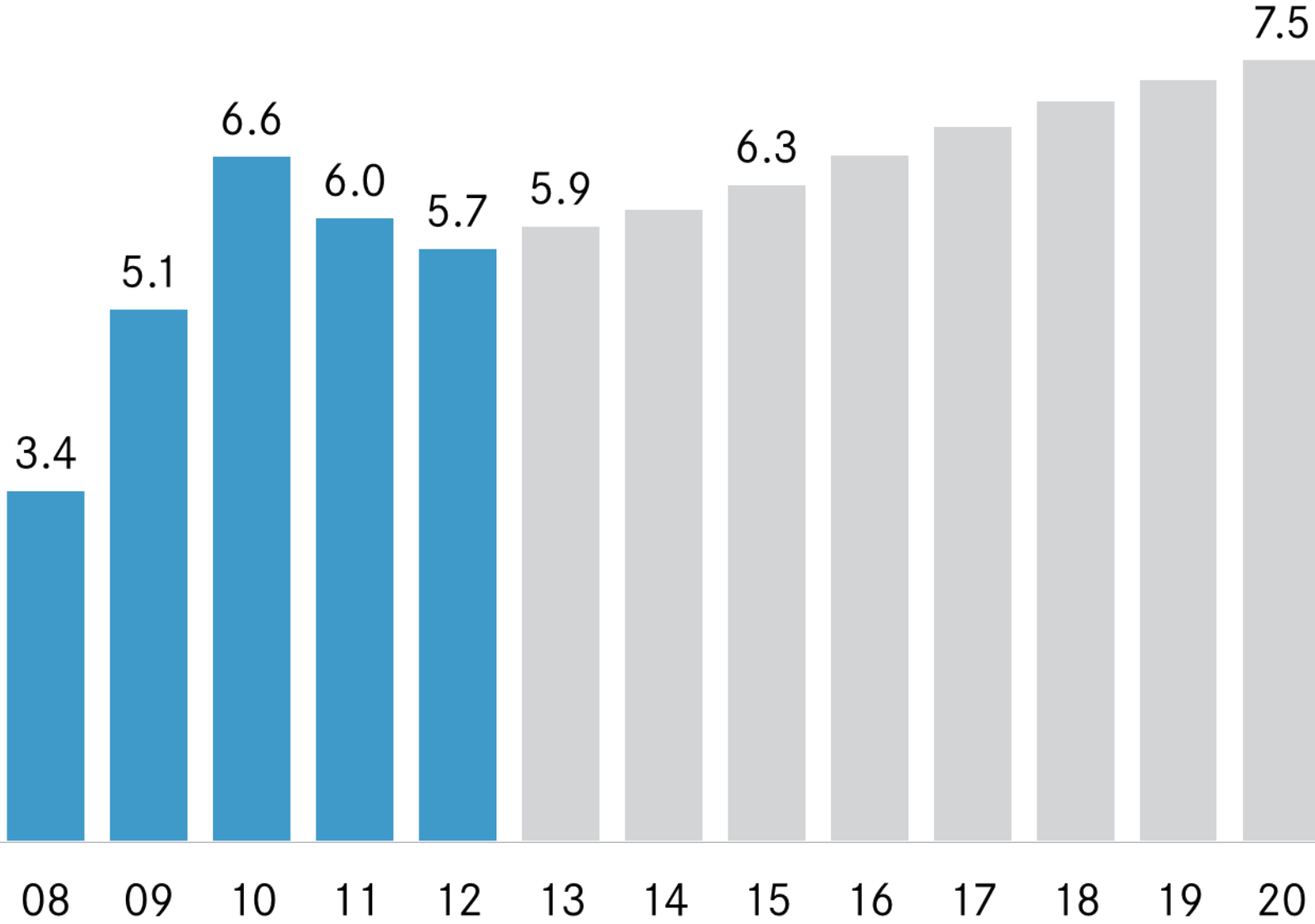
Source: Economic & Market Intelligence (S/EM) - August 2013

China continued to top the global automotive market ...

China PV Sales
In million units

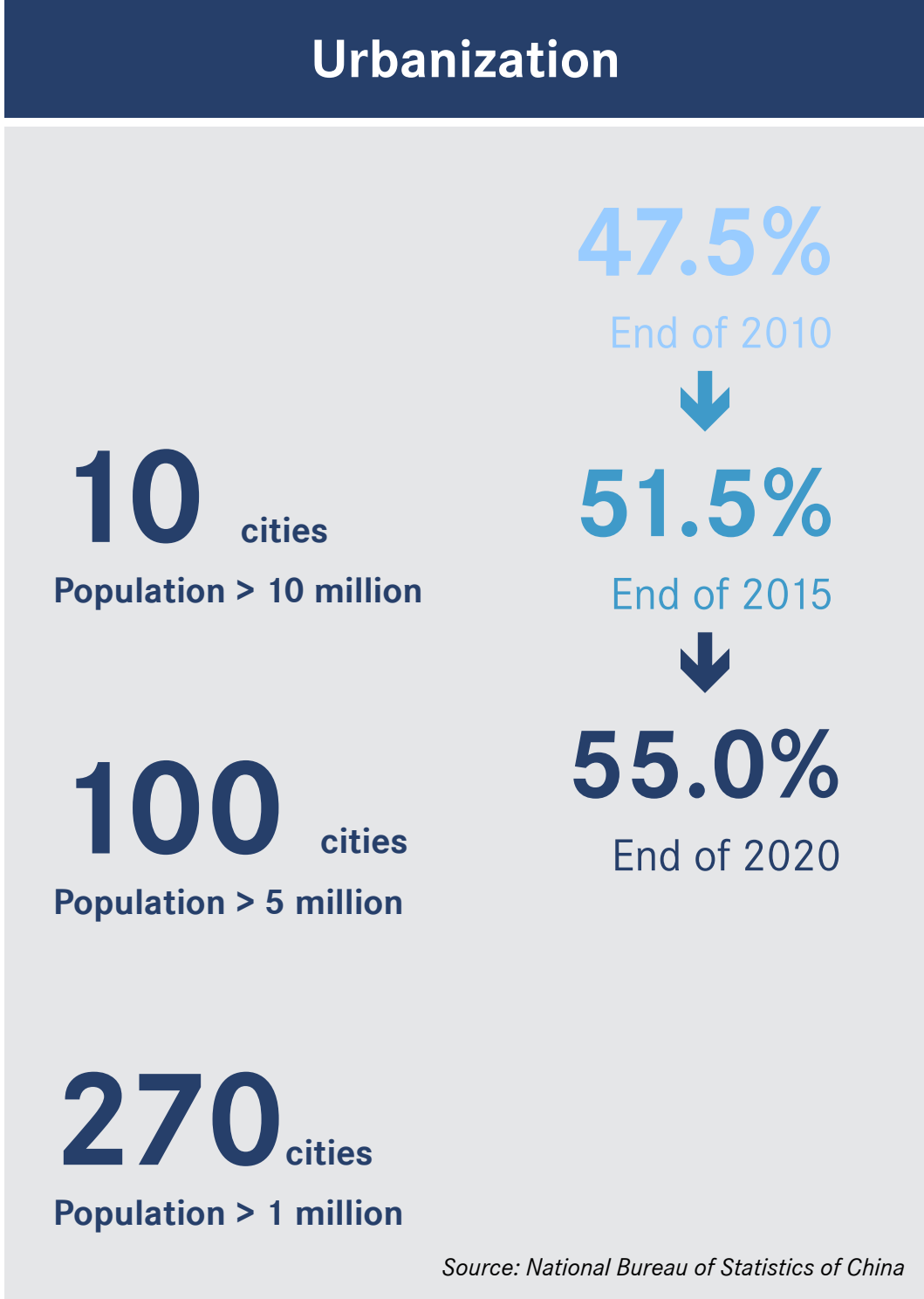
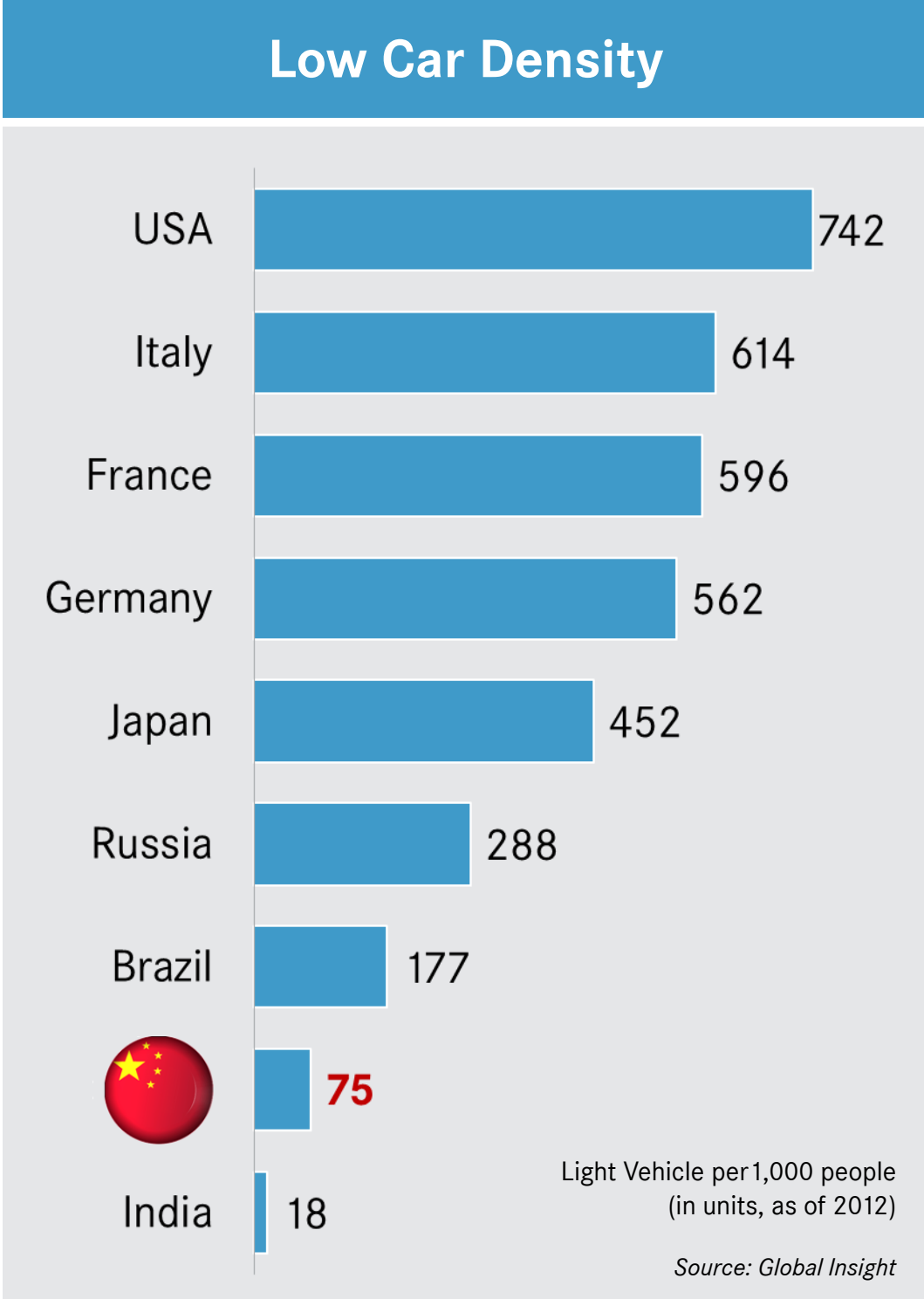
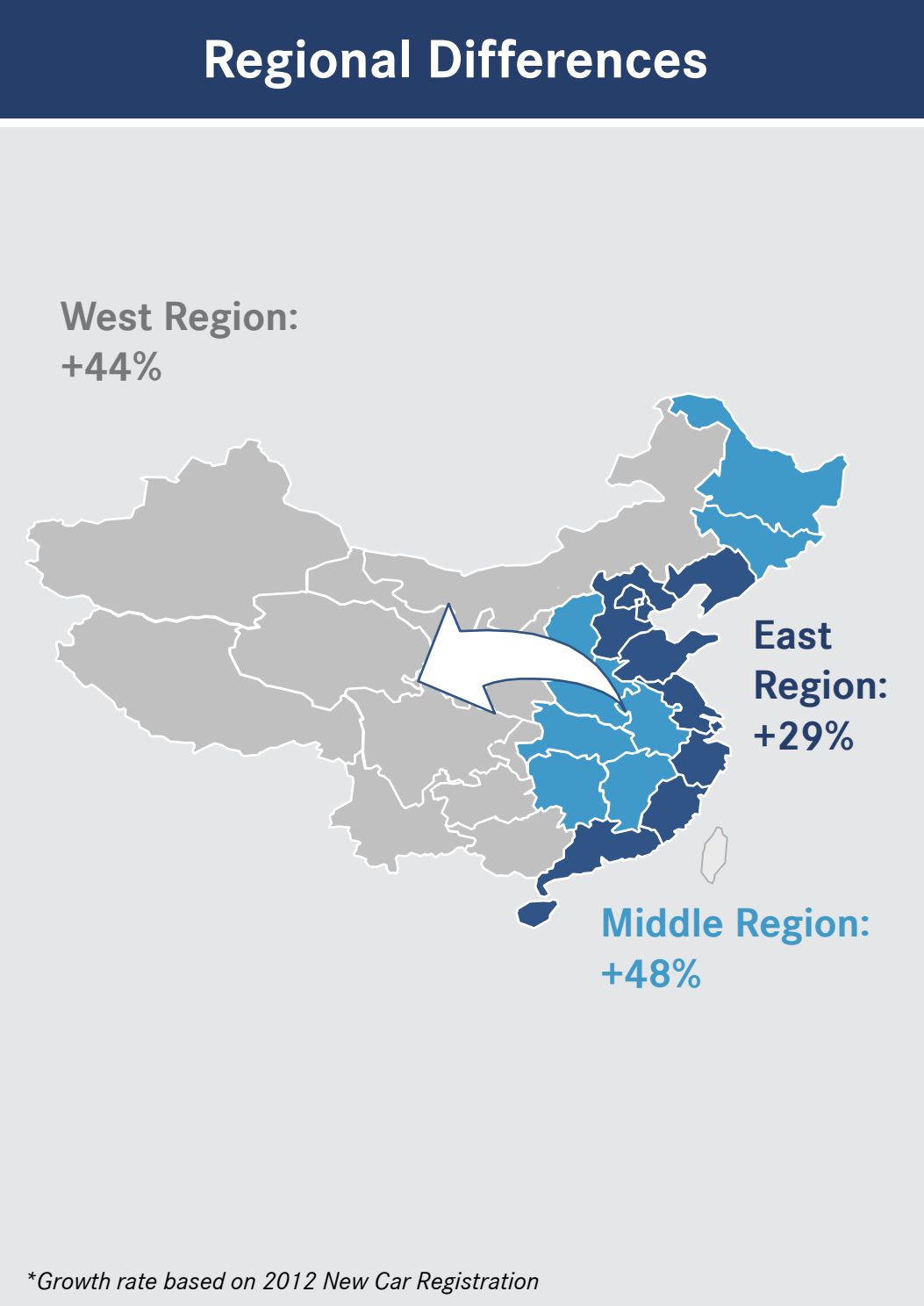


