



Mercedes-Benz Passenger Car Nicholas Speeks, President & CEO of BMBS



Mercedes-Benz
The best or nothing.

Agenda

1 Market Environment & Sales Performance

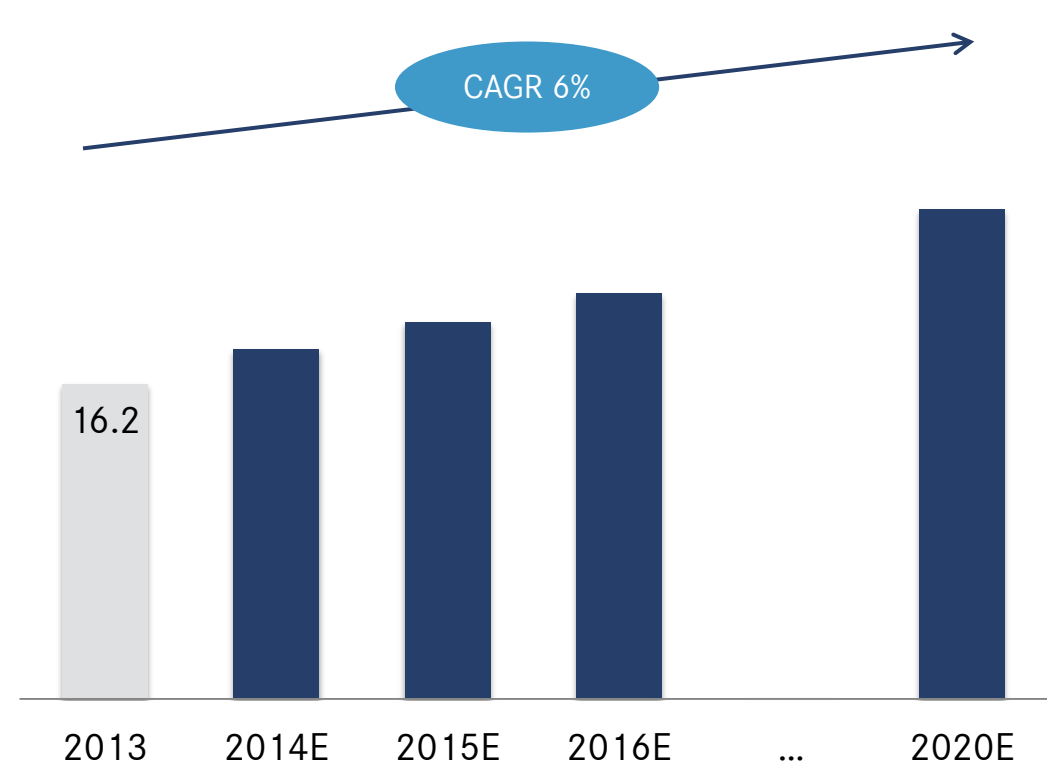
2 Mercedes-Benz Business Initiatives

3 Outlook

We expect economic indication to remain positive & thus continued strong growth for both the total PV and PL in coming years

