

DAIMLER

Banker's Day India

Marc Llistosella,
CEO and Managing Director of DICV



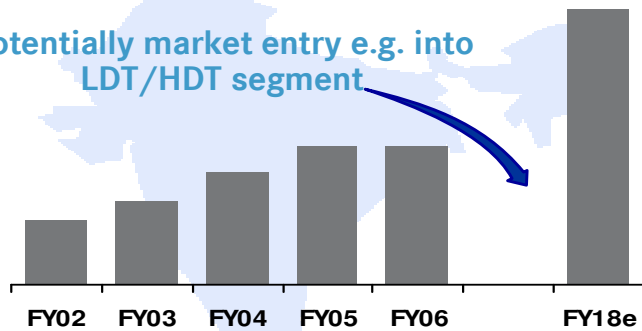
BHARATBENZ

Daimler India Commercial Vehicles Pvt. Ltd.

Indian market entry fulfils 4 strategic targets for Daimler Trucks

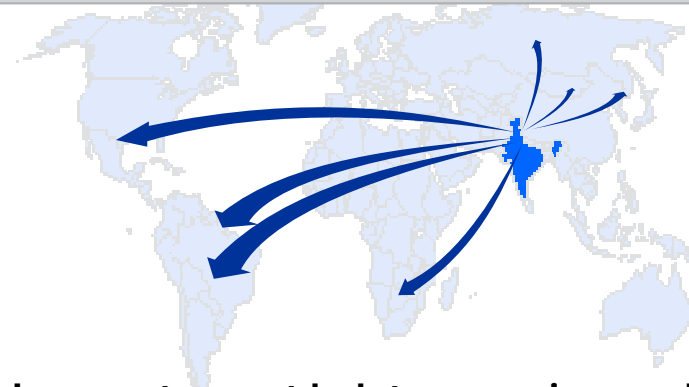
Access to Indian market

Potentially market entry e.g. into LDT/HDT segment



Significant market share in growing Indian market

Indian low-cost export hub



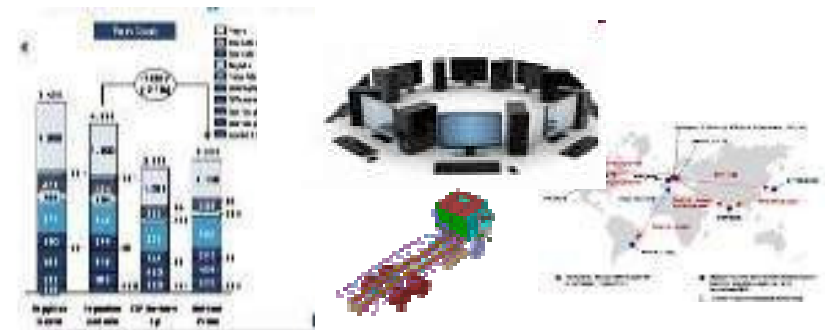
Low-cost export hub to emerging markets (focus on new business)

Sourcing



Usage of low cost base for Daimler overall

Excellence centres



Low cost services for Cost Planning, Computer Aided Engineering & IT

Product development combined the best of two worlds – German DNA and Indian Engineering

Thorough studies of trucking conditions in India



- Mapping of road data for usage profiles
- Face-to-Face talks with drivers, fleet owners, customers and experts
- Matching of demand with existing Daimler platforms

Based on the findings, decision for two platforms was taken



- All Parts adapted to market requirements and production capability
- Local Sourcing as much as possible
- Import mineralized to bare essential

The result: A range of modern vehicles from 7-49 tons, delivering best Value for Money, driving the change