China CV Sales
In million units



Source: State Information Center (SIC)

... and with future growth potentials





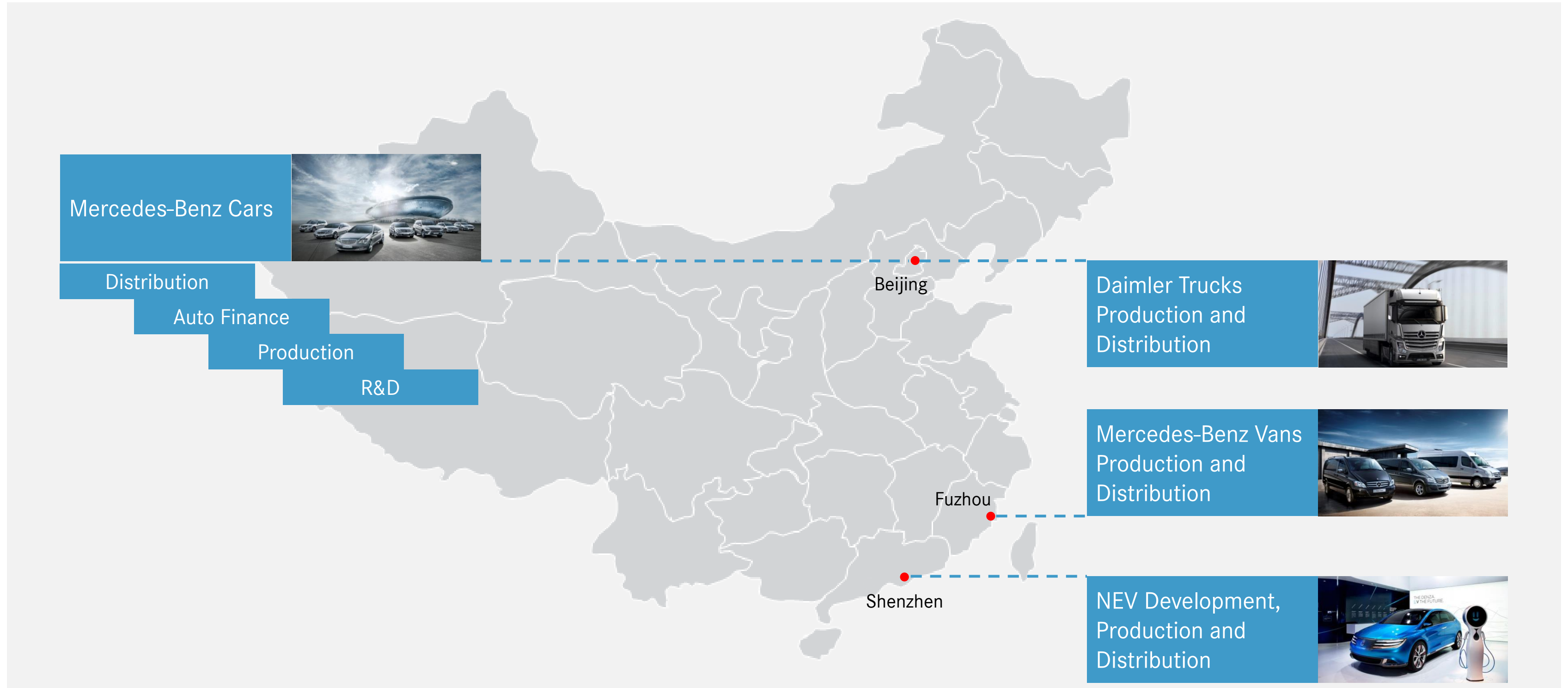
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Daimler in China



Auman Trucks



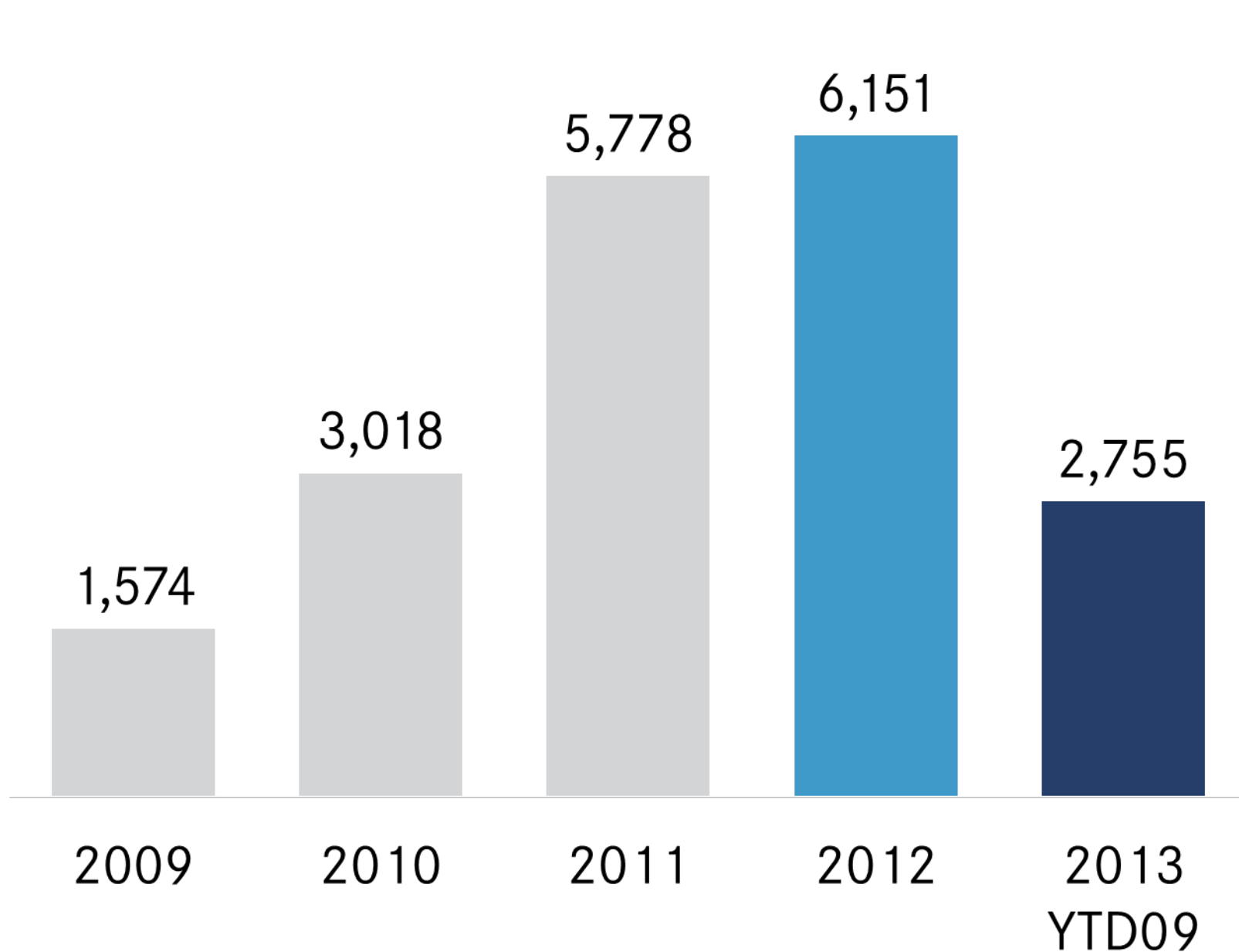
Mercedes-Benz Trucks



Mercedes-Benz Truck remain No.1 European Importer in China with market share of 60% in the first nine months of 2013

