

DAIMLER



Daimler Business in China

Hubertus Troska, Chairman & CEO of Daimler Greater China

Content

1 China Economy & Market

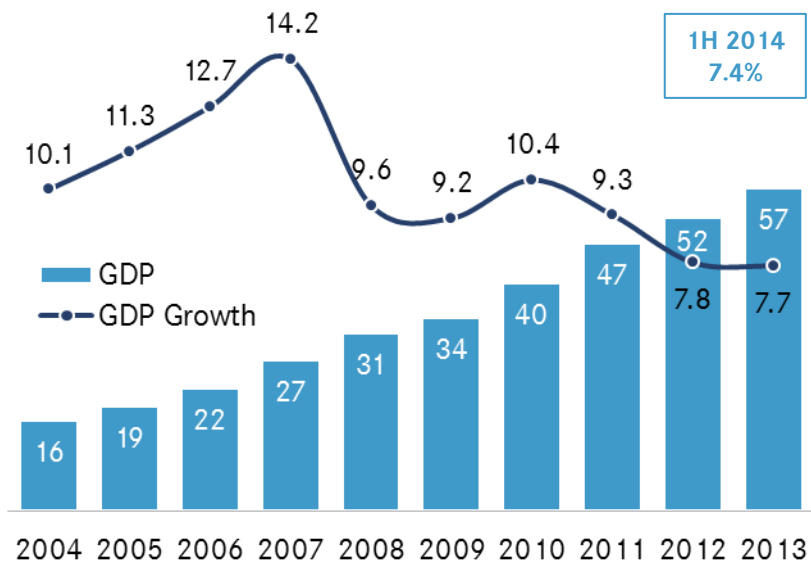
2 Presence of Daimler in China

3 Gaining Momentum at Mercedes-Benz Cars

China: 2nd largest economy with >\$9 trillion GDP, economy maintained a stable and moderate growth

China Economic Growth – GDP

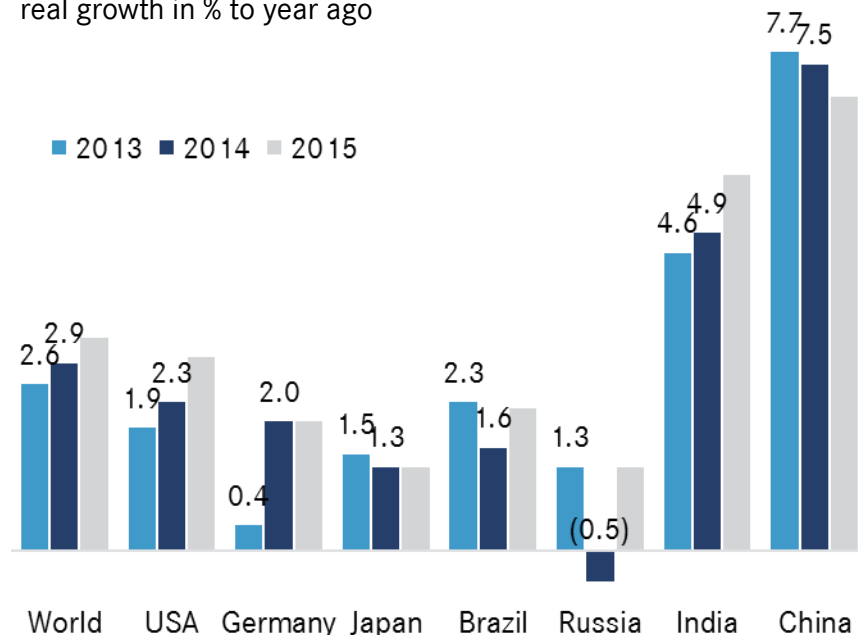
YTD, Volume in Trillion RMB, real growth in % to year ago