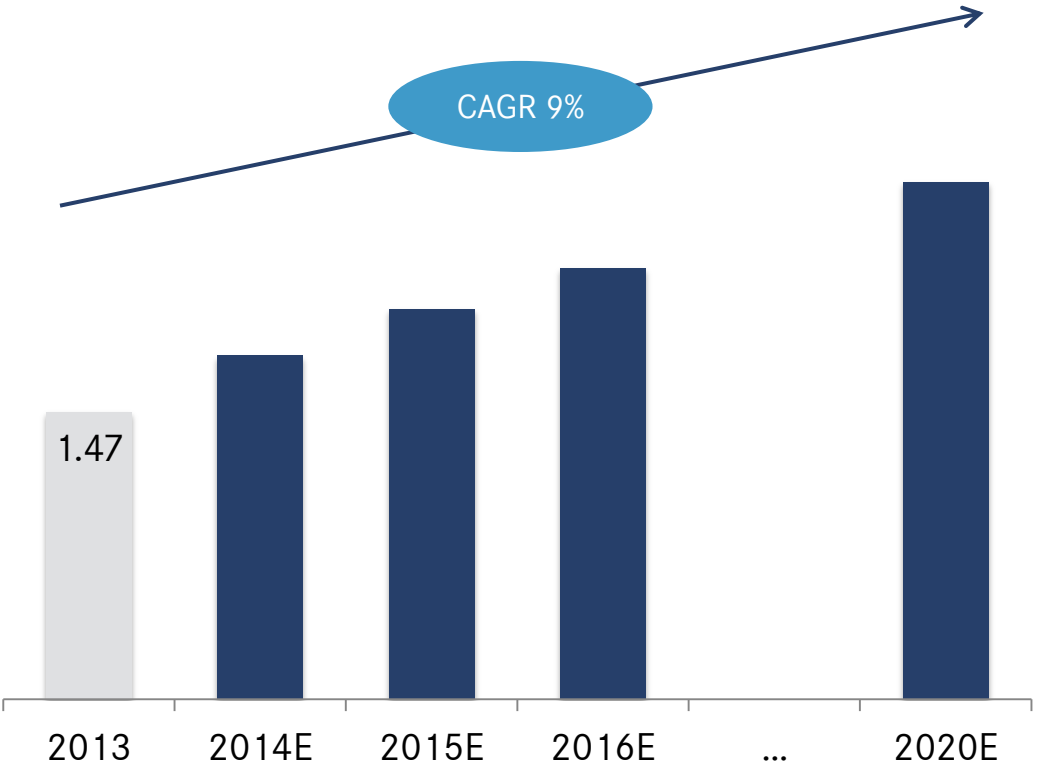
Passenger vehicle market development

Unit in million



Premium vehicle market development

Unit in million

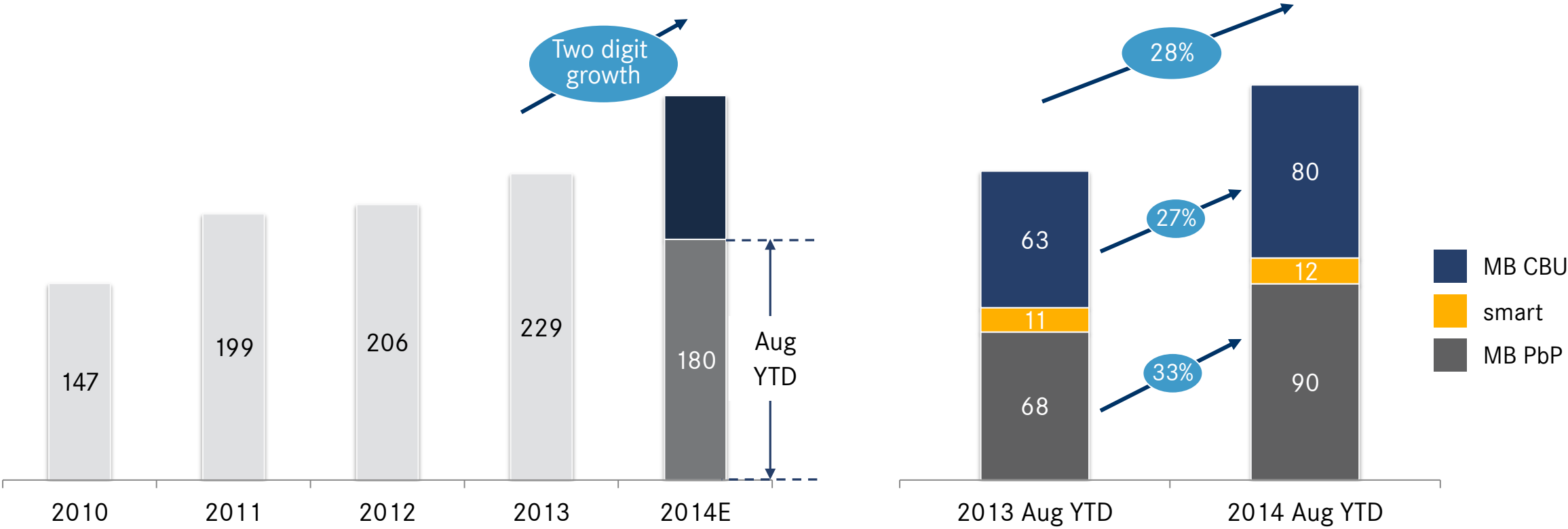


Source: IHS

Positive sales momentum with two digit growth expected in 2014

MBC Sales Development (MB + smart)