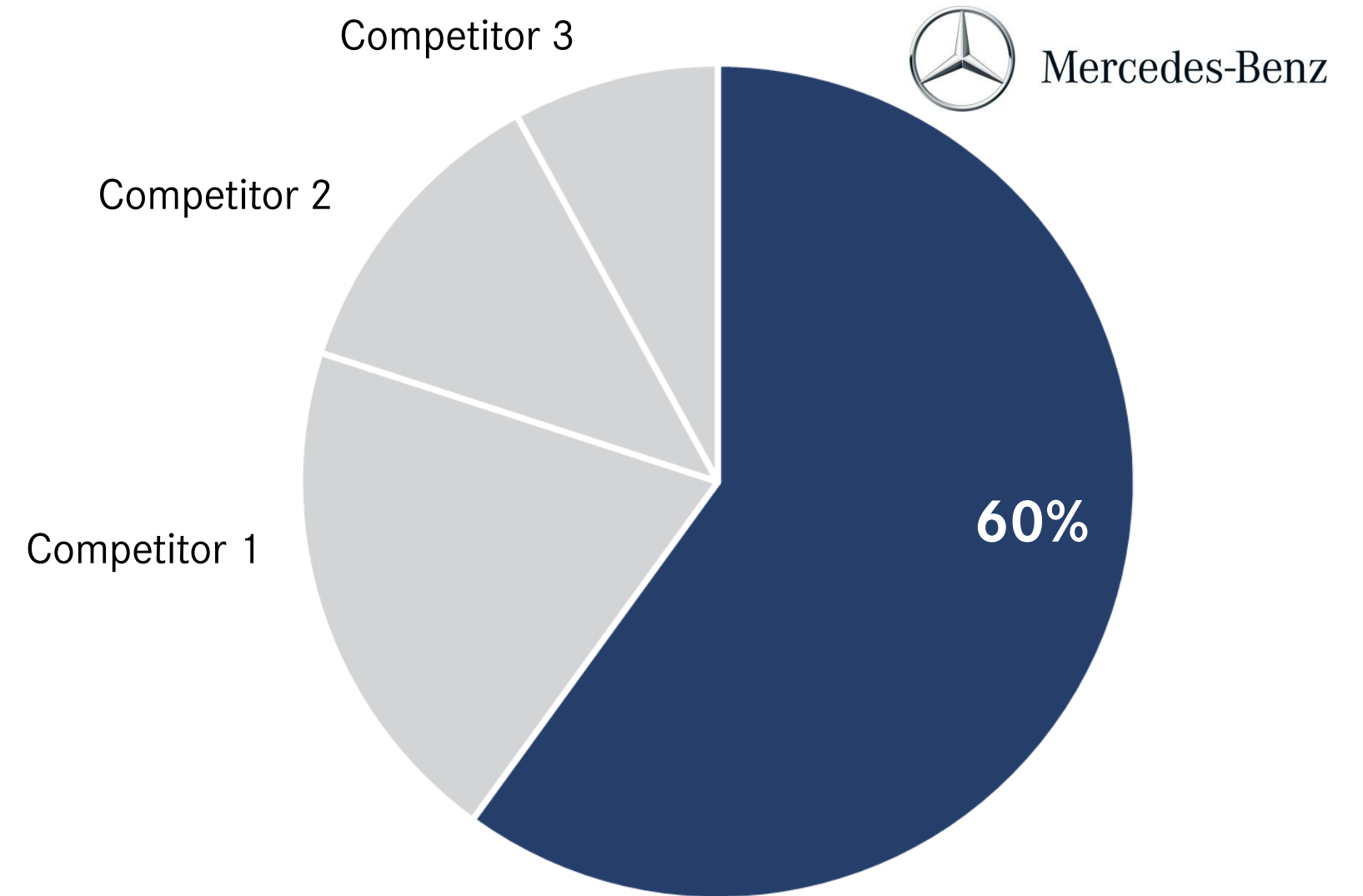
Mercedes-Benz Truck Sales Development

Volume in units



China HDT WEU Segment

SoM in percentage, YTD September

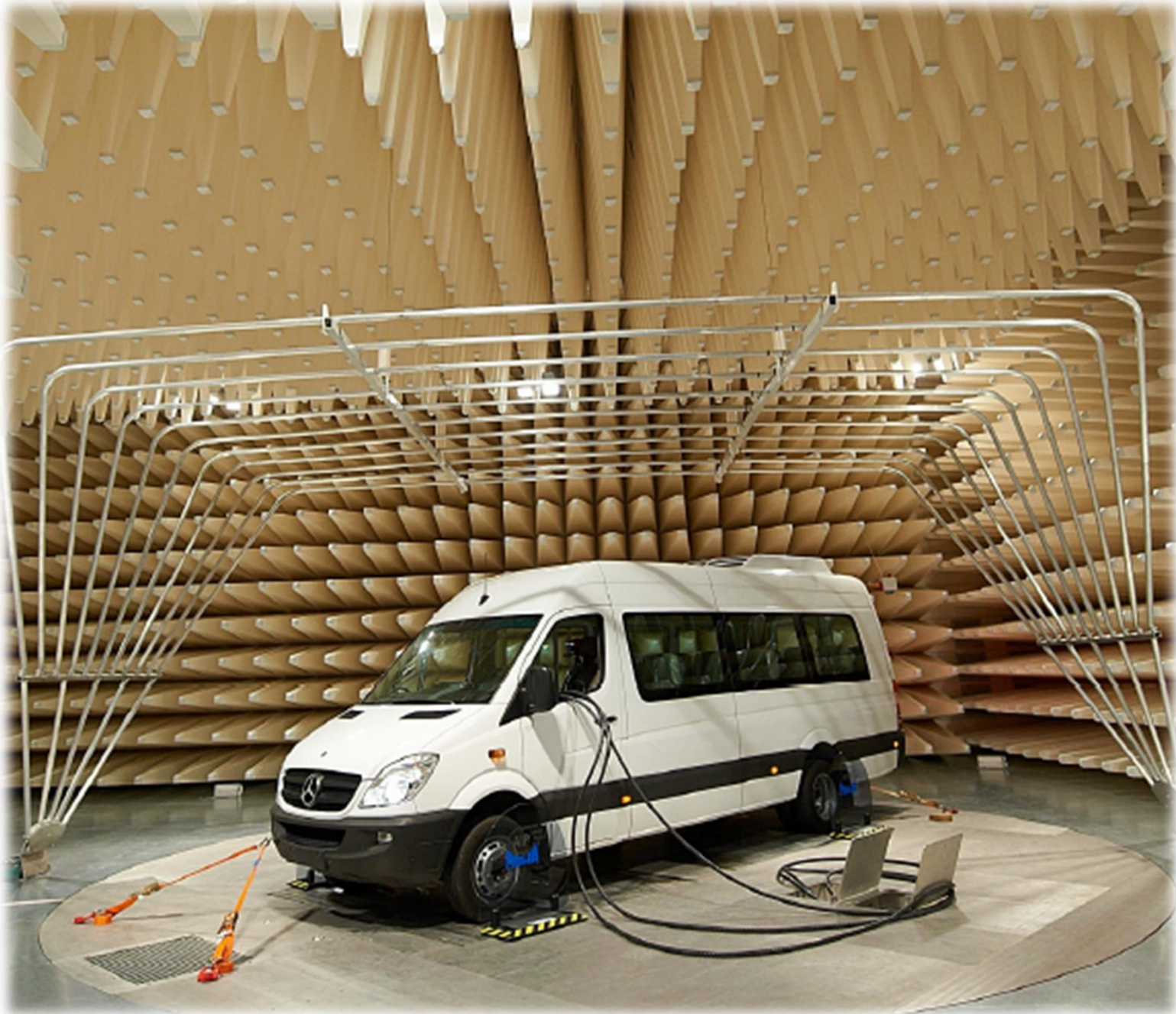
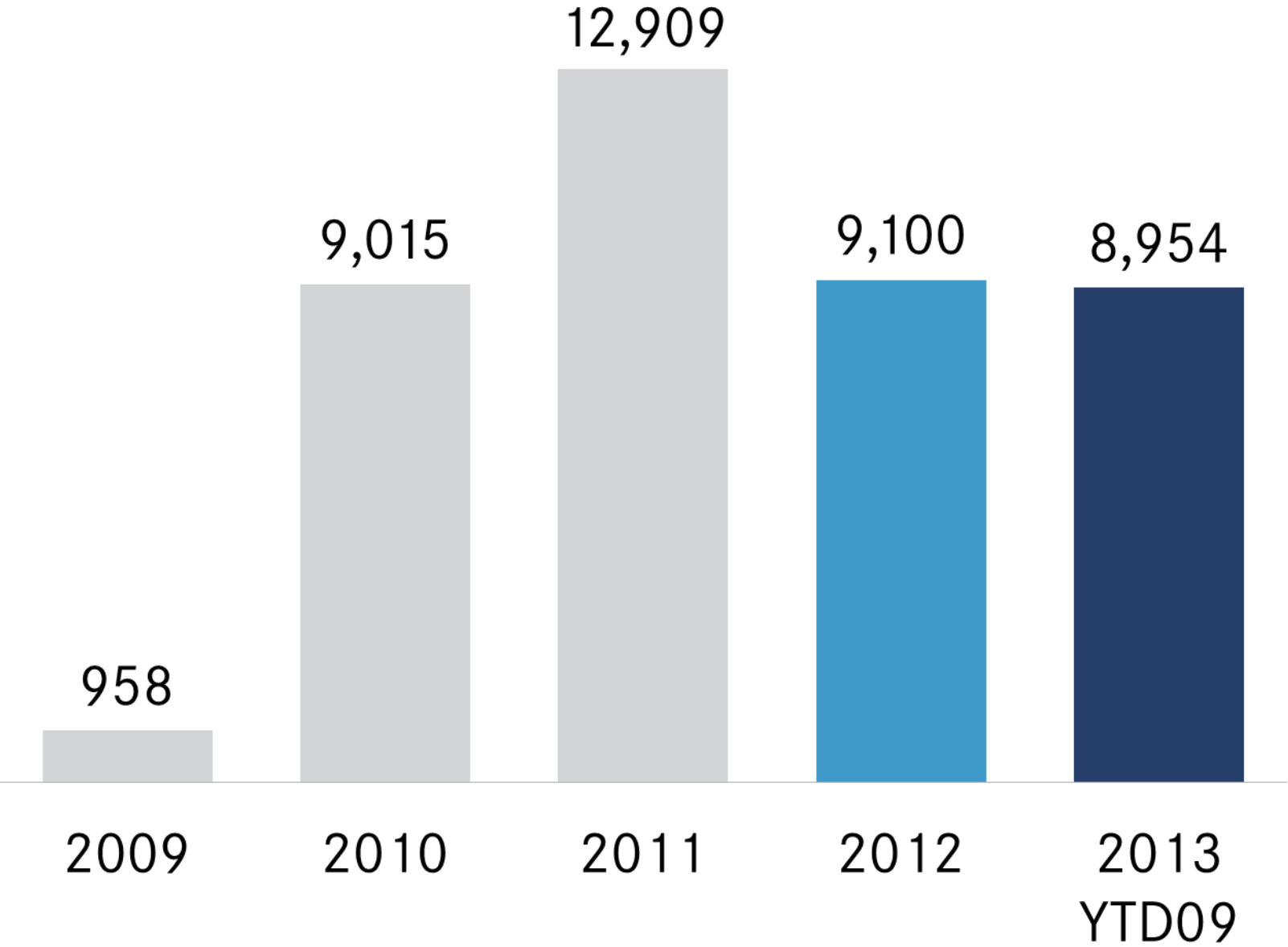


