

DAIMLER

Corporate Presentation Q2 and Half-Year 2011 Results

July 2011

Agenda

- **Daimler Group Q2 and Half Year 2011 Results**
- Additional Information on Mercedes-Benz Vans
- Additional Information on Daimler Buses
- Appendix

Key developments in Q2 2011

- Q2 2011 marked another strong quarter
- Group sales increased by 6%, and revenue grew by 5%
- Mercedes-Benz Cars on track to post new record sales in 2011
- Daimler Trucks launched the all-new Actros and increased capacity in the Americas
- Net industrial liquidity remains on a high level of €11.5 billion after dividend payment of €2 billion
- Public tender offer for Tognum successfully completed with a stake of 94.2% achieved

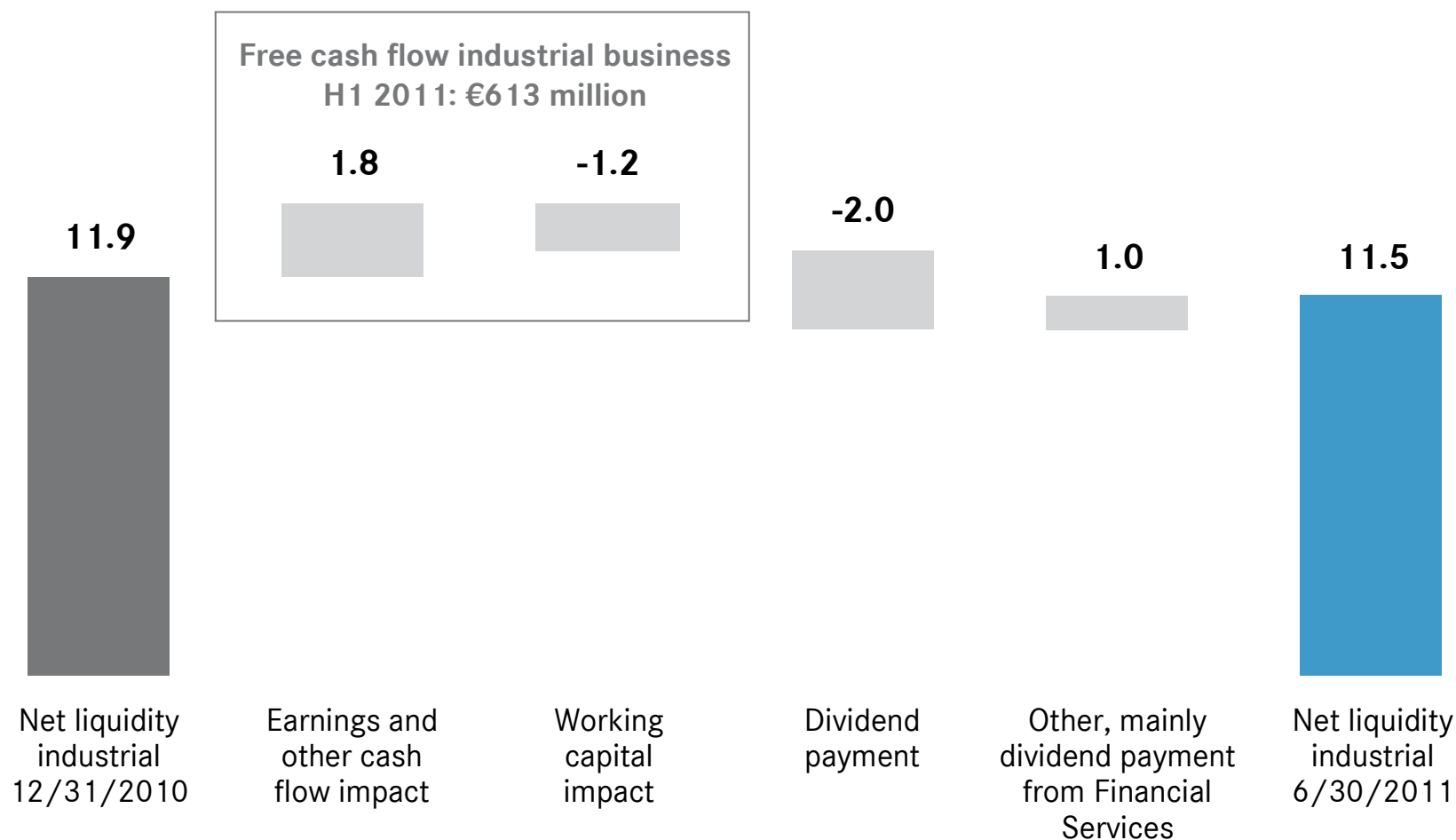
Key financials

- in billions of euros -

	Q2 2010	Q2 2011
Revenue	25.1	26.3
EBIT	2.1	2.6
Net profit	1.3	1.7
Earnings per share (in euros)	1.18	1.51
Net liquidity industrial business (2010: year-end)	11.9	11.5
Free cash flow industrial business (January-June)	2.8	0.6

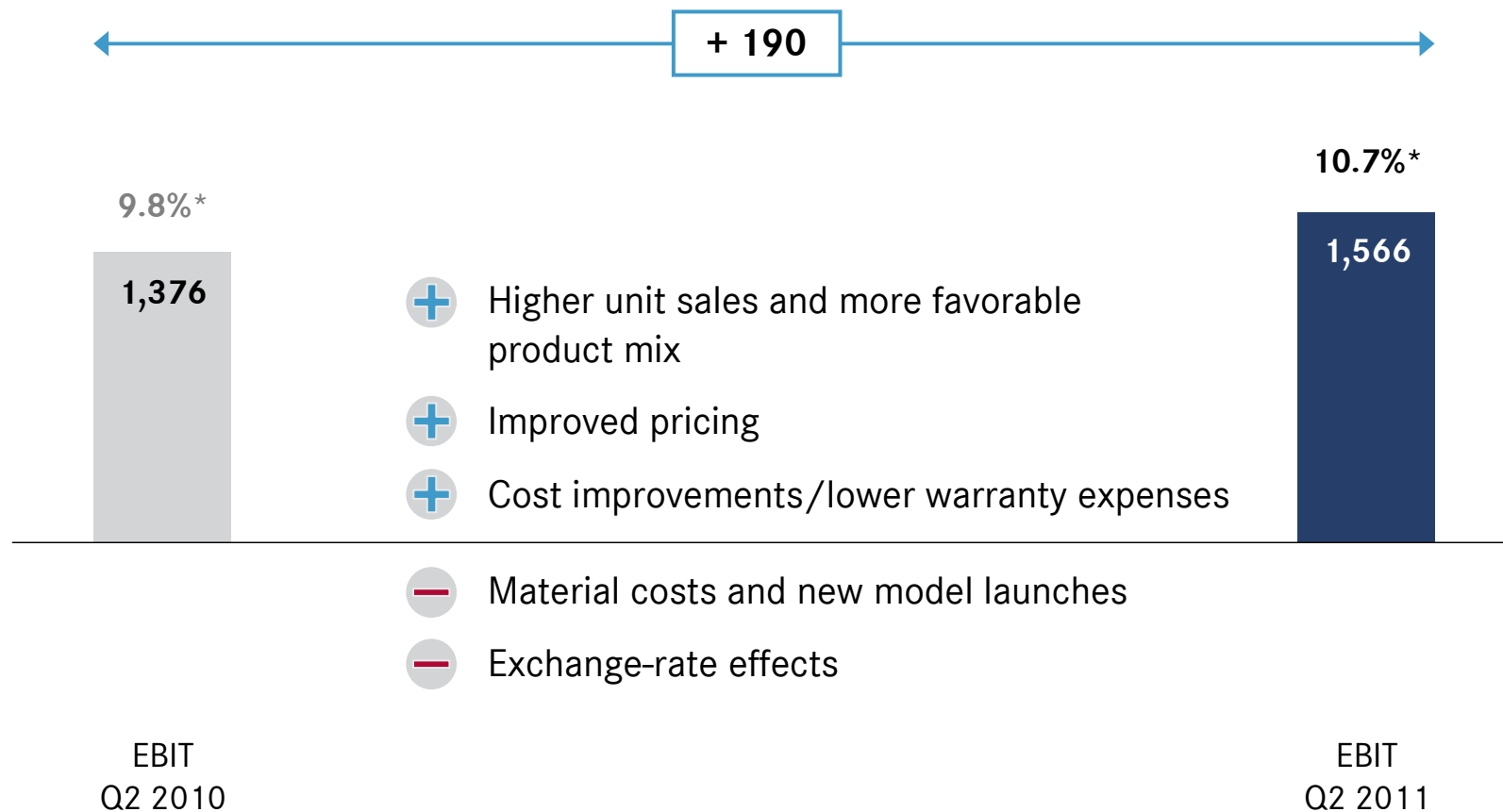
Net industrial liquidity of more than €1 1 billion supports planned pension contribution of €2 billion in H2 2011