Unit in thousand

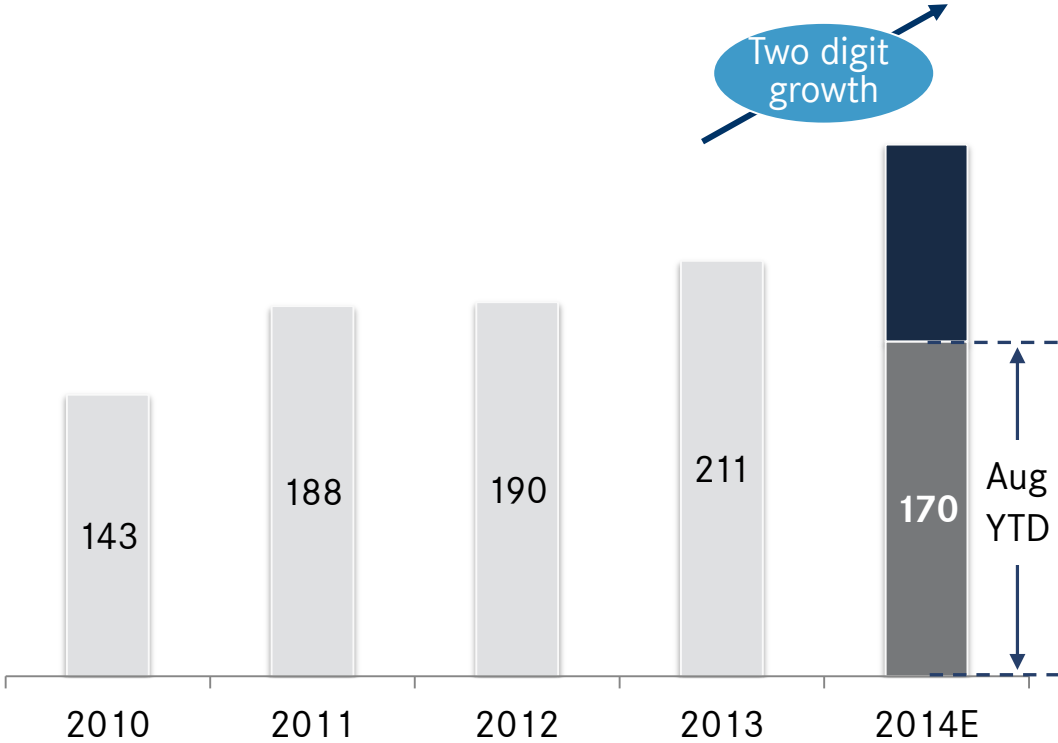


Source: BMBS Internal
As of 2014 August YTD

High growth potential of SUV segment exceeding others

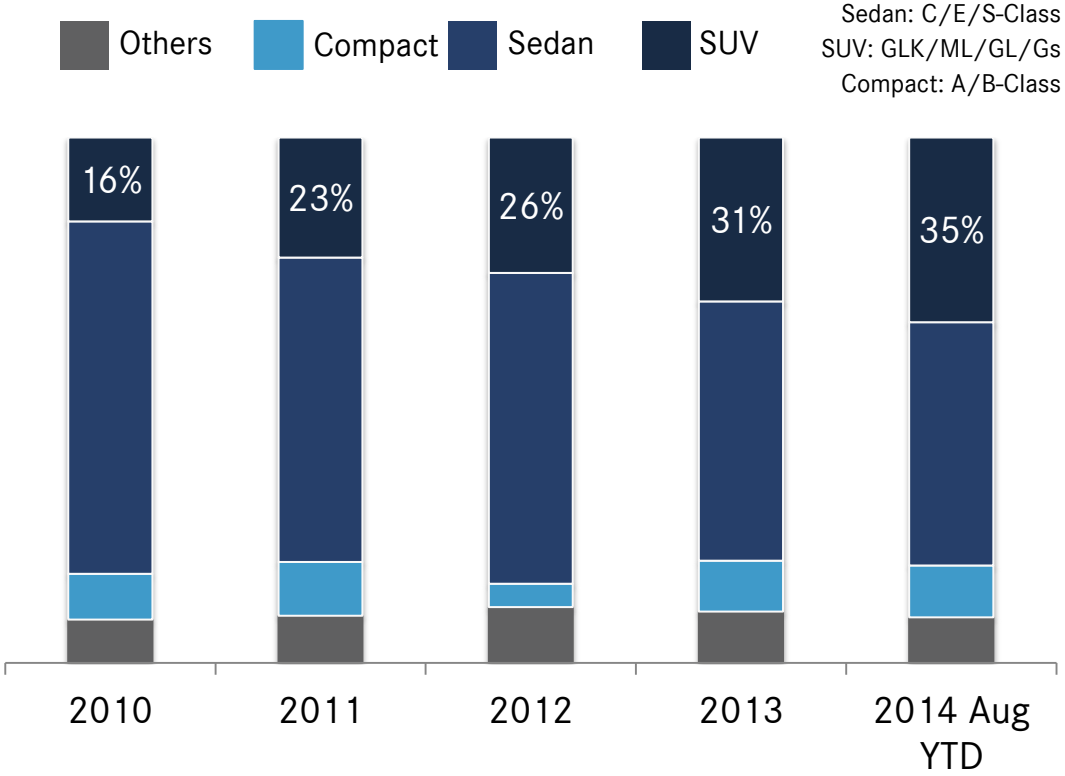
MB Brand Sales Development

Unit in thousand



MB Brand Sales Development by Product Segmentation