Mercedes-Benz Vans



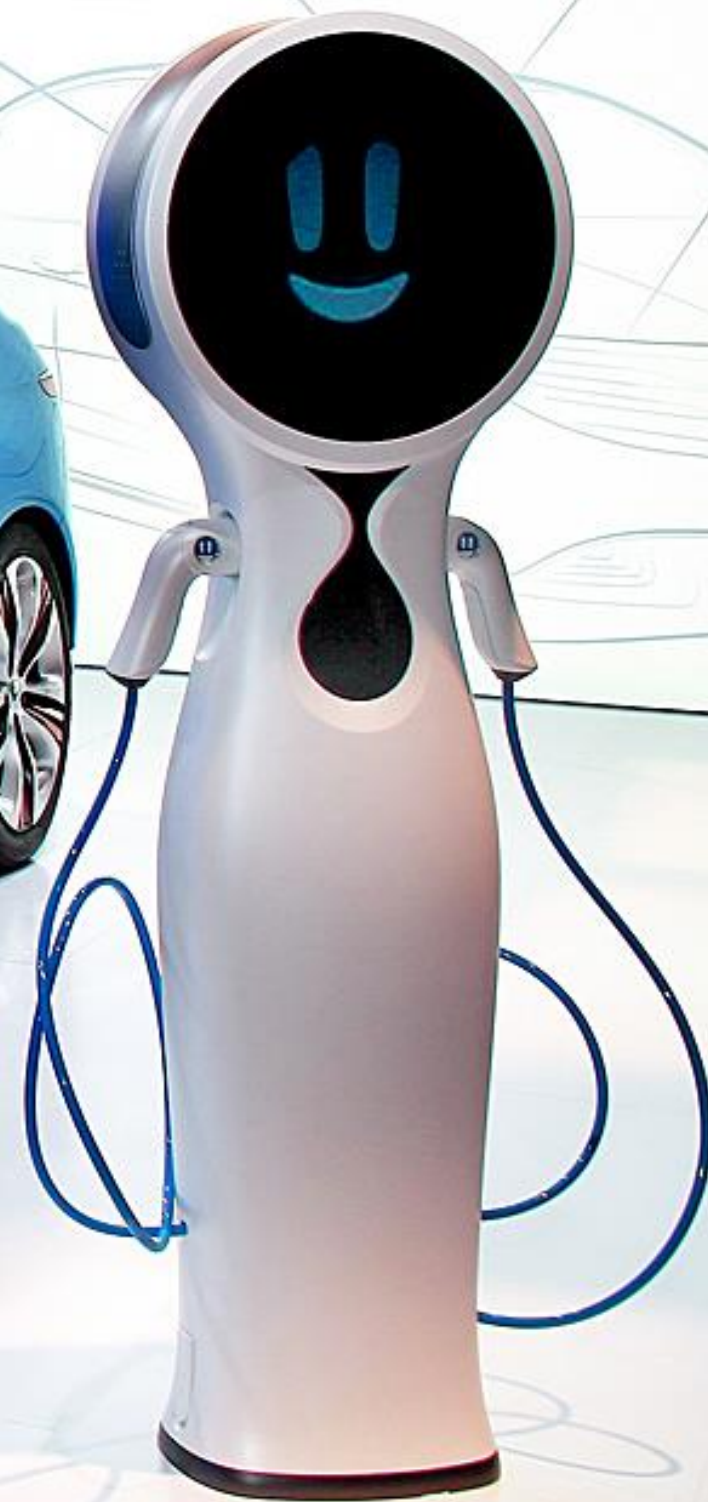
Renewed strong growth in September 2013 and the very first Mercedes-Benz Vans R&D Center opened outside Germany

Mercedes-Benz Vans Sales Development
Retail volume in units



NEV – DENZA

THE DENZA.
EV THE FUTURE.



With the launch of DENZA in 2014, we aim to develop the safest and most reliable electric vehicle in China and for China

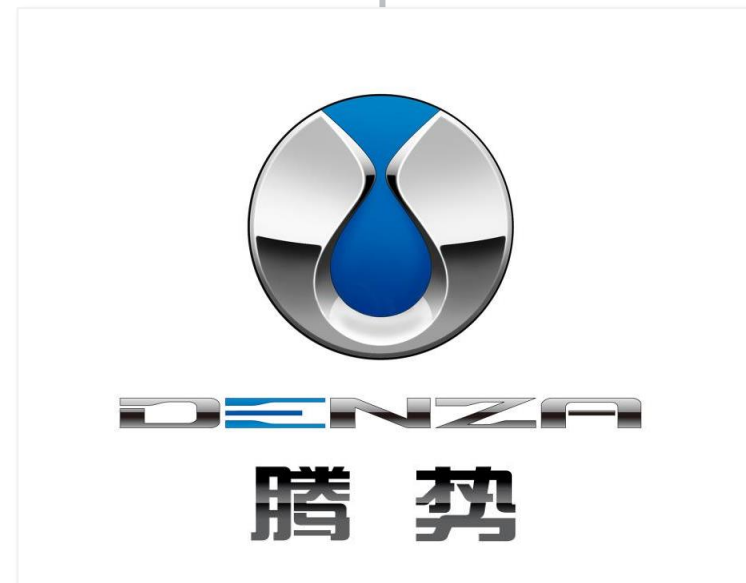


March 1st 2010
MoU signed

March 30th, 2012
DENZA brand revealed

April 23rd, 2012
Concept Car

April 21st 2013
Prototype Car



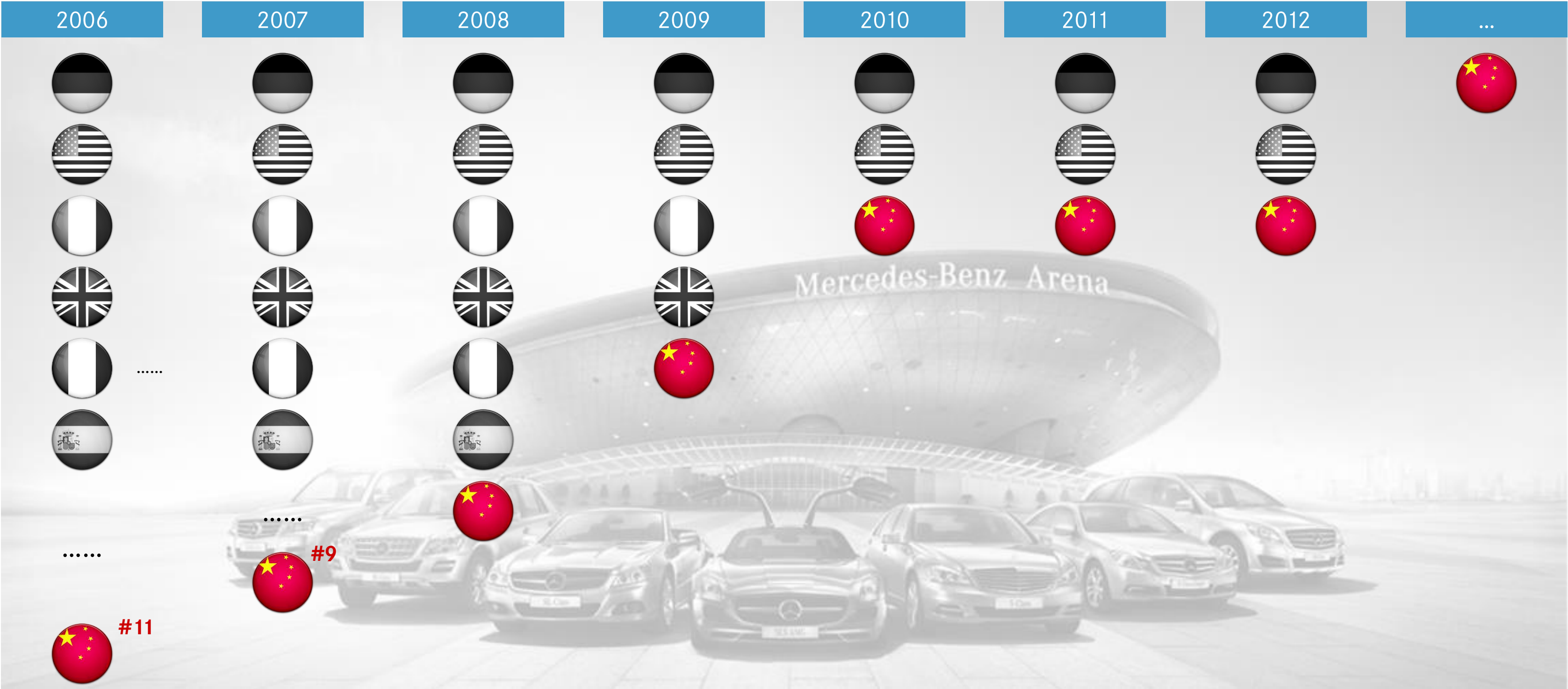
We will have altogether over 1 million testing kilometers on our electric vehicles