Source: National Bureau of Statistics of China

World Economic Growth – GDP

real growth in % to year ago

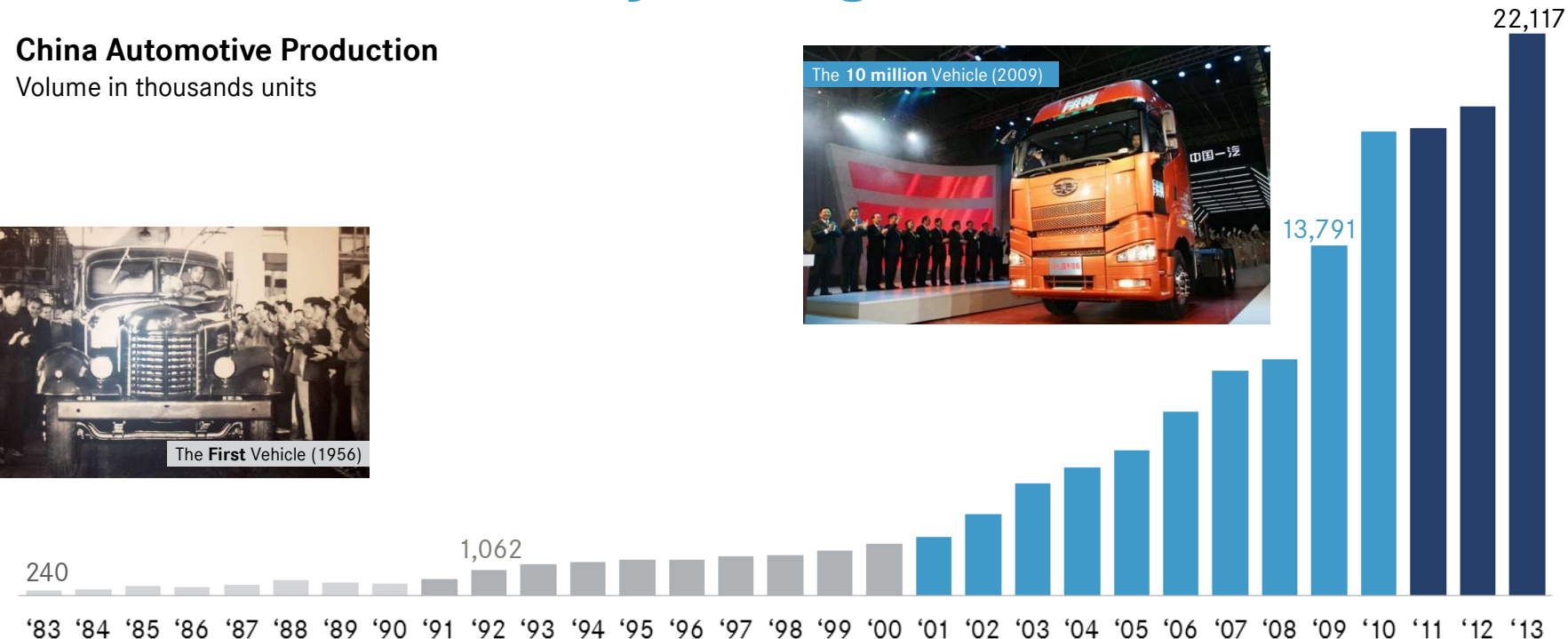


Source: Economic & Market Intelligence (S/EM) - June 2014

Automotive production volume reached almost 100 times than that of 30 years ago

China Automotive Production

Volume in thousands units



Source: China Association of Automobile Manufacturers

As the largest automotive market worldwide, China reached 22 million units auto sales in 2013

volume in thousands units	FY 2013 Sales Volume	FY 2013 YoY Growth	YTD July 2014 YoY Growth
PV	16,224	+19%	+13%
Truck	2,644	+10%	-6%
Van	2,950	+4%	+11%
Bus	250	+5%	-3%
Total Market	22,069	+15%	+10%

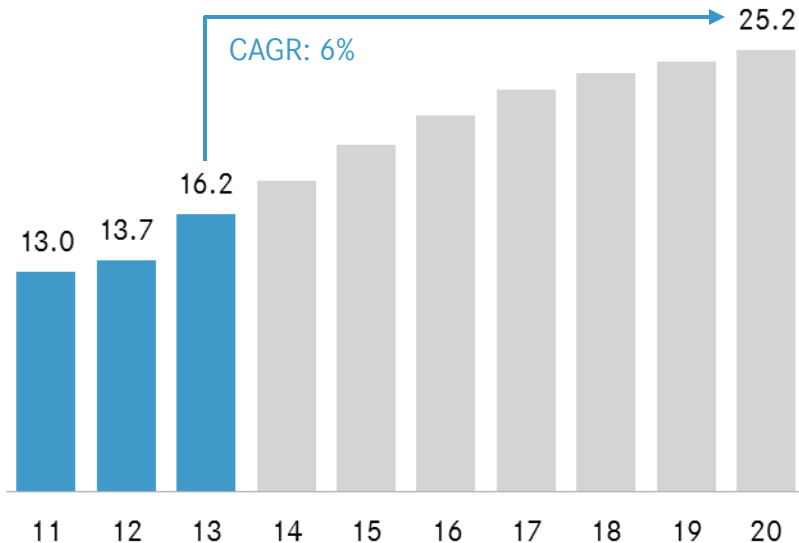
Source: China Association of Automobile Manufacturers

China will continue to top the global automotive market...