Percentage



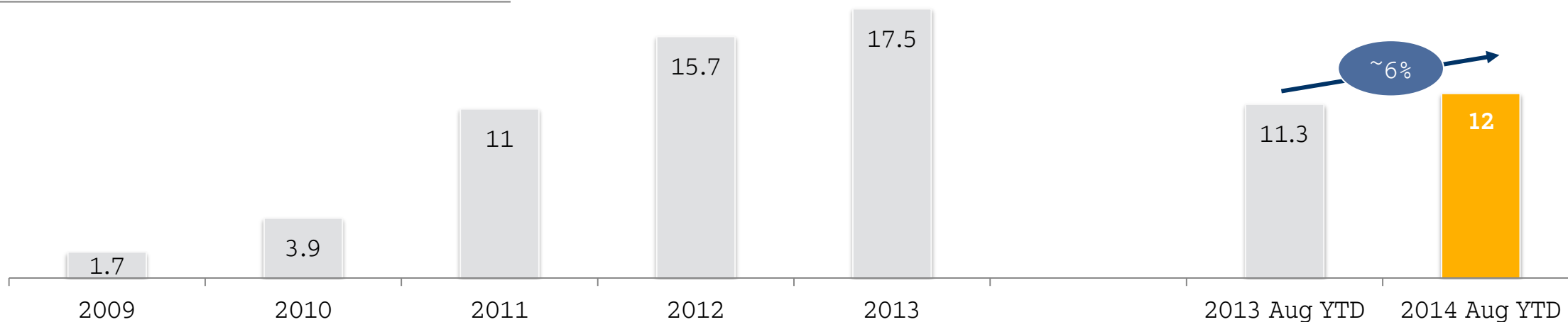
Source: BMBS Internal
As of 2014 August YTD

sustaining smart positive sales momentum



smart sales development

Unit in thousand



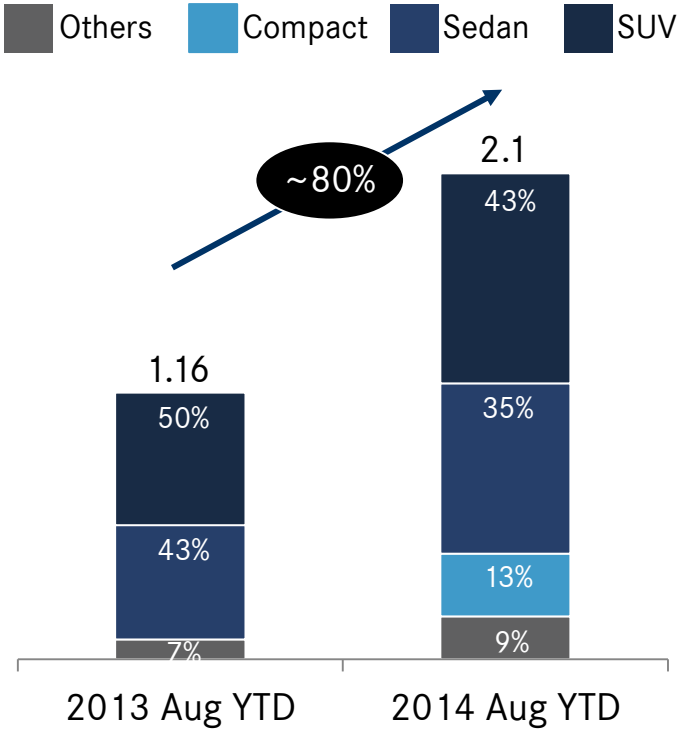
Source: BMBS Internal
As of 2014 August YTD