- in billions of euros -



Ongoing strong EBIT performance

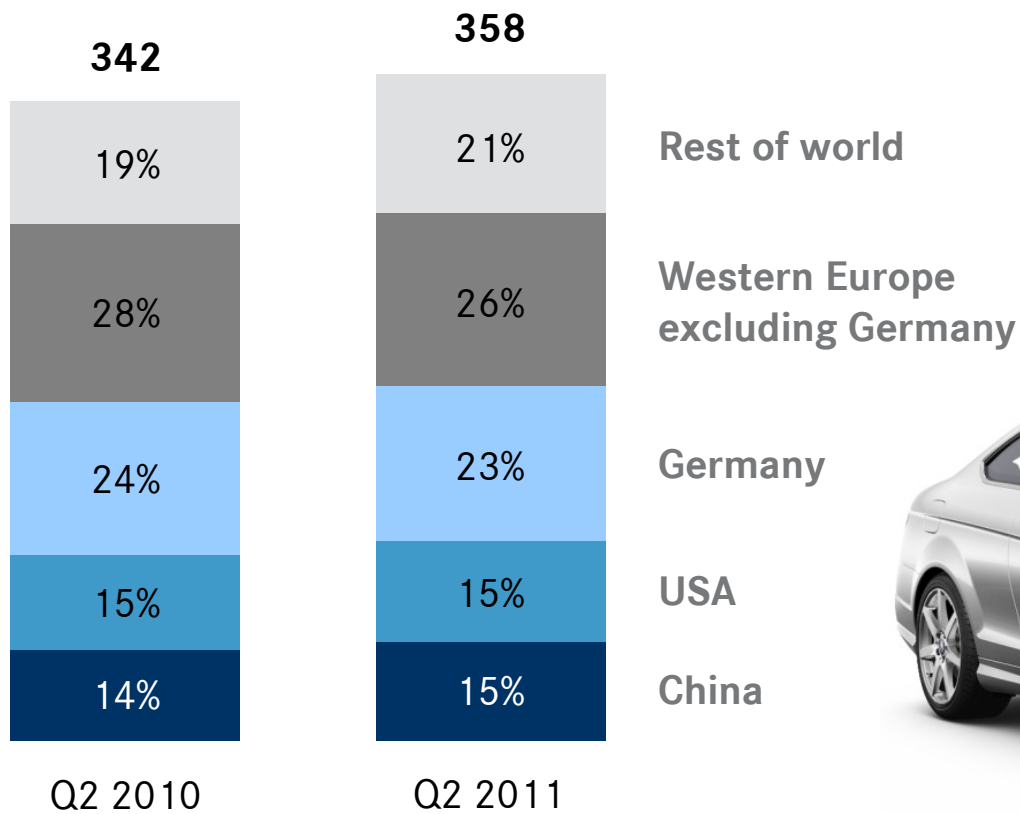
- in millions of euros -



* Return on sales