China PV Sales

In million units

World No#1

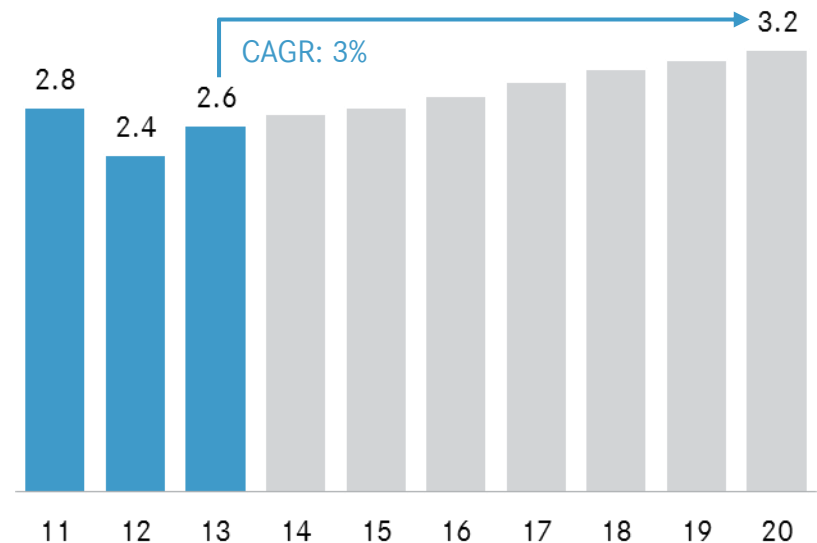


Source: IHS Automotive Q1 2014

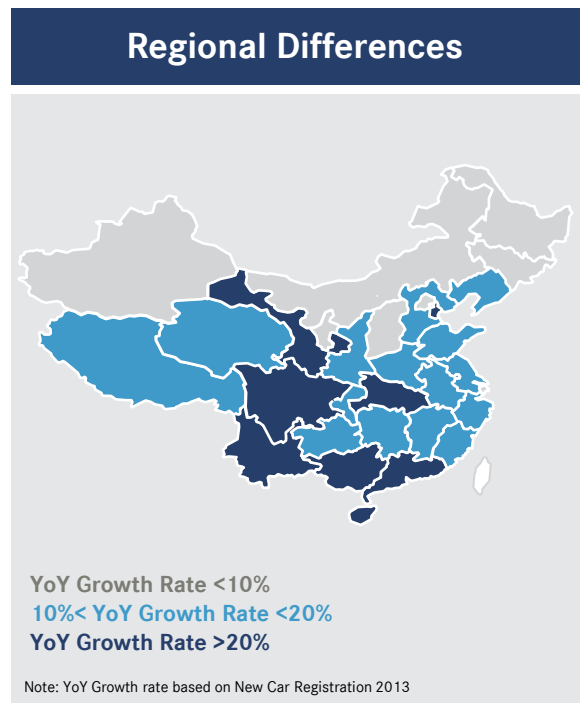
China Truck Sales

In million units

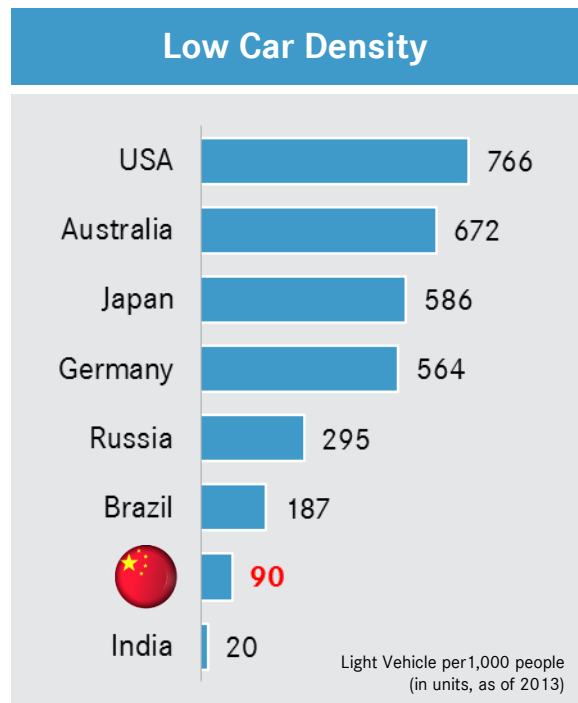
World No#1



...with future growth potentials



Source: CEIC Database



Source: Global Insight



Source: National Bureau of Statistics of China

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Daimler in China



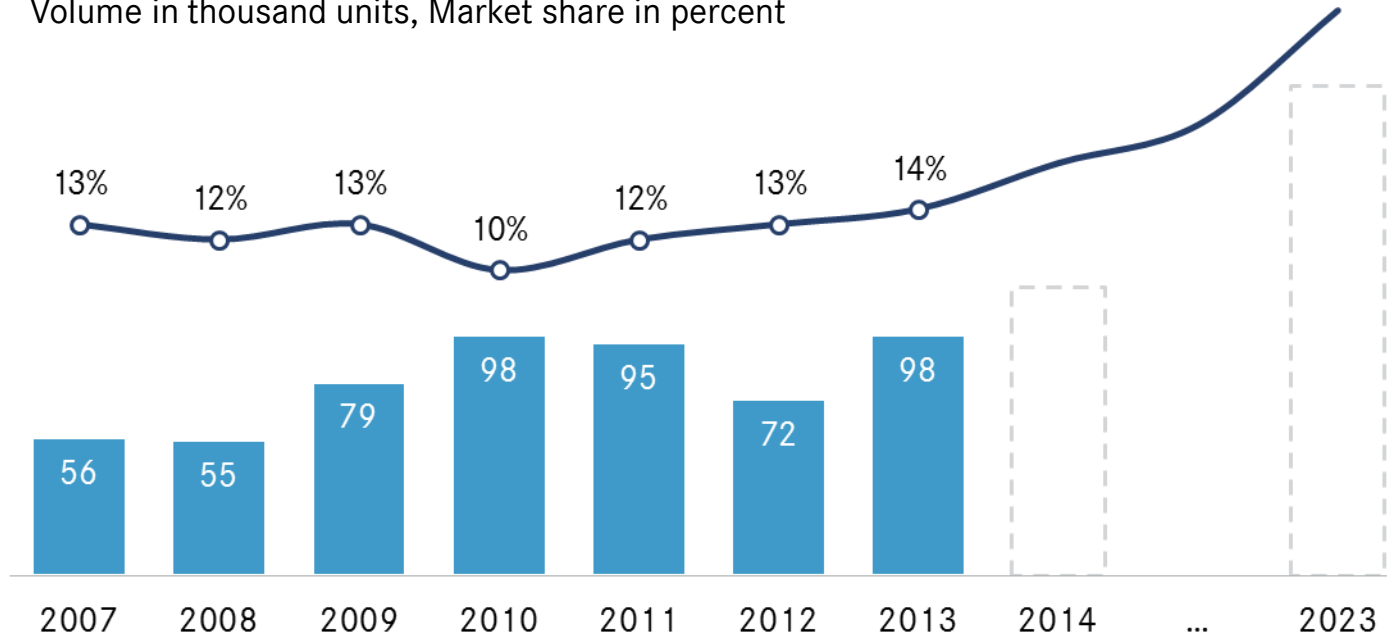
Auman Trucks



Continuously increased its sales performance and pursues an ambitious growth plan for the next years