Mercedes-Benz Cars



Raising importance of China for Mercedes-Benz Cars

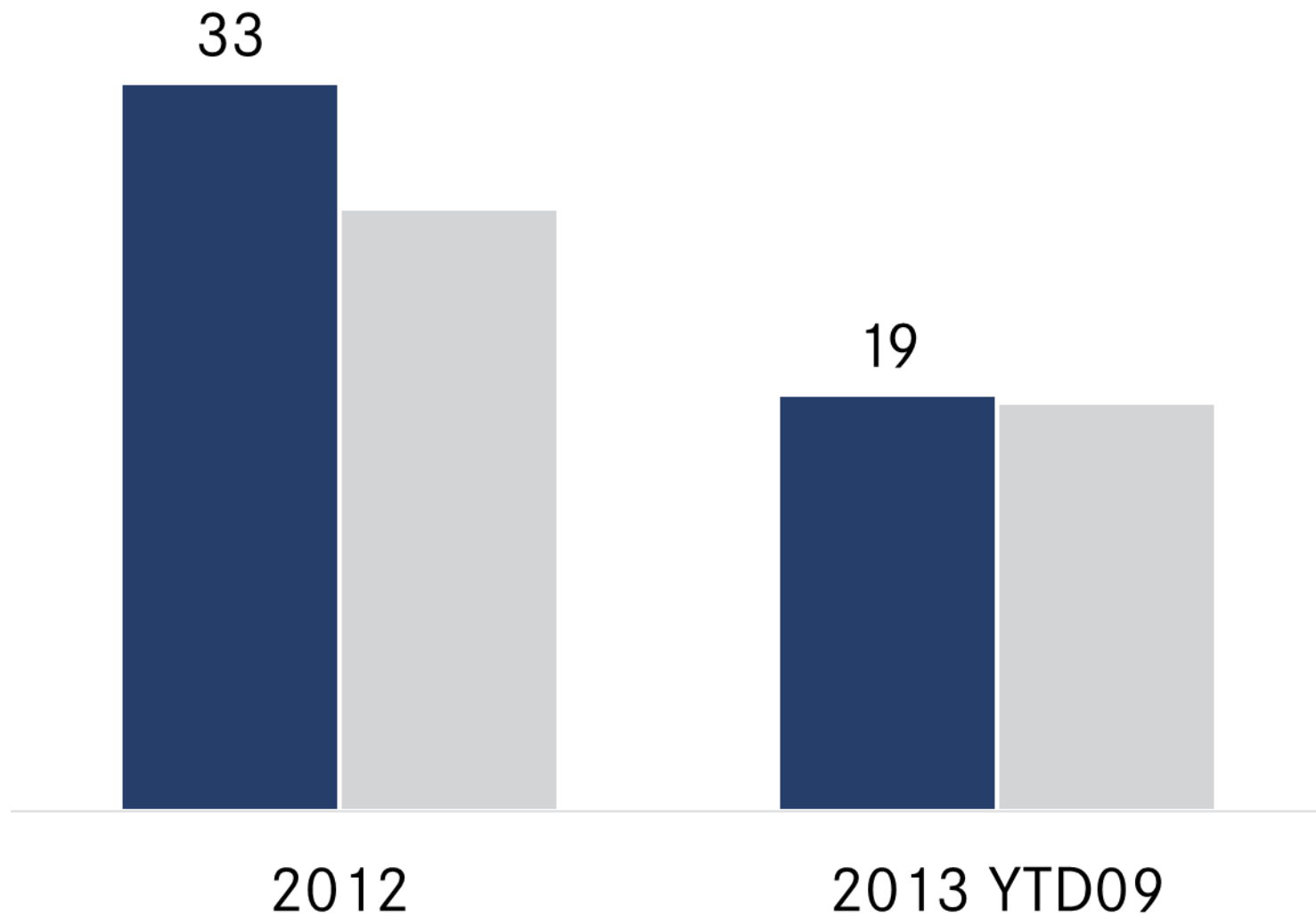


Mercedes-Benz market strong position in S-Class segment

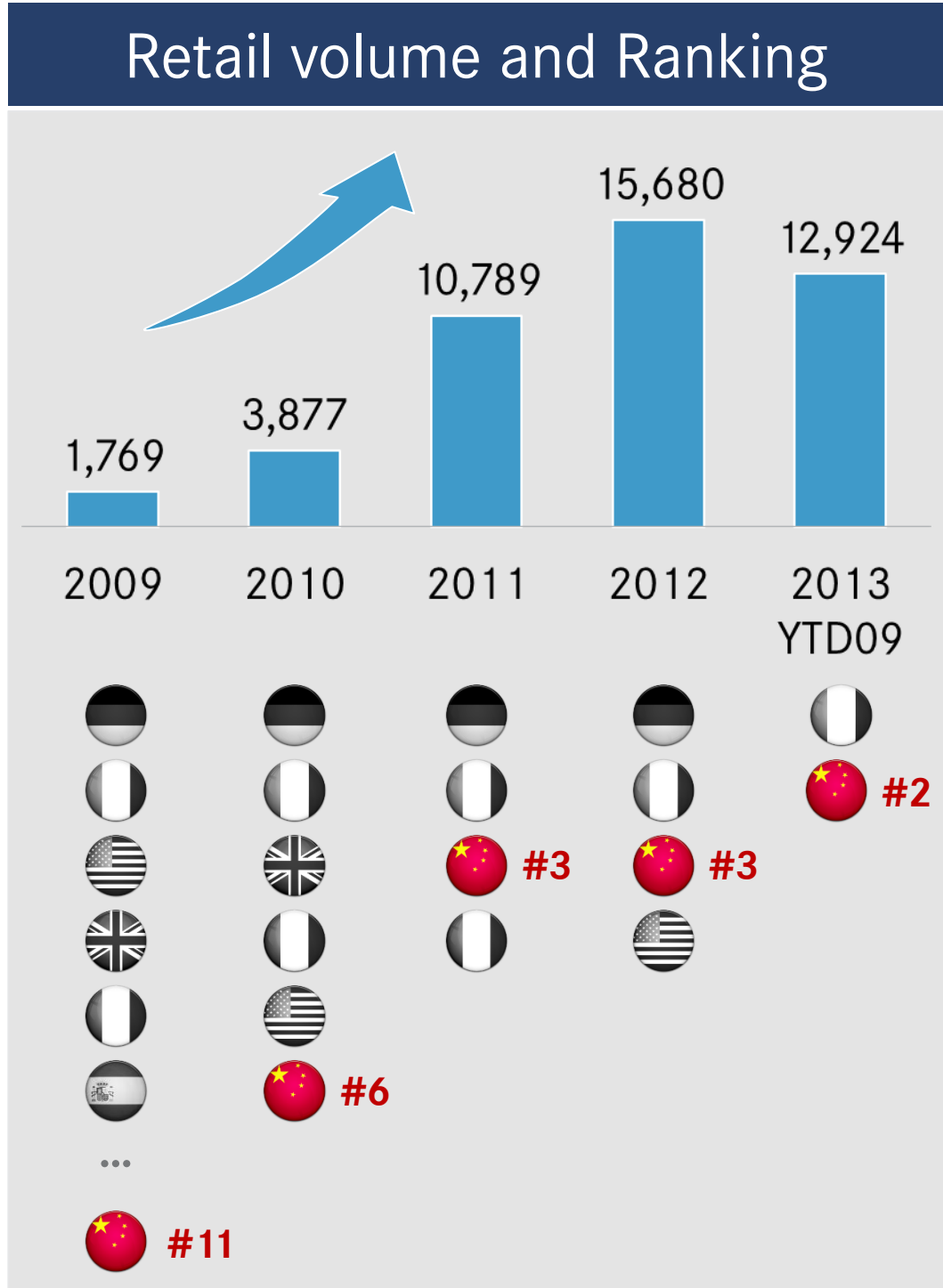
S-Class Segment Competitor Analysis

Registration date in thousand units

■ Mercedes-Benz ■ Competitor A



The smart story continues! Sales of smart increased by +6% to 12,920 units in YTD 2013



smart, B-Class, M-Class and R-Class are category winners in AMS CHINA BEST CARS 2013 Survey