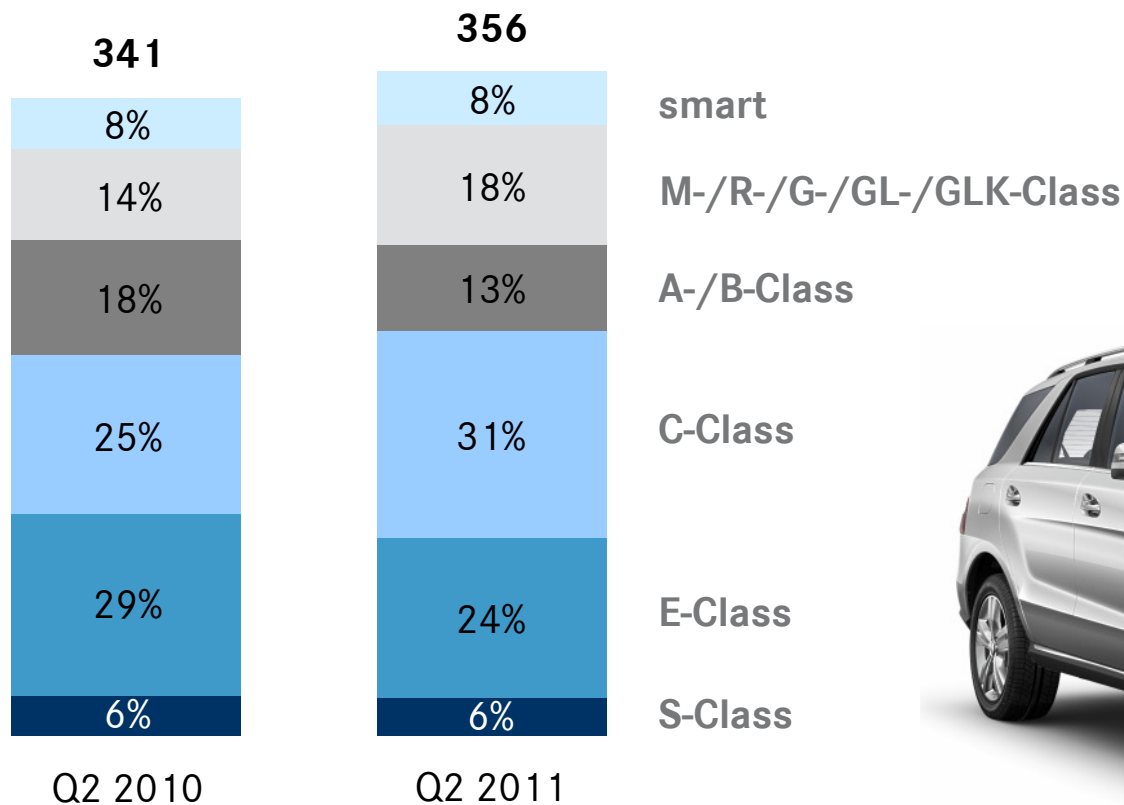
Balanced sales structure

- Unit sales in thousands -



Further increase in unit sales