Auman (BFDA) HDT Domestic Sales Development

Volume in thousand units, Market share in percent



Mercedes-Benz Trucks



MB Truck in China is strong in following segments



Concrete Pump



Firefighting



Oilfield



Logistics: Cold-Chain



Logistics: E-Commerce

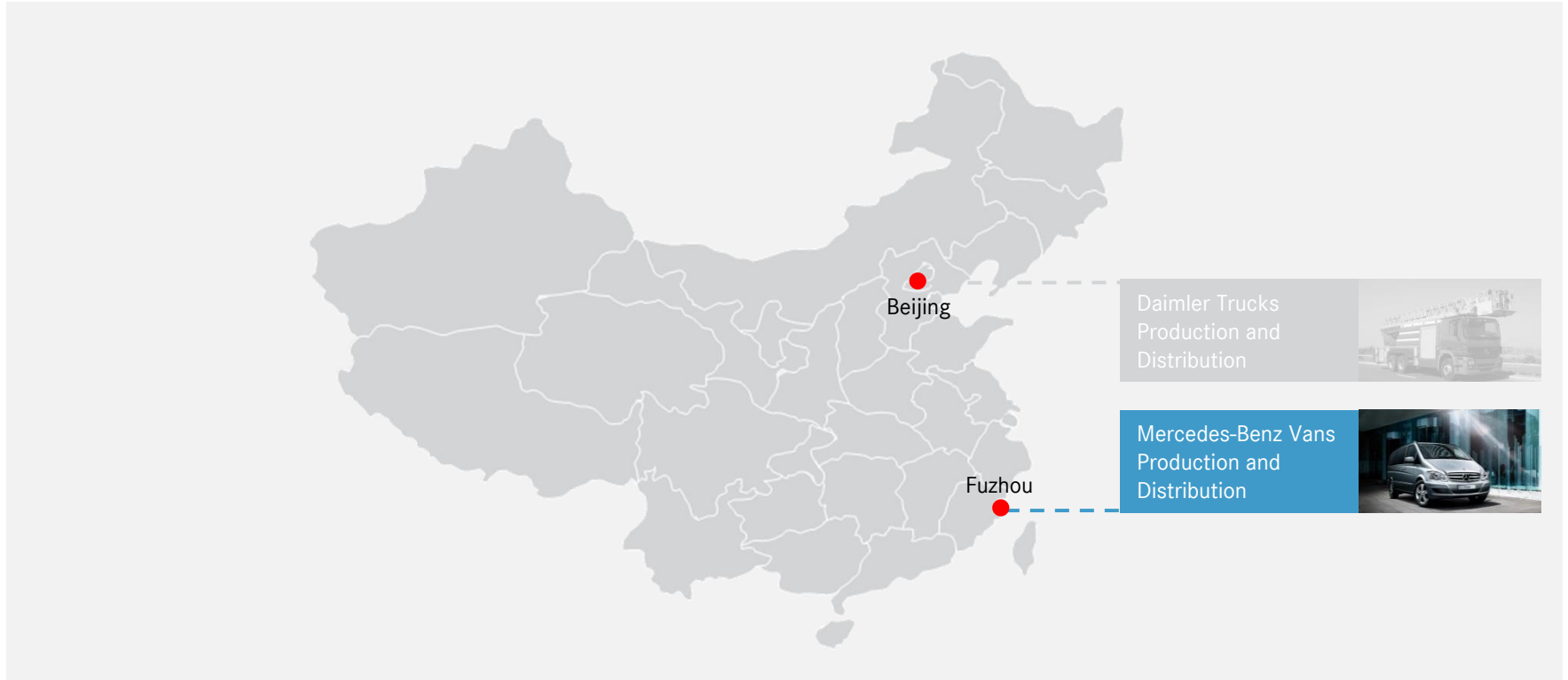


Logistics: SLT



Logistics: Dangerous Goods

Daimler in China



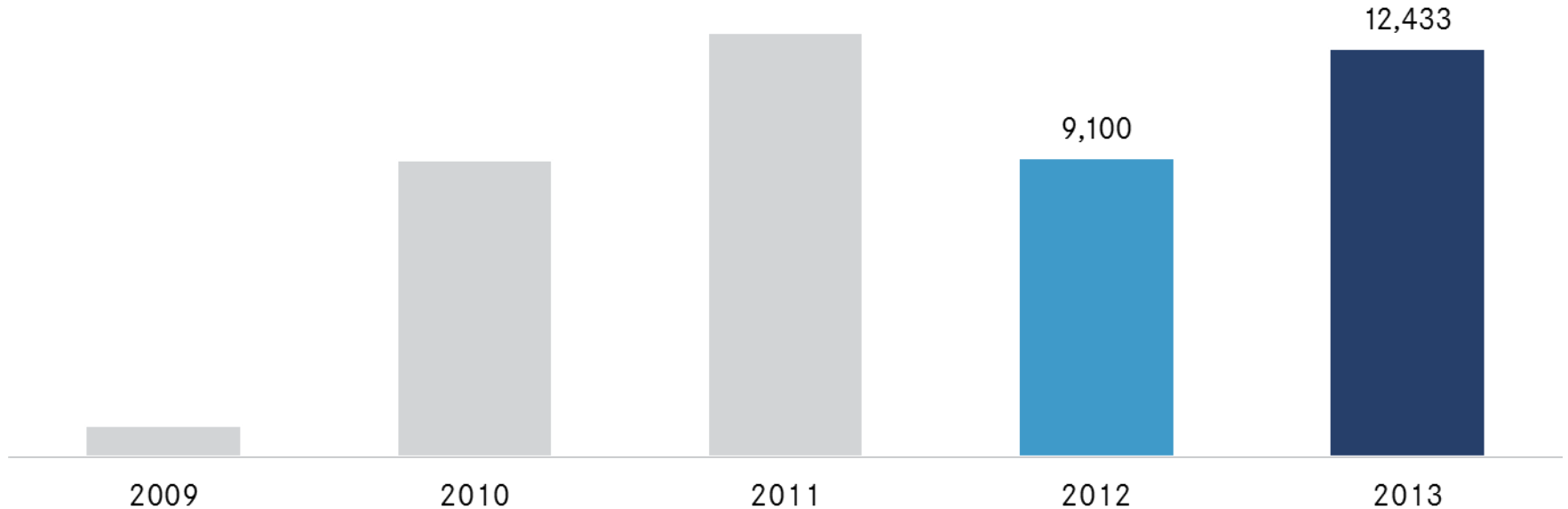
Mercedes-Benz Vans



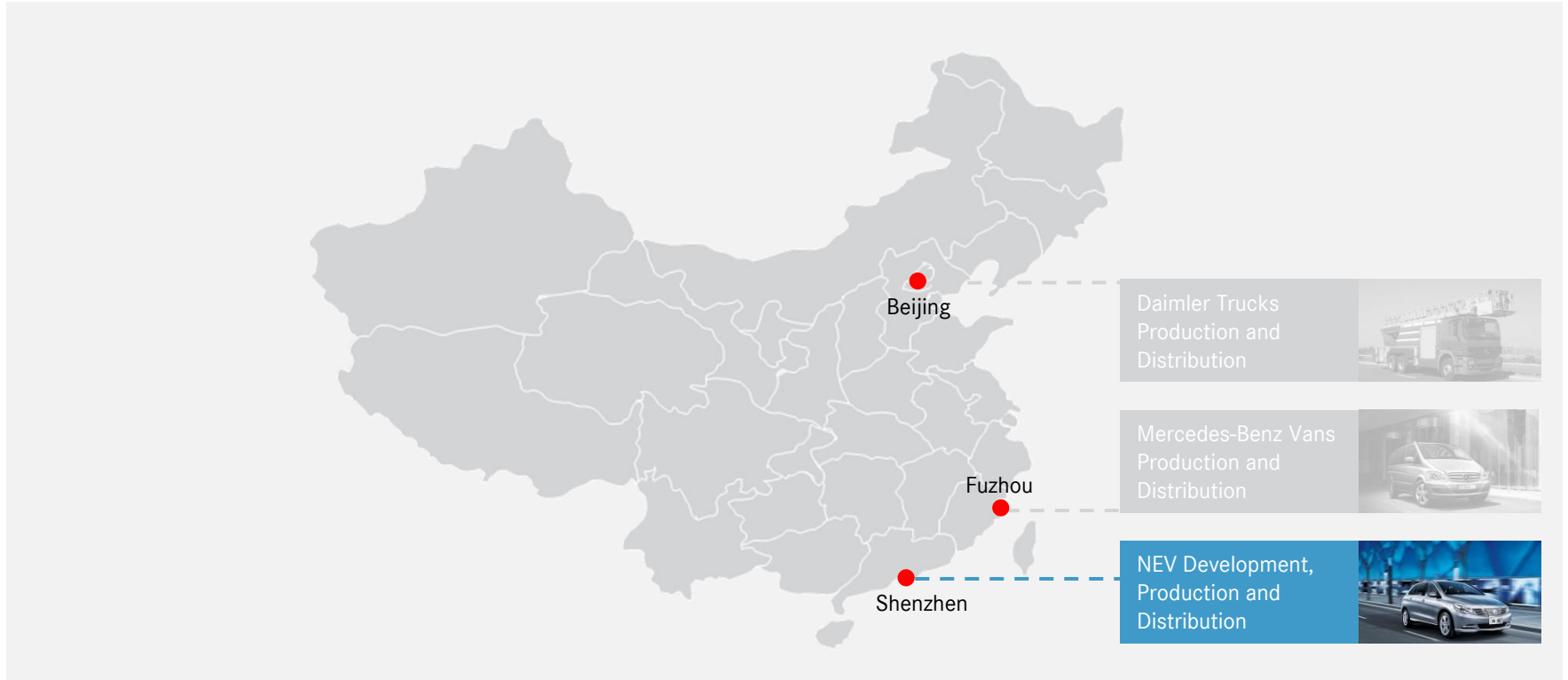
Renewed strong sales growth in 2013