Significant AMG sales growth in 2014



AMG Sales Development

Unit in thousand



Sedan: C/S-Class
 SUV: ML/GL/Gs
 Compact: A-Class

Source: BMBS Internal
 As of 2014 August YTD

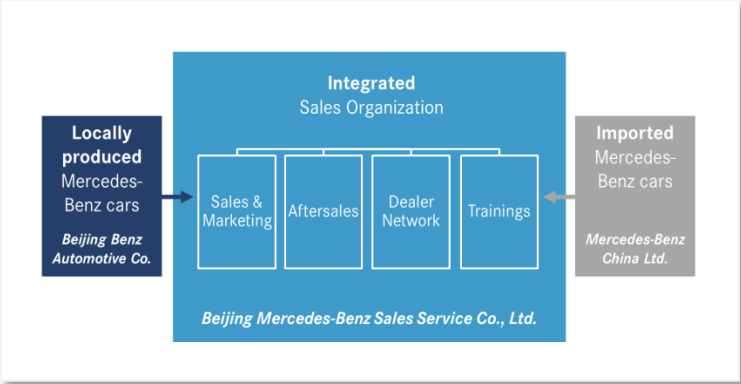
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3 aspects to support future success

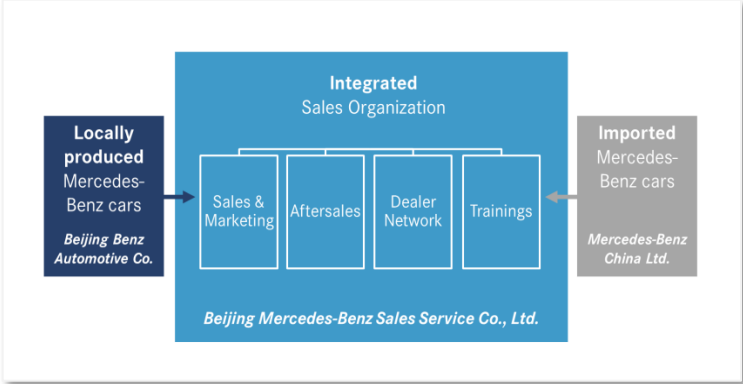


Integrated Sales Organization

Expansion Dealer Network

Extension Product Portfolio

3 aspects to support future success



Integrated Sales Organization

Expansion Dealer Network

Extension Product Portfolio

Strengthened dealer relationship serves as backbone to sustainable growth in China

China Daily, December 18, 2013

The right choice for China market

By LEI HANGFANG
lehangfang@chinanews.com

After years of rapid growth, Mercedes-Benz experienced a setback in China as its main competitors increased their lead in 2013.

To ensure sustainable development and keep Mercedes-Benz competitive in an increasingly challenging market, parent company Daimler AG made a series of big changes at the end of last year.

Bringing rich experience and a proven record, Hubertus Trucka was appointed new chairman and CEO of Daimler Greater China in this crucial period. He was also named to the newly created position as Daimler management board member responsible for China. The move highlighted Daimler's increased focus on the world's biggest auto market.

"With the new 'China' Board of Management position, we will ensure that aspects of this dynamic market are dealt with directly in the Board of Management team and have the Chinese voice be heard in Stuttgart. We have found the right man for this task," said Dieter Zetsche, chairman of Daimler and head of Mercedes-Benz Cars.

In the ensuing year, Daimler hit several major milestones including the formation of the new integrated sales company Beijing Mercedes-Benz Sales Service Co, the 10th anniversary of its partnership with BAIC Motor and acquisition of 12 percent shares in BAIC, and Mercedes-Benz's first ever engine plant outside Germany.

Daimler also celebrated 100 years in China in September when Trucka spoke about Daimler's presence with full confidence.