Best Micro Cars: smart for two



Best Compact Car: B-Class



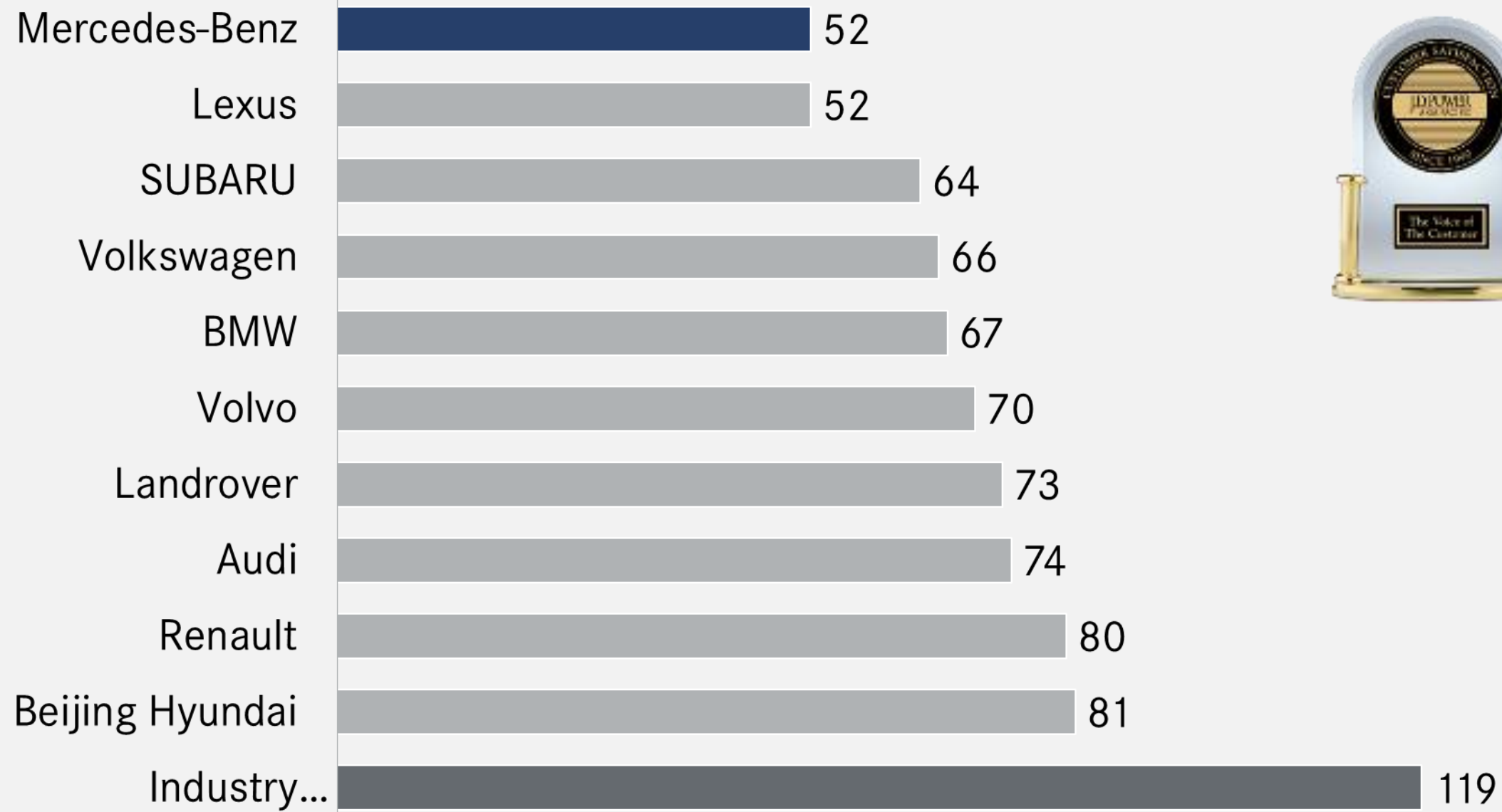
Best Offroad Vehicle: M-Class



Best MPV: R-Class

Mercedes-Benz dominates 2013 China Initial Quality Study

Brand Ranking for China Initial Quality



Best in Luxury Segment



Best in Entry Luxury Segment

Note: PP100 score: average amount of problems reported per 100 vehicles (PP100)

Source: J.D. Power Asia Pacific



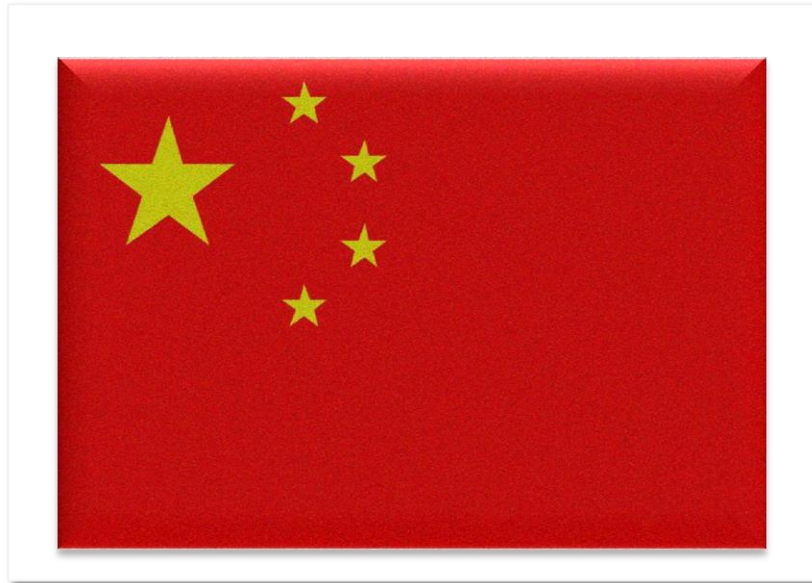
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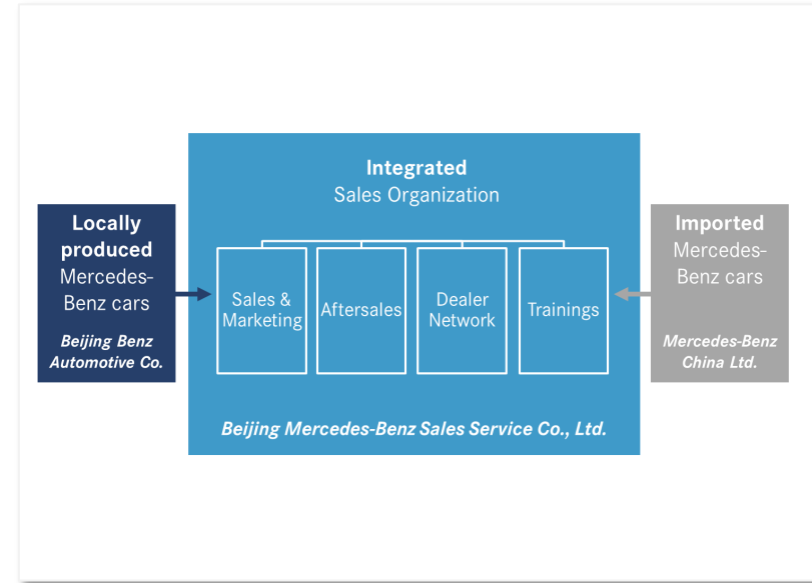
2 Presence of Daimler in China

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We do our homework and we're determined to pick up the pace in China



Board of Management Position



Integrated Sales Organization



Expansion Dealer Network



Extension Product Portfolio



Extension Local Production



Extension Local R&D

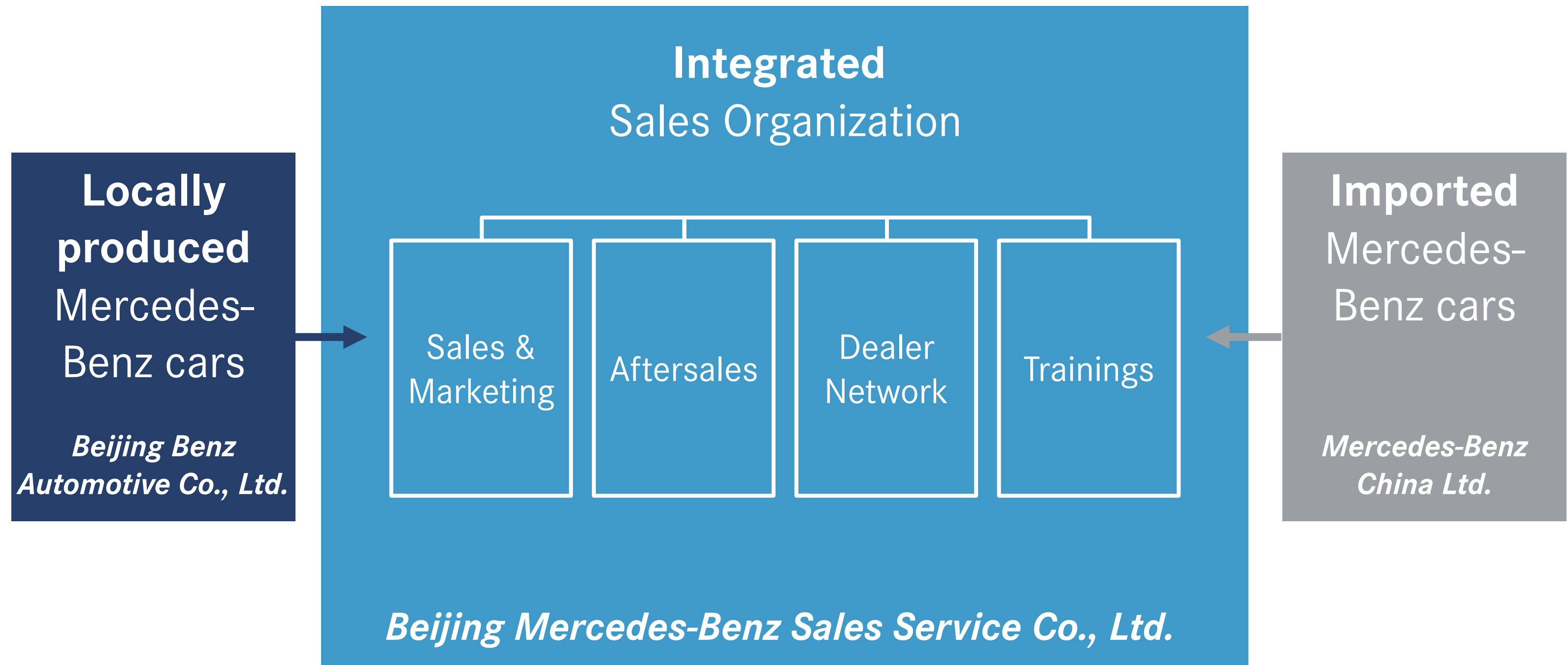


Leverage Financial Services



Strategic Investment in BAIC

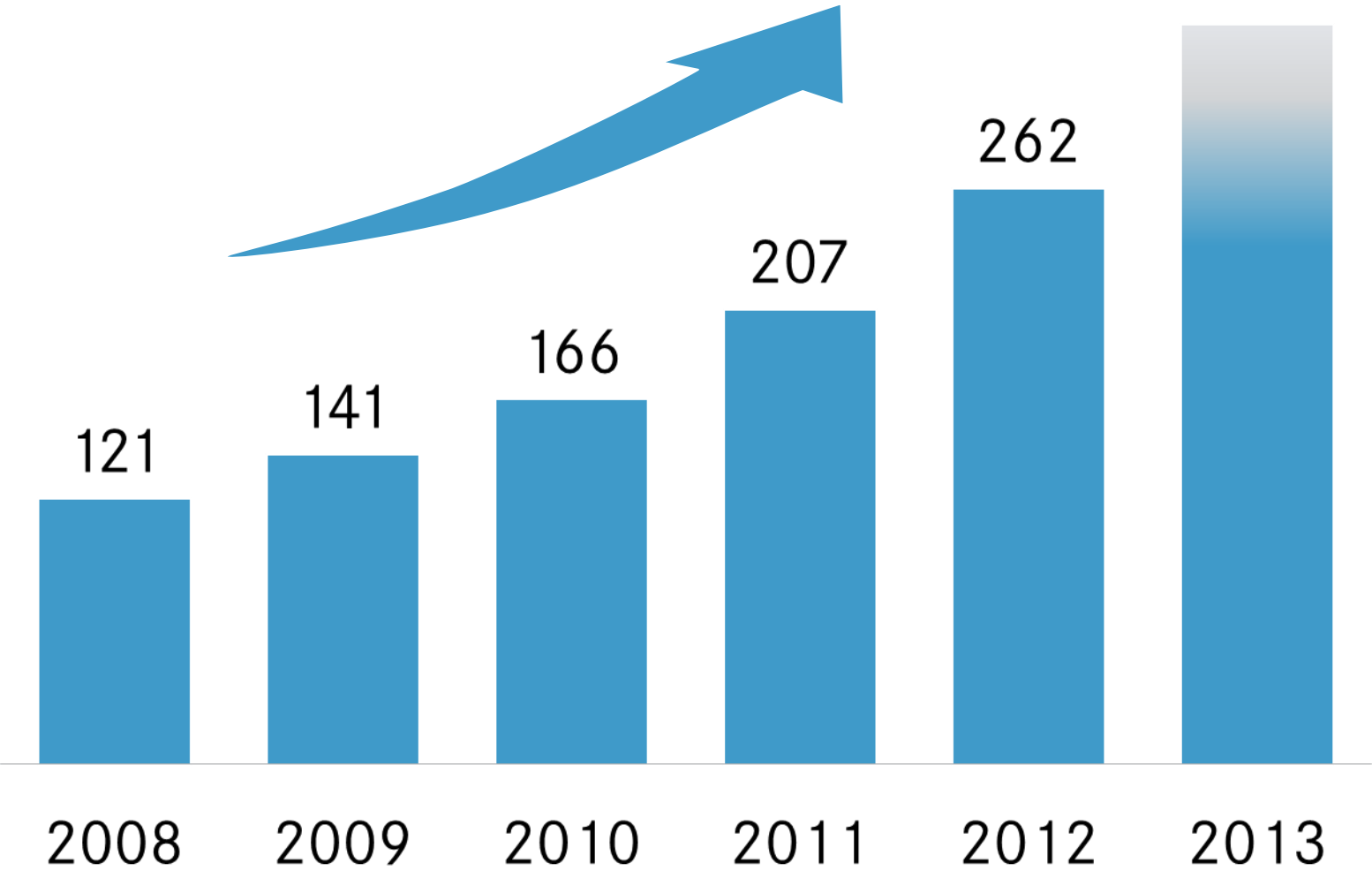
Integrated sales organization put locally produced and imported Mercedes cars under one roof