Mercedes-Benz Vans Retail Development

Volume in units



Daimler in China



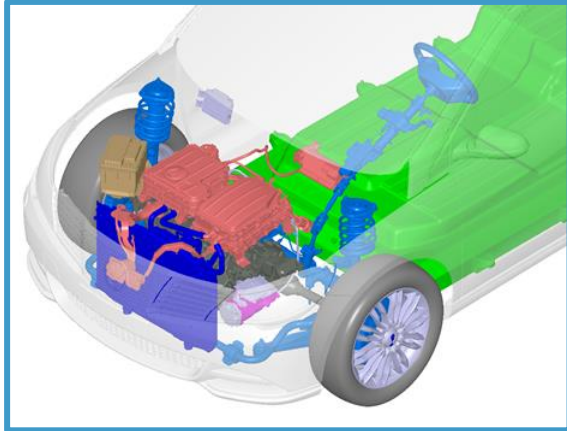
DENZA



DENZA World Premier at Auto Beijing 2014



DENZA: the safest, most reliable, and most convenient electric vehicle



C-NCAP 5 Stars

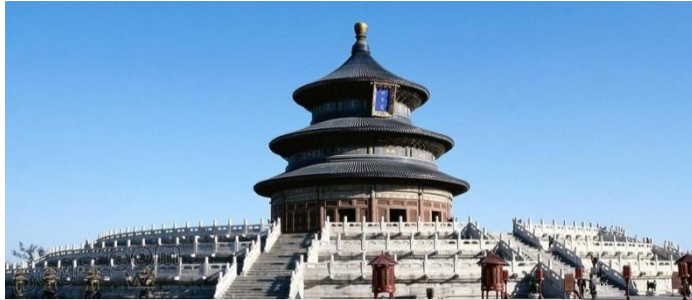


**Over 1.2 million
kilometers testing**



**Up to 300 kilometers
driving range**

Easy access to license plates, central and local subsidies, qualified for purchase tax exemption