"Today we have a very strong footprint in China, being the only premium automotive brand that covers all automotive segments from passenger cars, vans and trucks to financial services and growing year by year. China is our second home and together with our strong partners we

"China is our second home and together with our strong partners we have everything we need to pave the way forward for the next 100 years."

HUBERTUS TRUCKA
CHAIRMAN OF DAIMLER
GREATER CHINA

"The foundation for Mercedes-Benz's future in China was laid down in 2013."

NICHOLAS SPECKE
CEO OF BEIJING MERCEDES-BENZ SALES SERVICE CO.

way forward for the next 100 years."

"The most significant development in 2013 was the establishment of BMBS' operation that integrates the previously sales channels to facilitate efficiency and agility in business operations," said the company.

Daimler tapped Nicholas Specke, previously president and CEO of Mercedes-Benz Japan, to lead the new company.

In his career at Daimler spanning more than three decades, Specke has risen to meet challenges in a variety of markets including the Middle East, Vietnam and most recently Japan, where he turned around the fortunes of Mercedes-Benz despite the triple-dipster earthquake, tsunami and nuclear meltdown that hit the country in 2011.

But the first few months in China were not immediately smooth for the truck CEO tasked with implementing a thorough integration of two formerly independent organizations



Hubertus Trucka (left), member of management board of Daimler AG responsible for the company's operations in China, and Nicholas Specke, CEO of Beijing Mercedes-Benz Sales Service Co, together at the launch of the new E-Class in Chengdu in 2013.



"Specks' respects and understanding of Chinese culture and the use of his knowledge of world history for communication with Chinese dealers works perfectly"