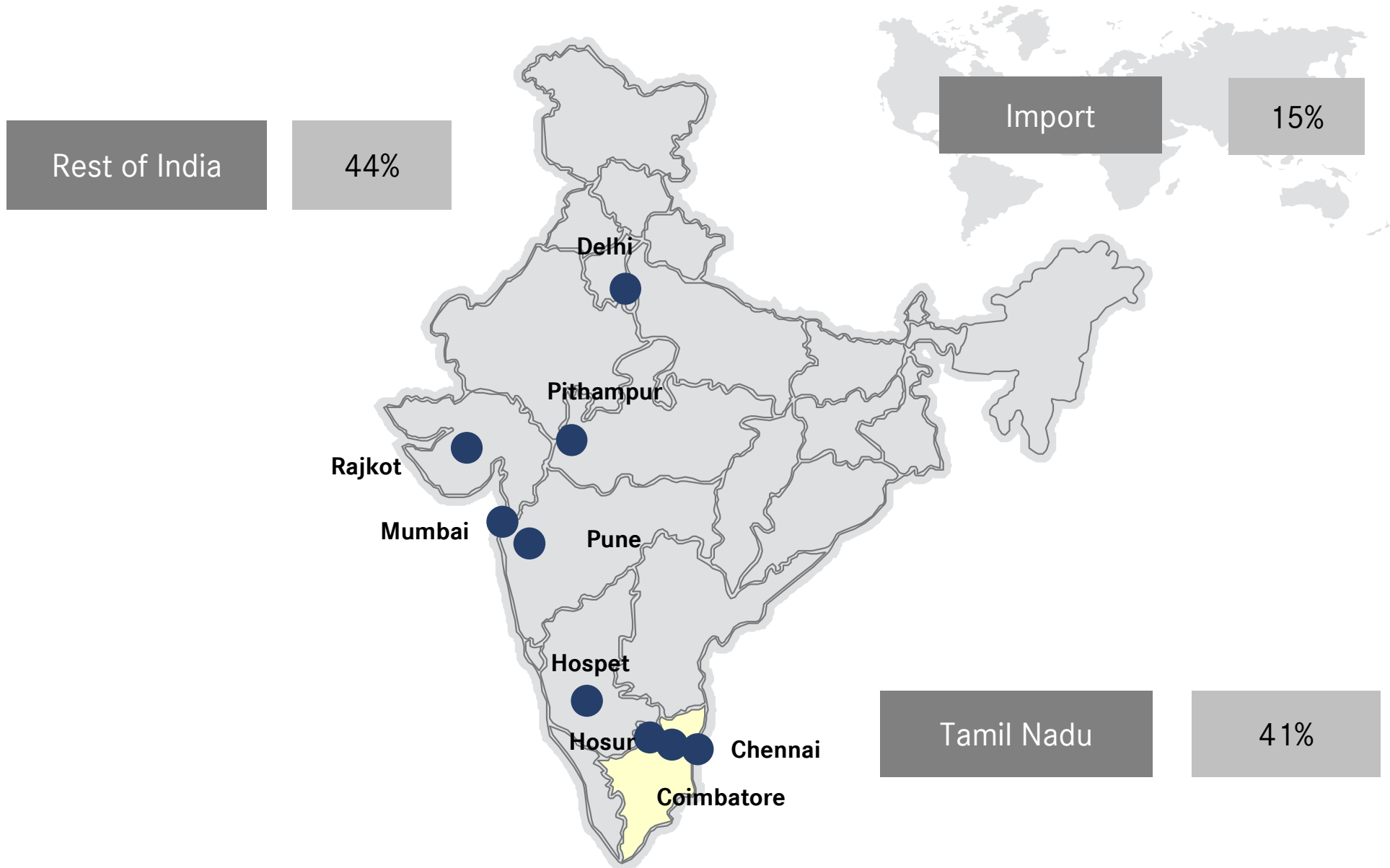
Powered by World Class Engines

- 4 cylinder
- 80kW ~ 125kW
- Fuel efficient for last mile distribution
- 6 cylinder
- 170kW ~ 205kW
- Long service intervals reduce service cost

More than 7.5 Mio test kms on the state-of-the-art test track & Indian roads ensure reliability from day one



41% of sourcing achieved from Tamil Nadu leading to reduced logistics cost, 44% from rest of India



The DICV plant has become the home of Daimler trucks, manufacturing excellence in India, for India



- 400 acres of land
- 176.000 sqm of covered plant area.
- Annual production capacity of 36.000 units per year, scalable to 72.000.
- High level of automation to pass on cost benefits down the value chain.
- One of only three worldwide Daimler Truck plants to produce engines and trucks

Latest technology & uncompromised Daimler standards ascertain highest precision & superior quality



Production facility incorporates state-of-the-art machinery and high level of automation



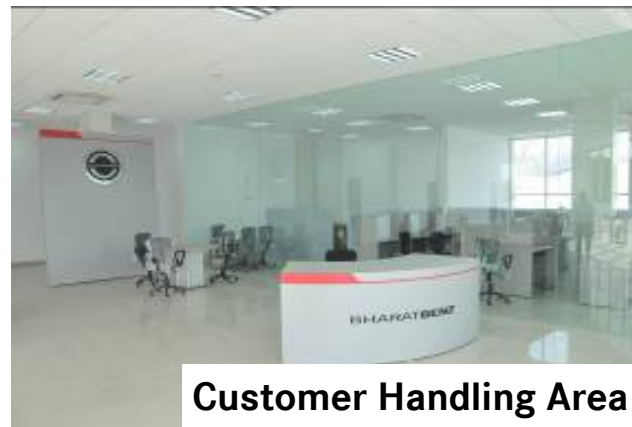
- 16 robots in Cab-in-white/
38% automation
- 100% automated Paint shop
with 2 coat Mitsubishi
Kawasaki paint process
- Engine production in line
with Rastatt and Manheim
plants
- 100% of the engines
produces are tested on load
and non load benches
- Filtered Air-ventilation
provides dust free engine
production area