Exemption from standard license plate lottery in Beijing



Free license plates in Shanghai

MSRP starts from

RMB 369,000

Customer price in Beijing starts from

RMB 255,000

Dedicated dealerships in Beijing, Shanghai and Shenzhen for DENZA



Daimler in China

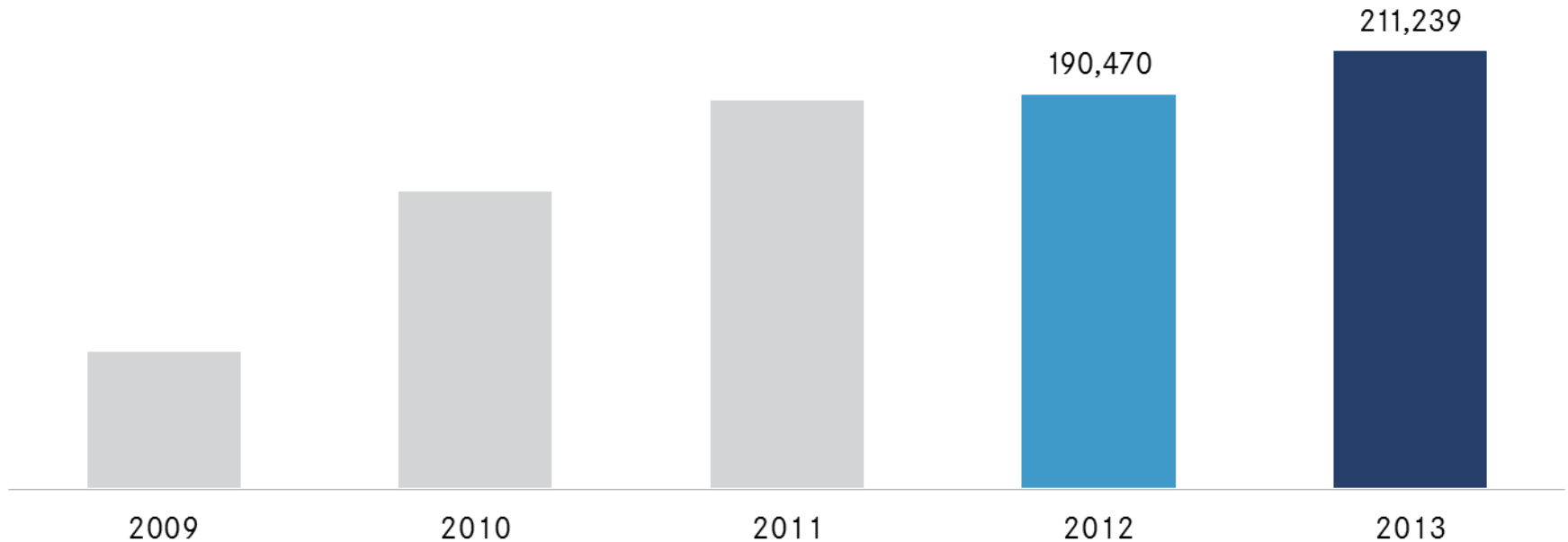


Mercedes-Benz Cars



Mercedes-Benz with positive momentum in 2013

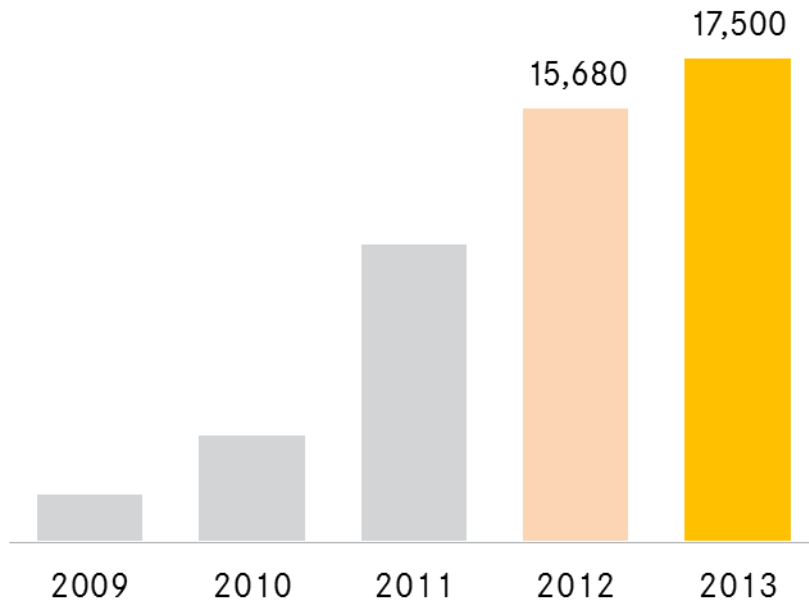
Mercedes-Benz Cars Retail Development
Volume in units



The smart story continues with 5 years of success

smart Retail Development

Volume in units



smart, A-Class, S-Class and R-Class are category winners in AMS CHINA BEST CARS 2014 Survey



Best Luxury Cars: S-Class



Best Compact Car: A-Class



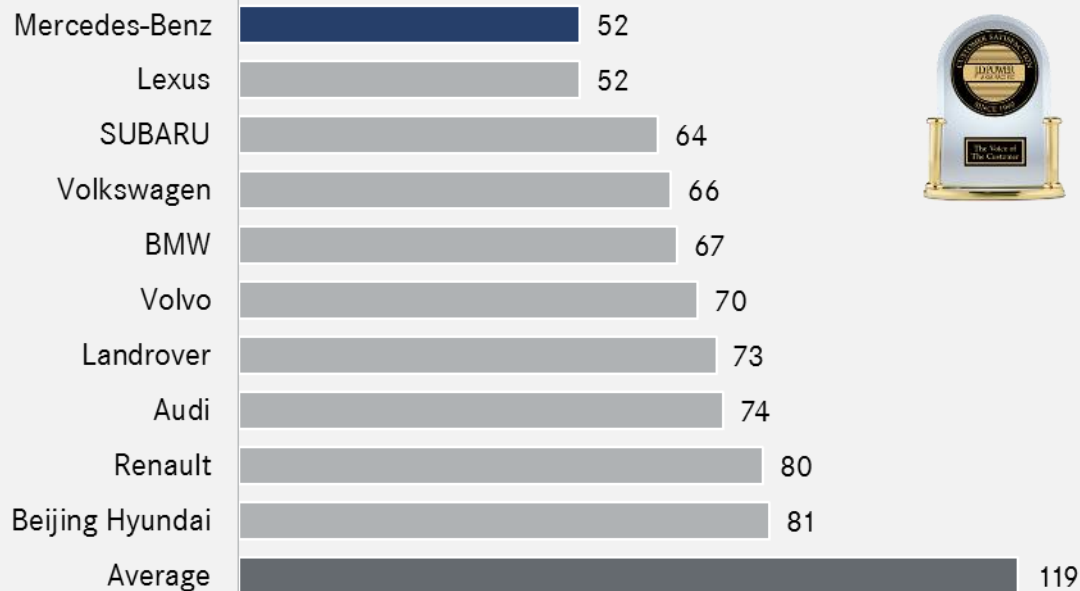
Best MPV: R-Class



Best Micro Cars: smart

Mercedes-Benz leads 2013 China Initial Quality Study

Brand Ranking for China Initial Quality



Best in Luxury Segment



Best in Entry Luxury Segment

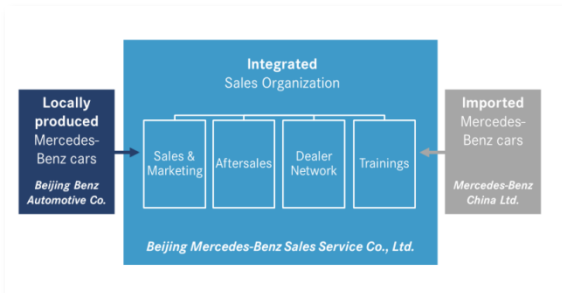
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We do our homework and we're determined to pick up the pace in China