Mr. Zhu Lingjun, president of Boshu Group

Dealer Investor Conference
July 22-23, 2013



International Dealer Conference
July 2-3, 2014



Strategic partnerships

Regular meetings

Involvement in BMBS Action Plan

Product Forum
March 24, 2014



Dealer Investor Conference
July 4, 2014



And sustain profitable growth via longer-term measures

Best Customer Experience



Best Profit & Best Sales



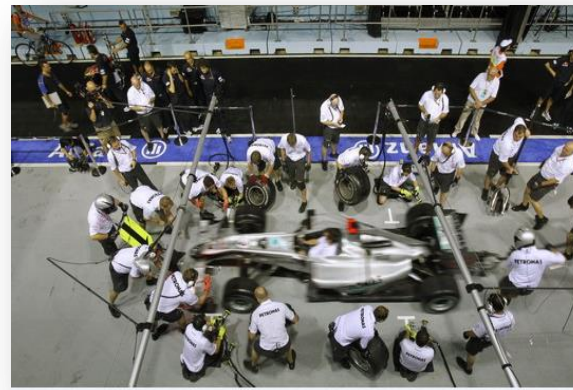
Best Franchise



Best People & Cooperation



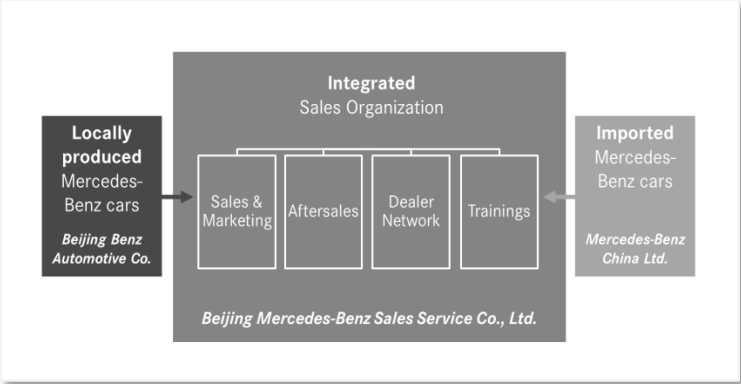
Best Process & Best Efficiency



Best Tech & Service Quality



3 aspects to support future success



Integrated Sales Organization

Expansion Dealer Network

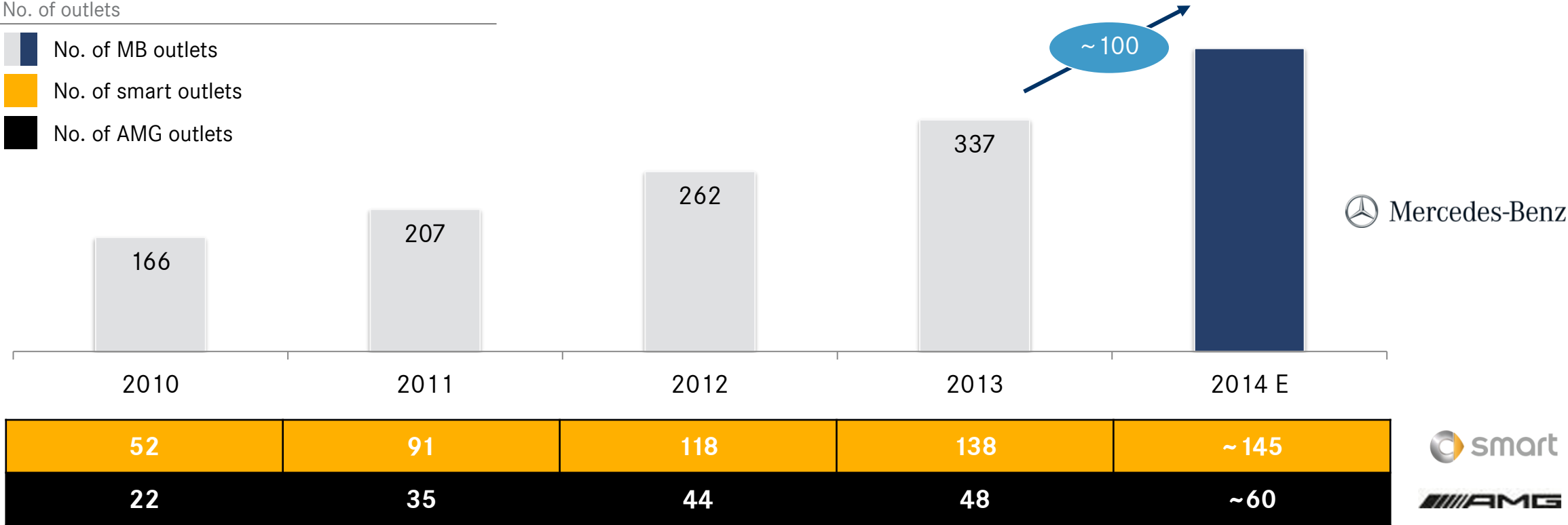
Extension Product Portfolio

Secure sales and after-sales growth with fastest network expansion plan ever: at least 100 outlets in at least 40 new cities in 2014