- Unit sales in thousands* -



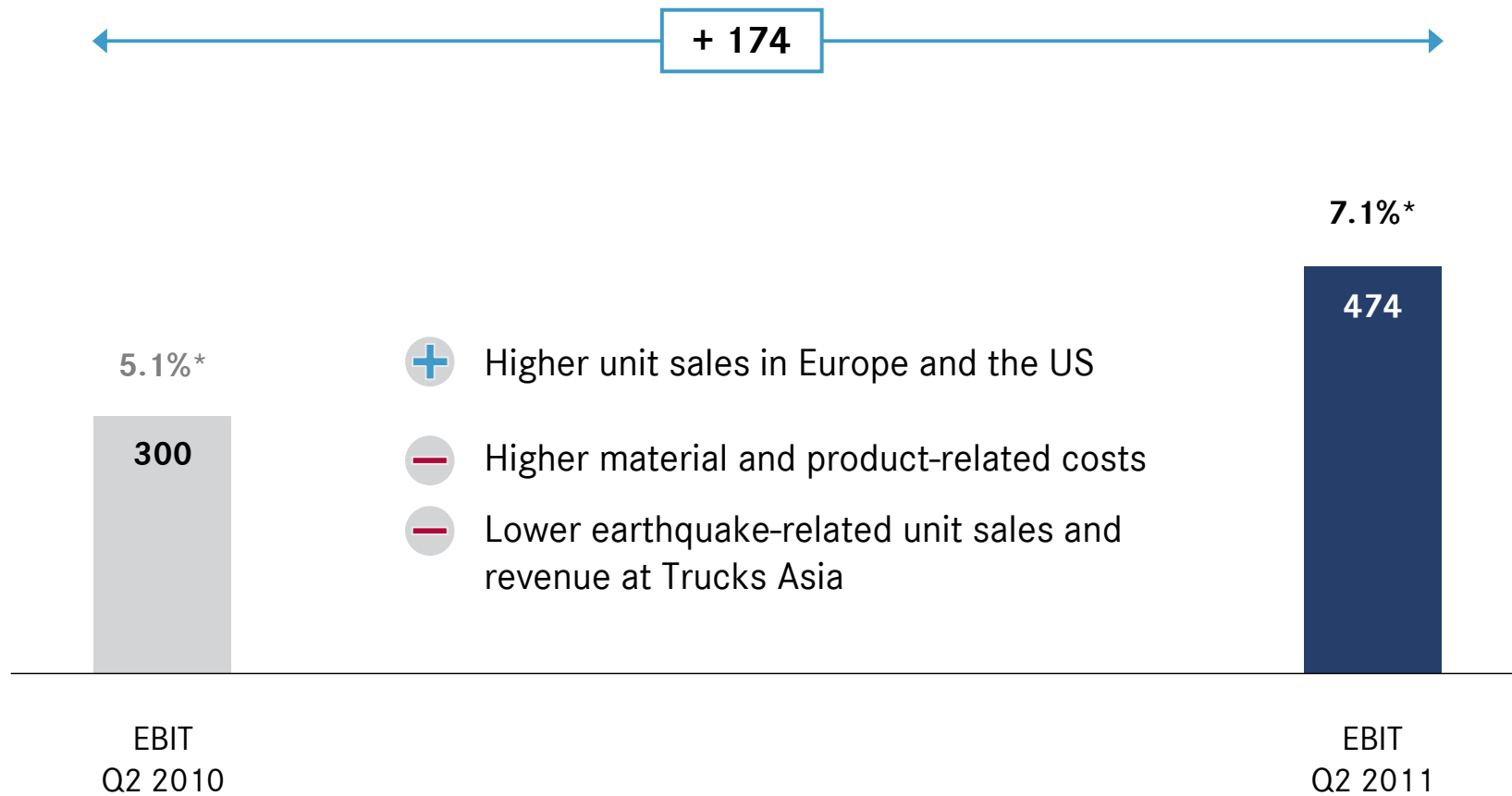
* Excluding Mitsubishi vehicles produced and/or sold in South Africa