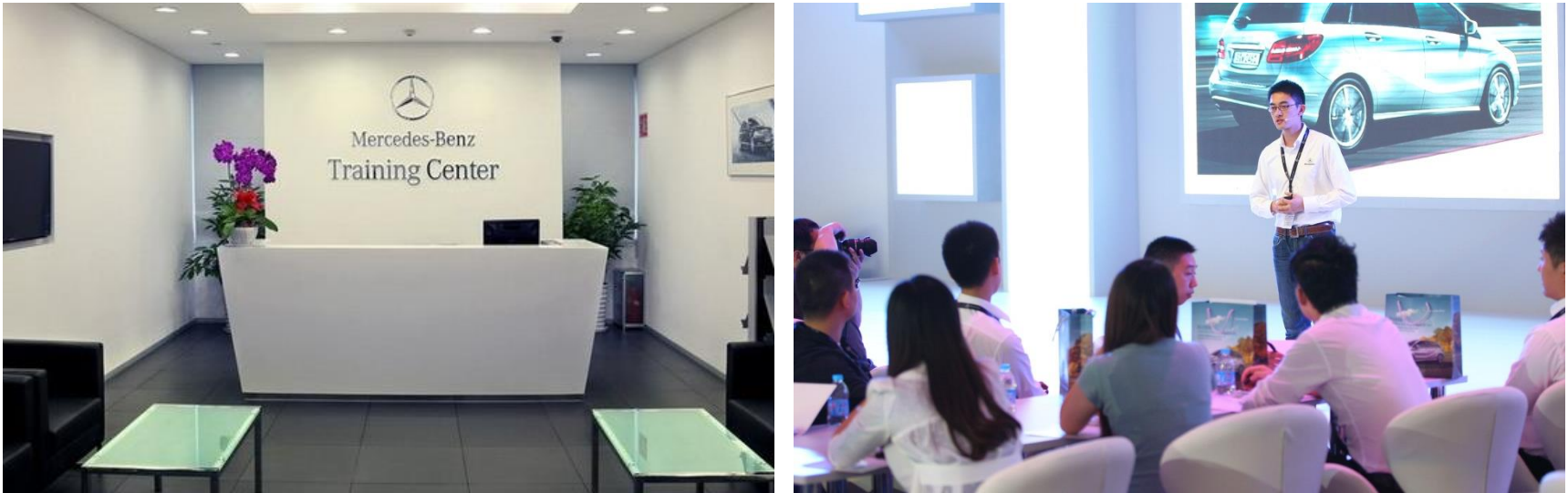
Dealer network expansion will be further accelerating both in quantity and quality



Mercedes-Benz PC Network Development
Number of outlets, including AS only outlets



The 2nd largest training Mercedes-Benz Training Center worldwide



In 2013, we'll celebrate 7 product premieres in china



New A-Class



LWB E-Class Facelift



New S-Class



E-Class Coupe Facelift



E-Class Cabriolet Facelift



New CLS Shooting Break



New GL-Class

Our flagship – the new S-Class







梅赛德斯-奔驰智能驾驶
Mercedes-Benz Intelligent Drive

Mercedes-Benz

唐仕
戴姆
Chair



S 500 INTELLIGENT DRIVE

The new E-Class repositioning



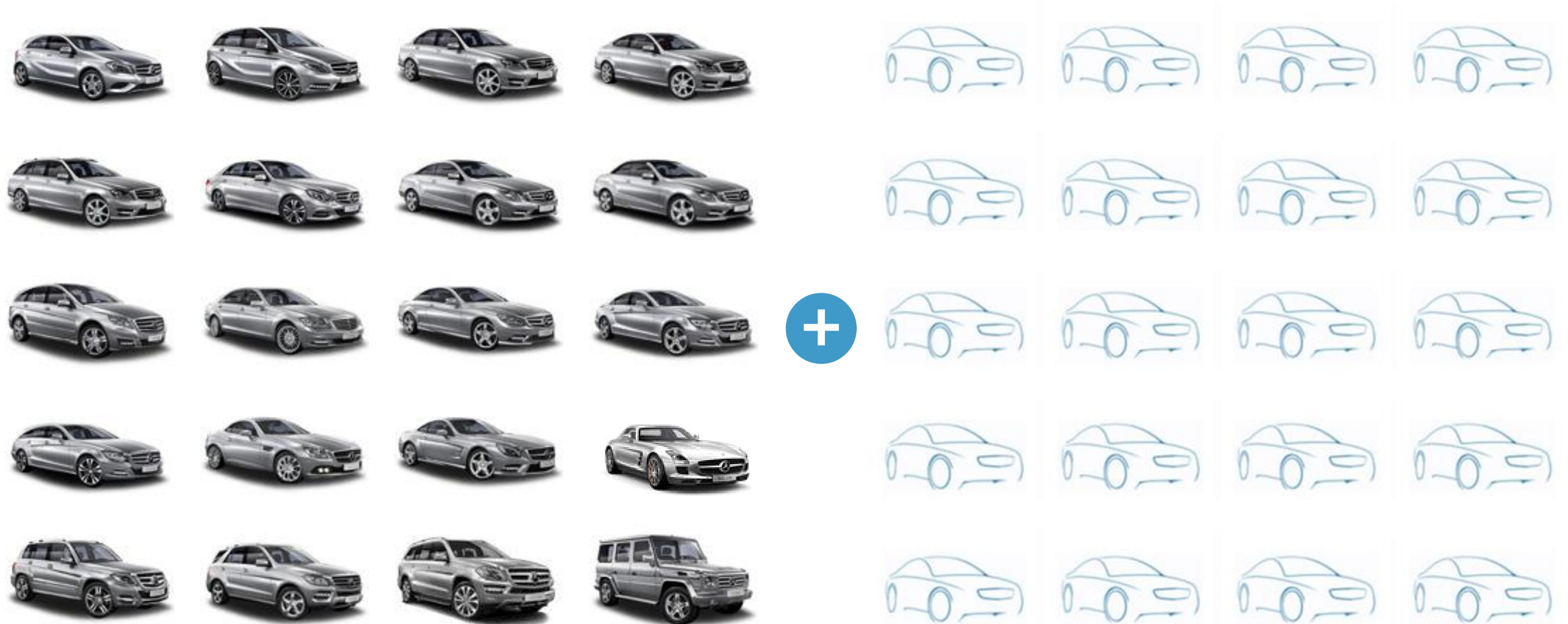
The most exhilarating C-Class ever



And we will expand our line-up of locally produced cars in China with a new compact SUV: the new GLA



Overall, we will introduce around 20 new or face-lifted vehicles in China by 2015



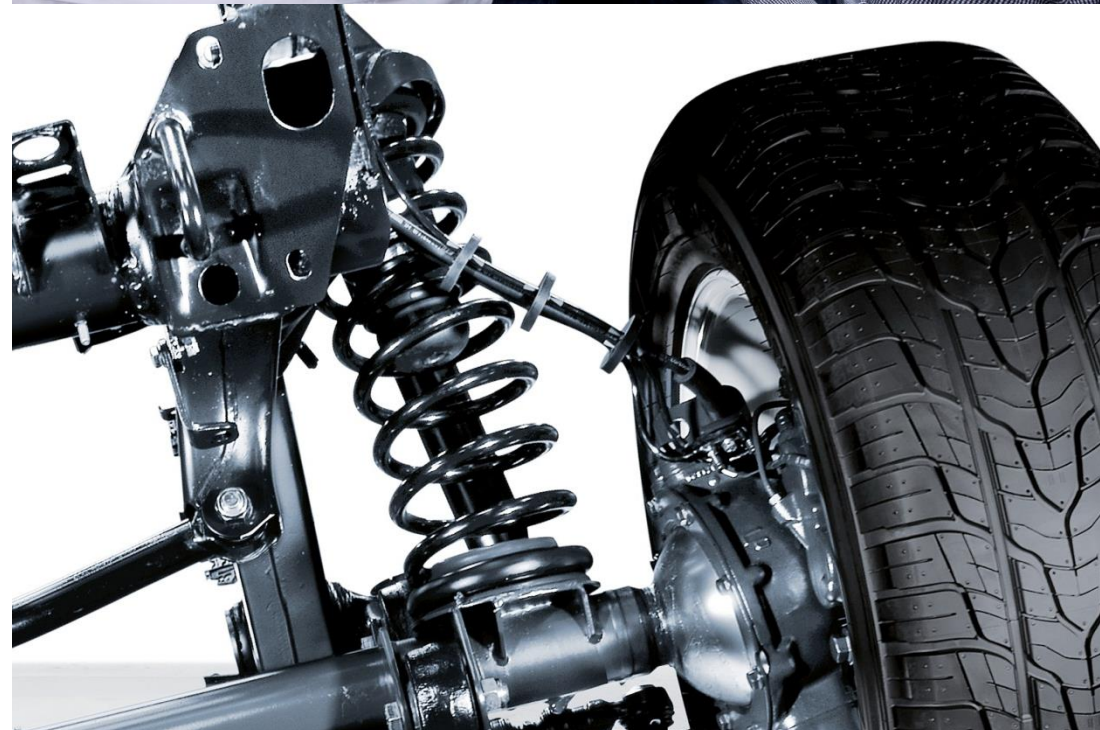
Extension of production capacity



The first Mercedes-Benz engine plant out of Germany celebrates grand opening on November 18, 2013