Network Development

No. of outlets

- No. of MB outlets
- No. of smart outlets
- No. of AMG outlets

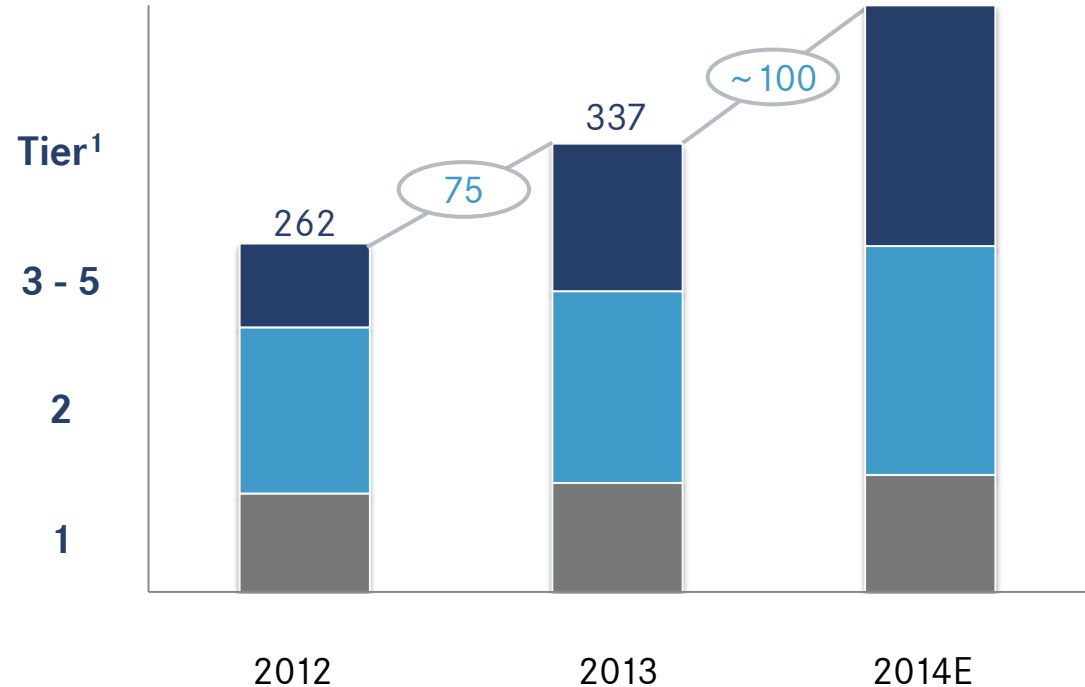


Note: Including aftersales-only outlets

With clear focus on cities in lower tiers

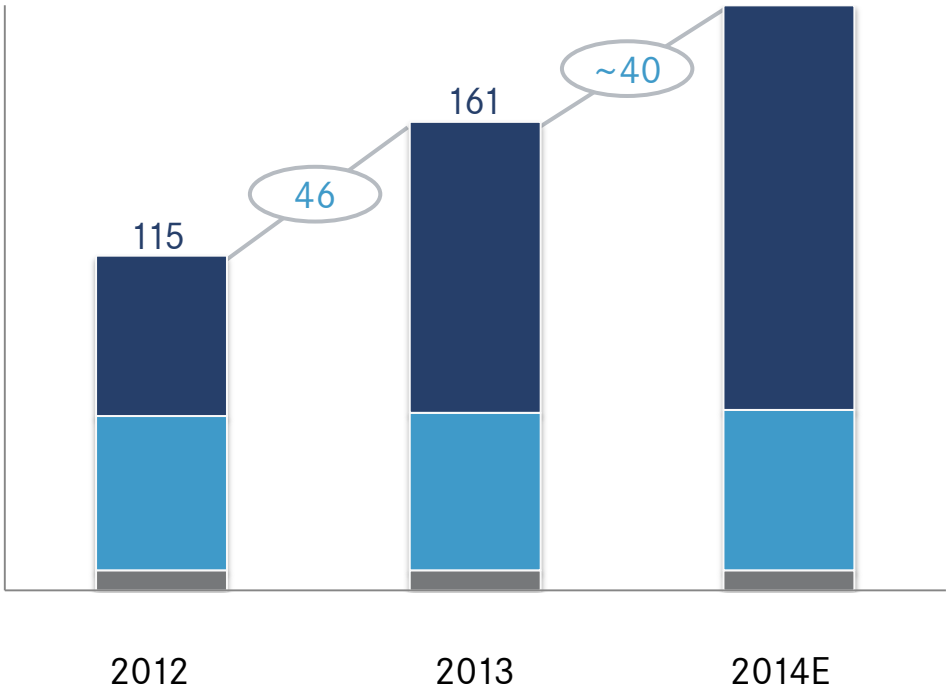
MB outlet coverage

No. of outlets



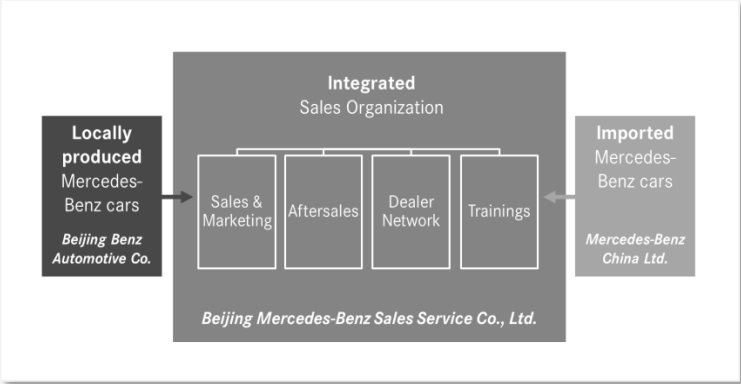
MB city coverage

No. of cities with outlets



Tiering defined based on registration data; tier-1 > 10k cars sold p.a., tier-2 1-10k, tier-3-5 < 1k

3 aspects to support future success



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All New C-Class LWB: Game Changer designed in China, made in China, for China



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Coordinated efforts bring us on the path to success

Integrated Sales Organization Pave Way to Success



Expand Network with Quantity and Quality



Extend Product Portfolio to Address Chinese Customers



C The Change!



全新长轴距C级车

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.