Product highlights



Significant improvement in EBIT

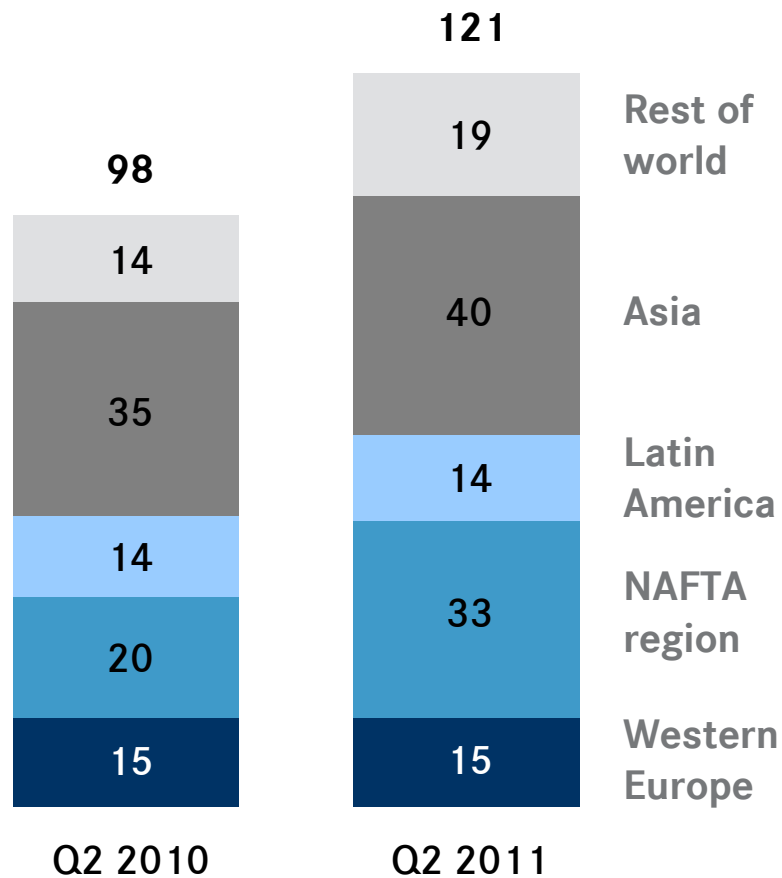
- in millions of euros -



* Return on sales

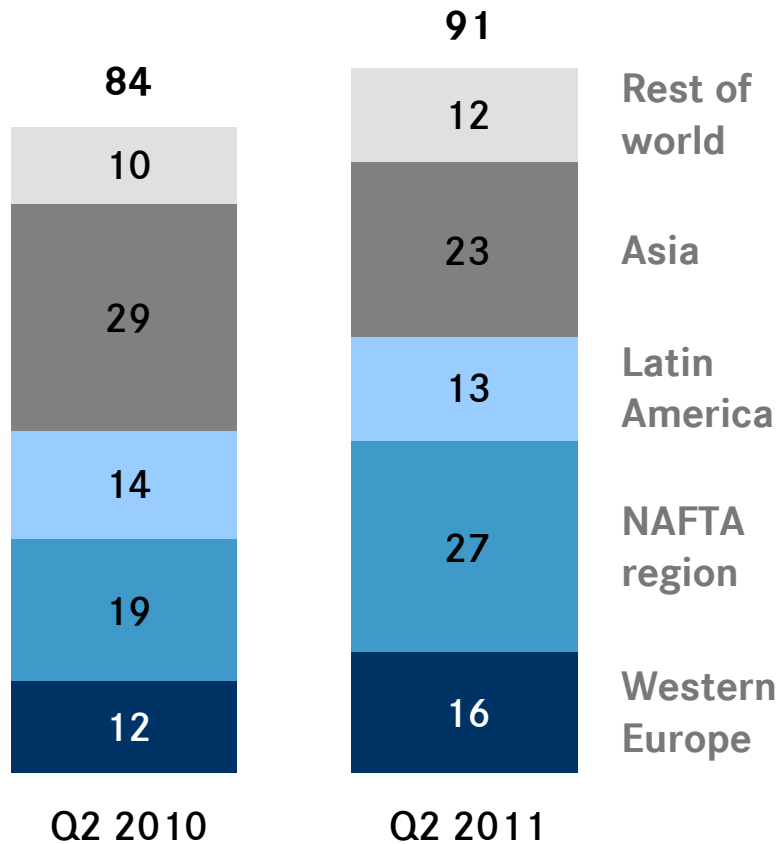
Incoming orders rose significantly

- in thousands of units -