Flexible production process allows assembly of 17 different models from two brands on two lines



- **Lean manufacturing according to Daimler Truck Operating System (TOS)**
- **Fishbone concepts routes 65% of Material Just-in-time and Sequence to the line, cutting inventory costs**
- **6 Quality inspection gates in Assembly line**
- **An integrated Training facility and learning islands along the line, guarantee for skilled workers**

BharatBenz dealerships to be benchmark setups in the Indian CV industry



DICV completed tying up with leading financiers, BharatBenz Financial continues to be the first option

Financing Share India

Sales facilitation for commercial vehicles largely through loans

Financing Mode DICV

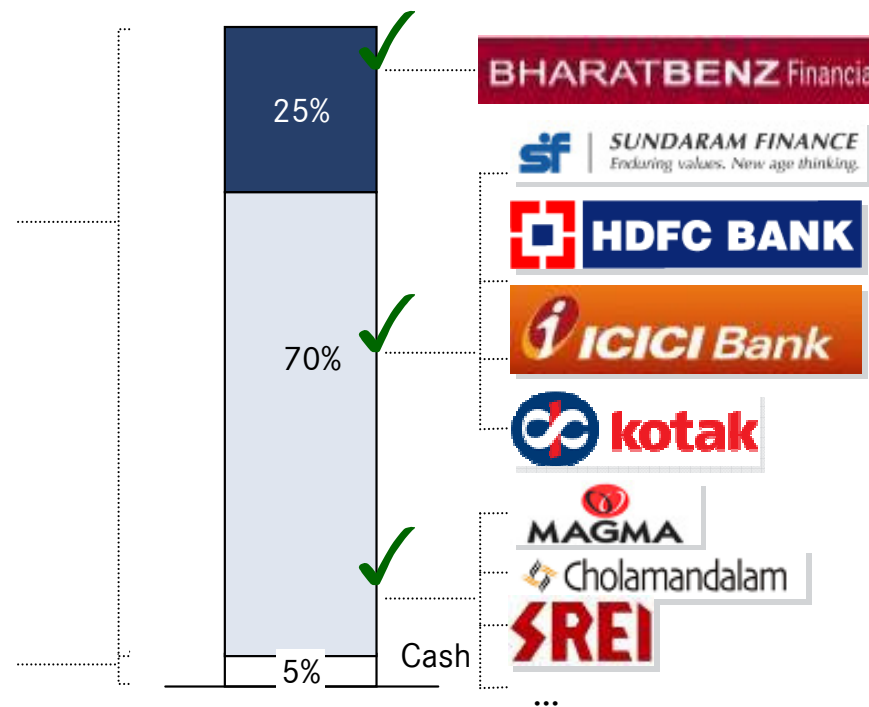
BharatBenz Financial established. Tie up with leading commercial vehicle financiers

Financing Mode Indian CV OEM

Truck OEM's secure business with captive and engage with financiers through tie ups

About 95% commercial vehicles are financed by loan in India

5% of the commercial vehicles are perceived to be directly paid in cash



1. Captive to be 1st choice financier for commercial vehicle sales
2. Truck manufacturers directly tie up 3-4 strategic commercial vehicle financiers
3. Coverage of other portfolio through mostly regional relations with relevant financiers

Same Financing Terms as Tata Motors

Market launch in Sep'12, vehicle delivery on track, customers satisfied, high confidence in BharatBenz



Fleet owner 300 vehicles

“Very comfortable for drivers. I will not like to comment on mileage now. I am sure it will deliver better than my Tata fleet, is it 8% or 16% is the only question”

No. of BharatBenz Vehicles: 2 nos.



Fleet owner of 150 vehicles, longest established transporter in Mumbai

“Thrilled. I did not expect this performance. I am getting about 15% lower fuel bills now”

No. of BharatBenz Vehicles: 2 nos.



Pioneers in refer operations in India

“Vehicles are very good and delivering higher mileage. My drivers are very happy and are not wanting to drive other vehicles”

No. of BharatBenz Vehicles: 2 nos.



A passionate fan of Benz trucks

“Now comes the real Benz, I used to drive one like a king till the end of 90s. Now although I am bit old but yes I will definitely like to enjoy the drive as soon as possible. When you are going to give the same in the market?”

“We are ready”



DICV Team, 2012



Power Ahead