Integrated Sales Organization



Expansion Dealer Network



Extension Product Portfolio



Extension Local Production

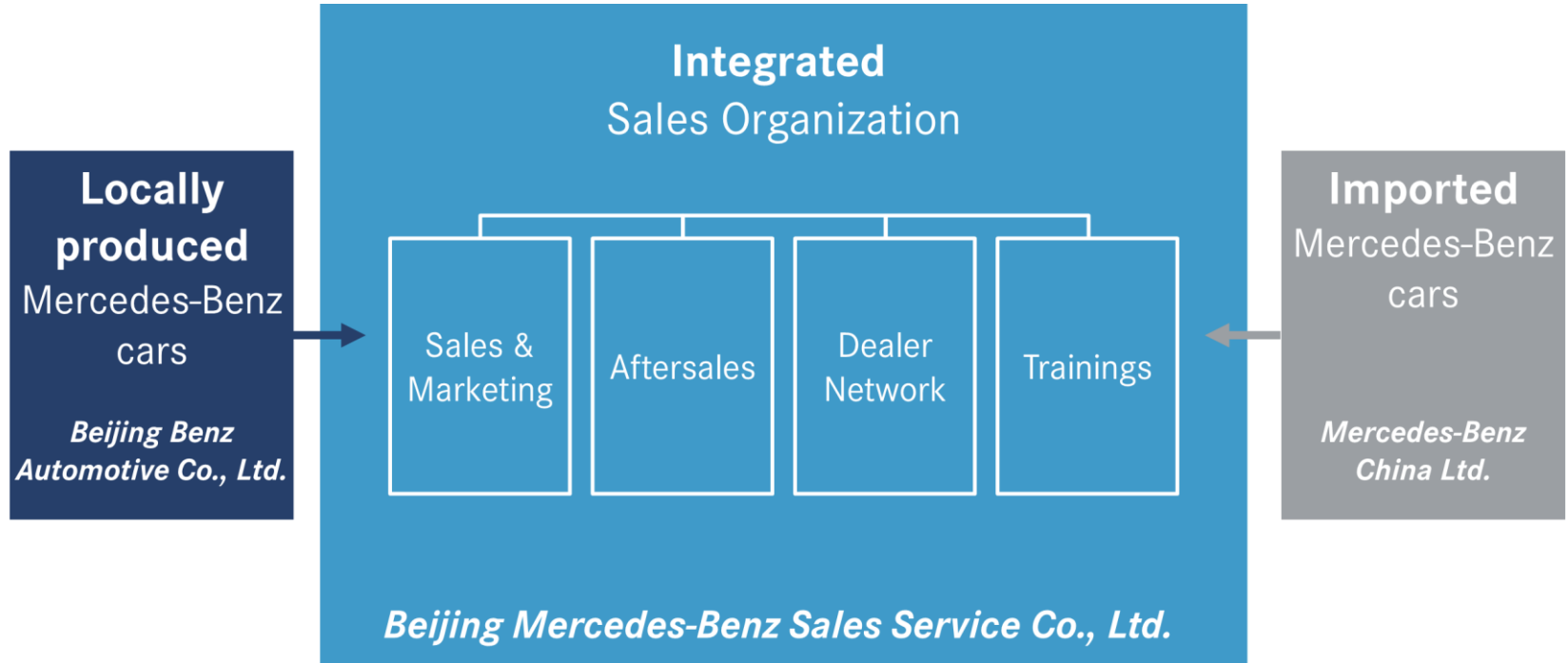


Extension Local R&D

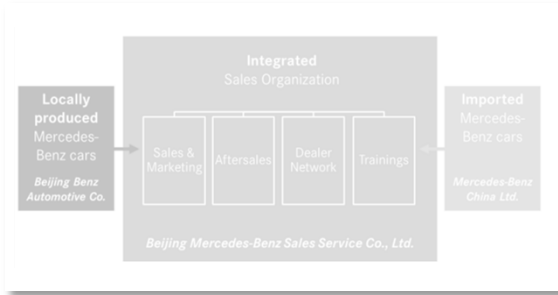


Leverage Financial Services

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



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Integrated Sales Organization

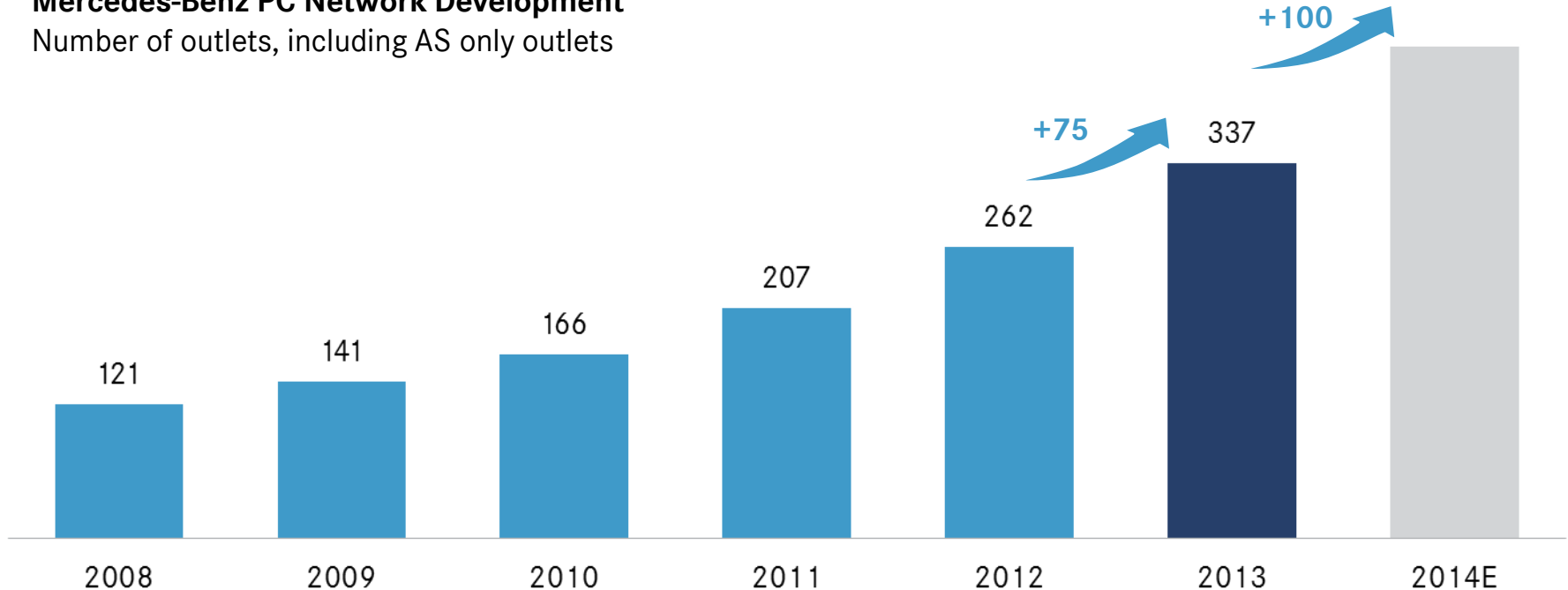


Expansion Dealer Network

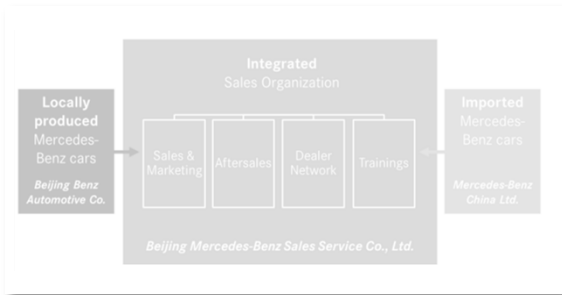
Accelerate the expansion of Dealer network in 2013 and 2014 with focus on new cities in lower tiers