Significant increase in unit sales despite lower volume in Asia

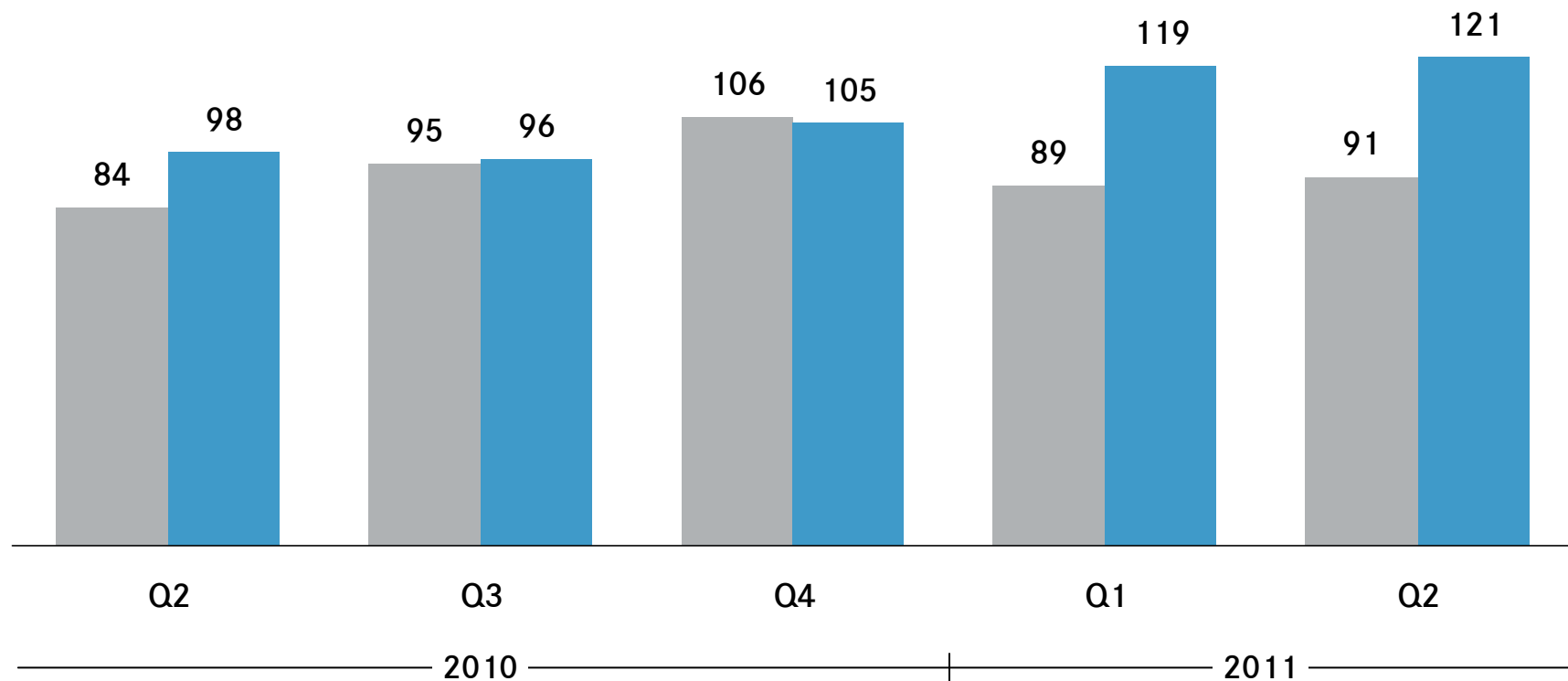
- in thousands of units -



Incoming orders in Q2 2011 clearly above prior year and above unit sales

- in thousands -

■ Unit sales ■ Incoming orders