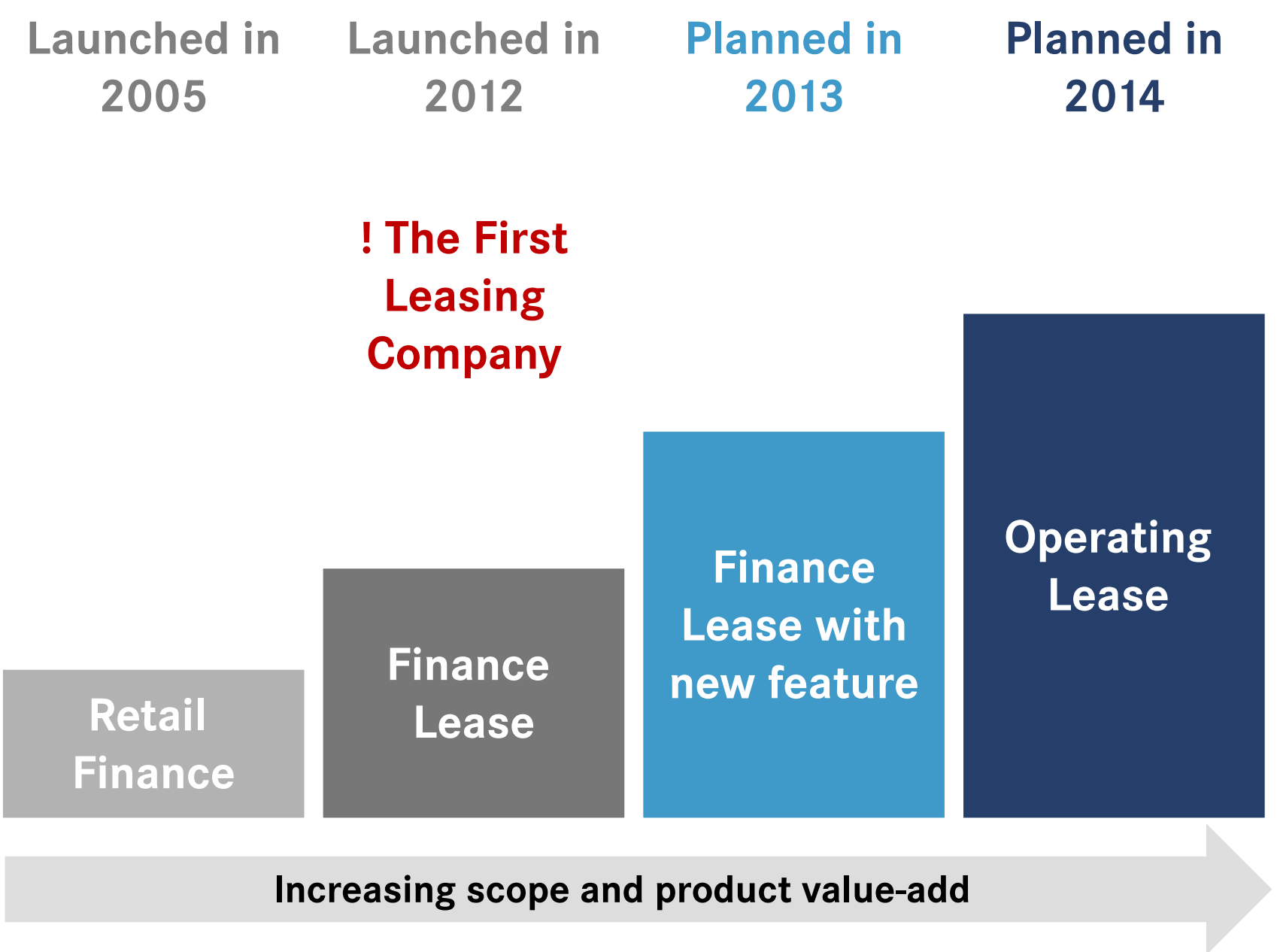
Biggest R&D center in Daimler JV First passenger car prototype shop outside Germany



Further developed our sales activities regarding our financial services



Mercedes-Benz Financials Product Roadmap



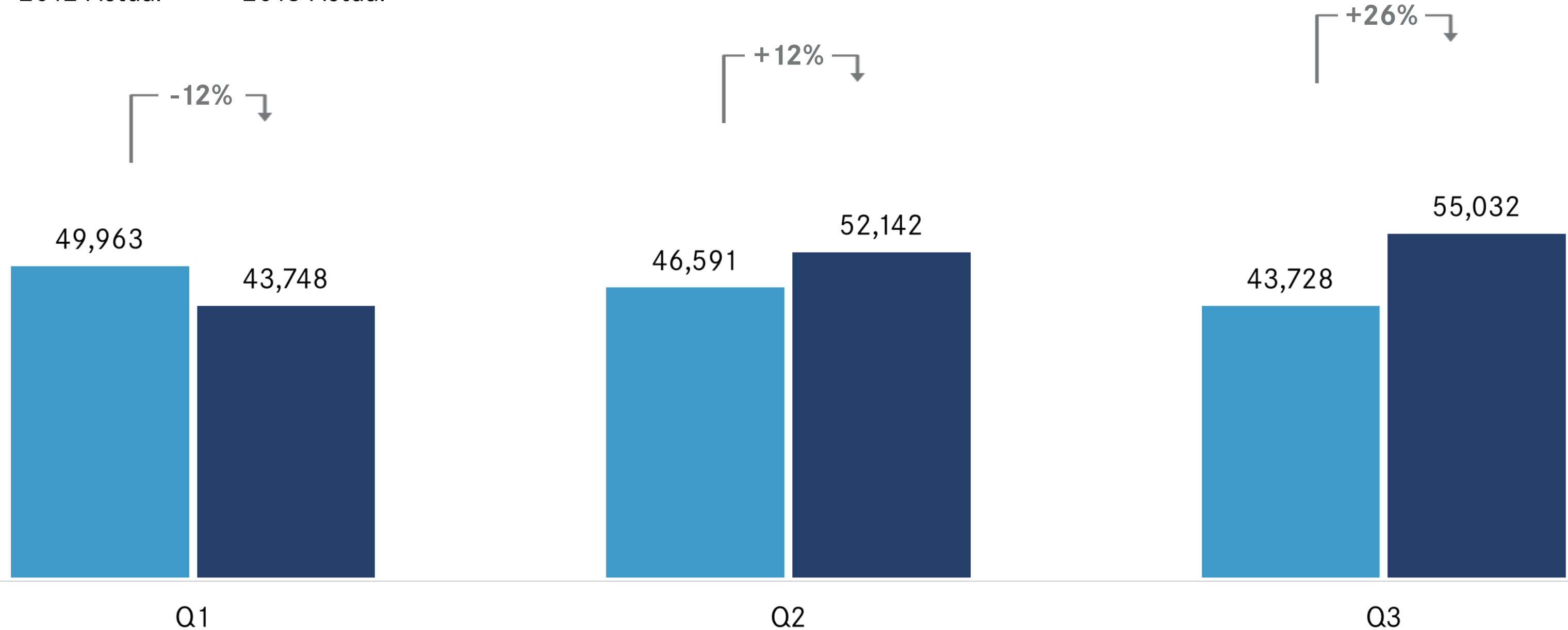
Daimler AG is 12% shareholder in Chinese partner BAIC Motor



Continuation of the positive sales trend

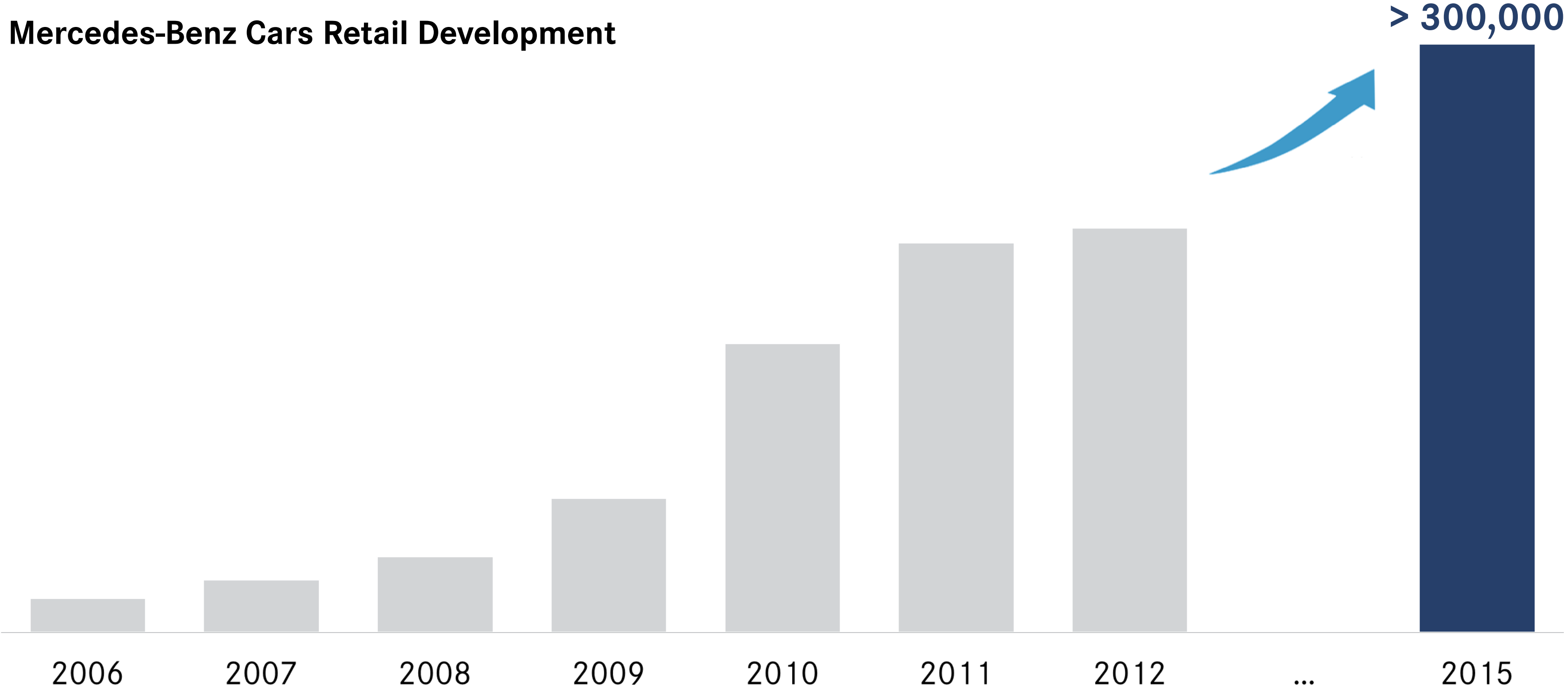
MBPC Quarterly Retail Outlook

■ 2012 Actual ■ 2013 Actual



By 2015 we want to sell over 300,000 cars in China

Mercedes-Benz Cars Retail Development



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.