Mercedes-Benz PC Network Development

Number of outlets, including AS only outlets



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Integrated Sales Organization



Expansion Dealer Network



Extension Product Portfolio

DAIMLER

Our flagship – the new S-Class



The facelifted E-Class repositioning



All New C-Class Long Wheelbase – The Game Changer





智能进气系统
Air Power

S BR 2053

C STUDIO

C 工坊

C 驿站

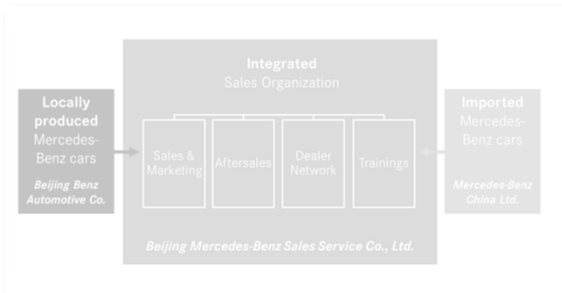
C-Class L



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



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Integrated Sales Organization



Expansion Dealer Network

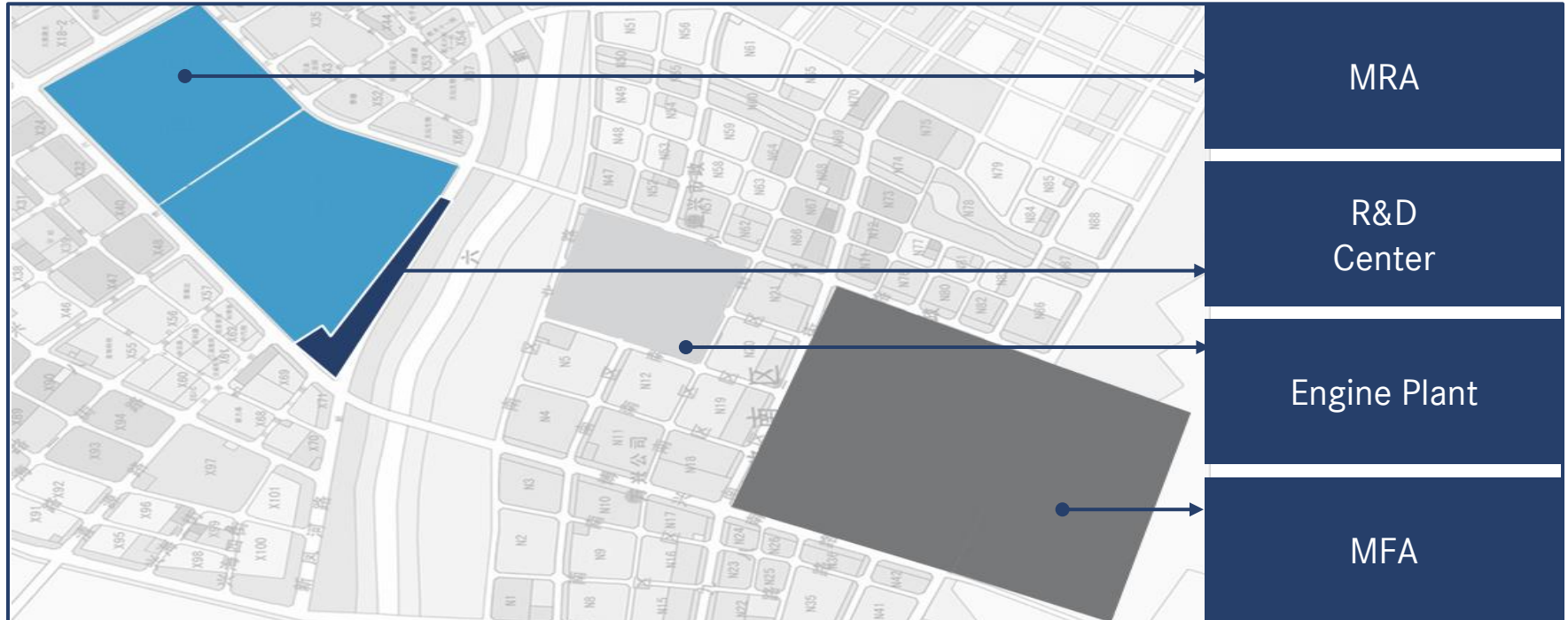


Extension Product Portfolio



Extension Local Production

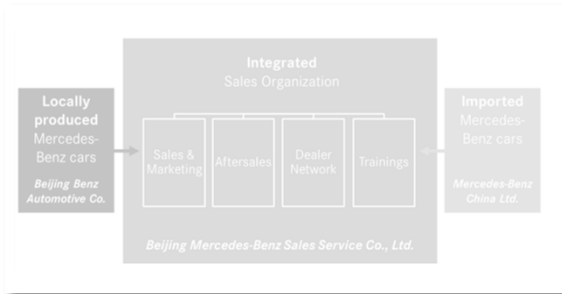
Extension of production capacity at BBAC



The first Mercedes-Benz engine plant out of Germany celebrated grand opening in November 2013



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Integrated Sales Organization



Expansion Dealer Network



Extension Product Portfolio

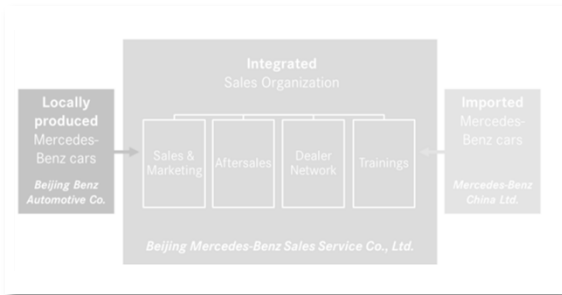


Extension Local Production



Extension Local R&D

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Integrated Sales Organization



Expansion Dealer Network



Extension Product Portfolio



Extension Local Production



Extension Local R&D



Leverage Financial Services

Daimler AG is 12% shareholder in Chinese partner BAIC Motor



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,” “can,” “could,” “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; an exacerbation of the budgetary situation in the United States; a deterioration of our refinancing 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 and 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 government 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 to be incorrect, the 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 since they are based solely on the circumstances at the publication date.