Product highlights

New Mercedes-Benz Actros



Mercedes-Benz Unimog U 20



Freightliner Business Class M2 Hybrid

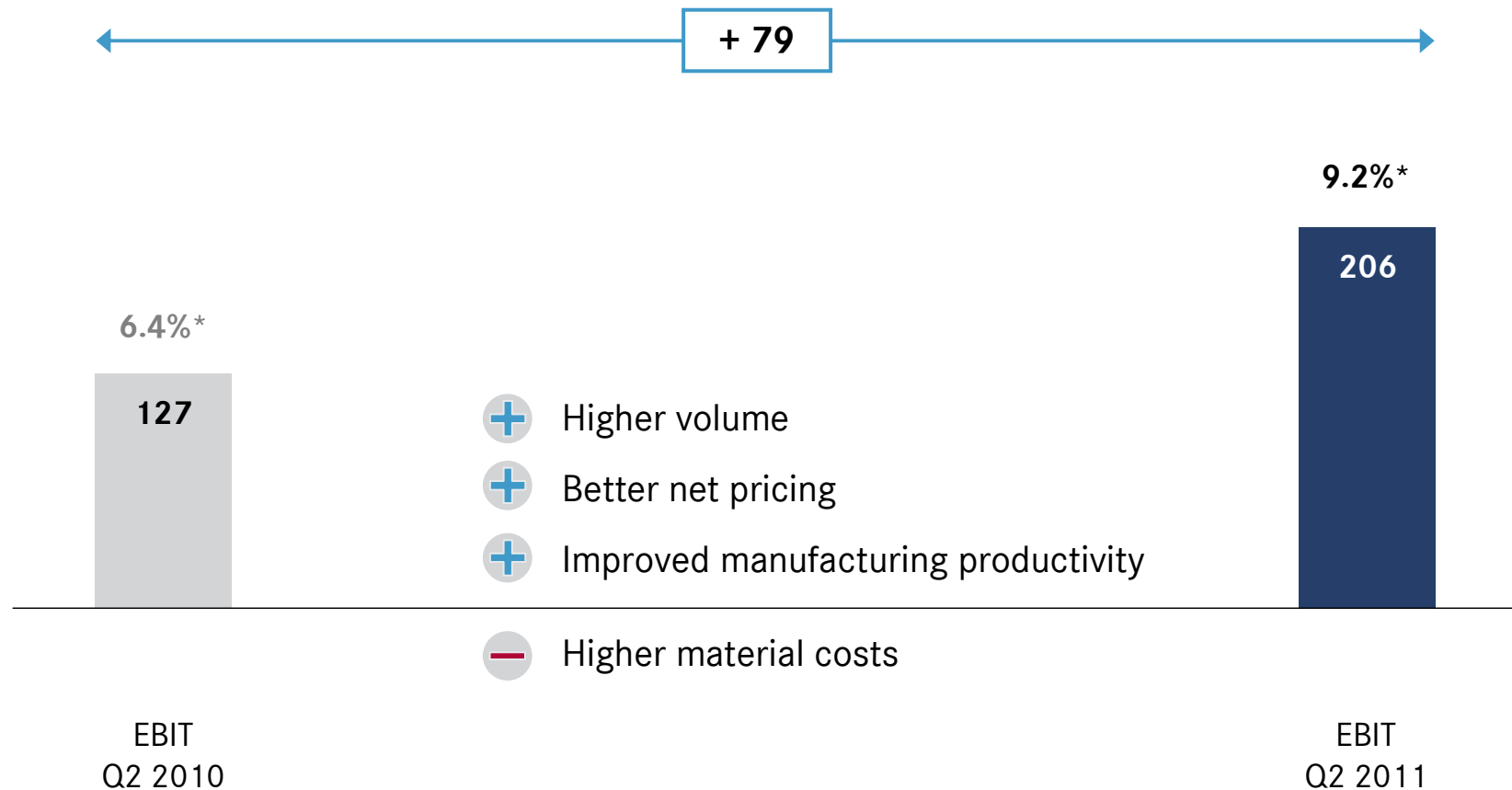


New generation Fuso Canter



Ongoing strong earnings performance at Mercedes-Benz Vans

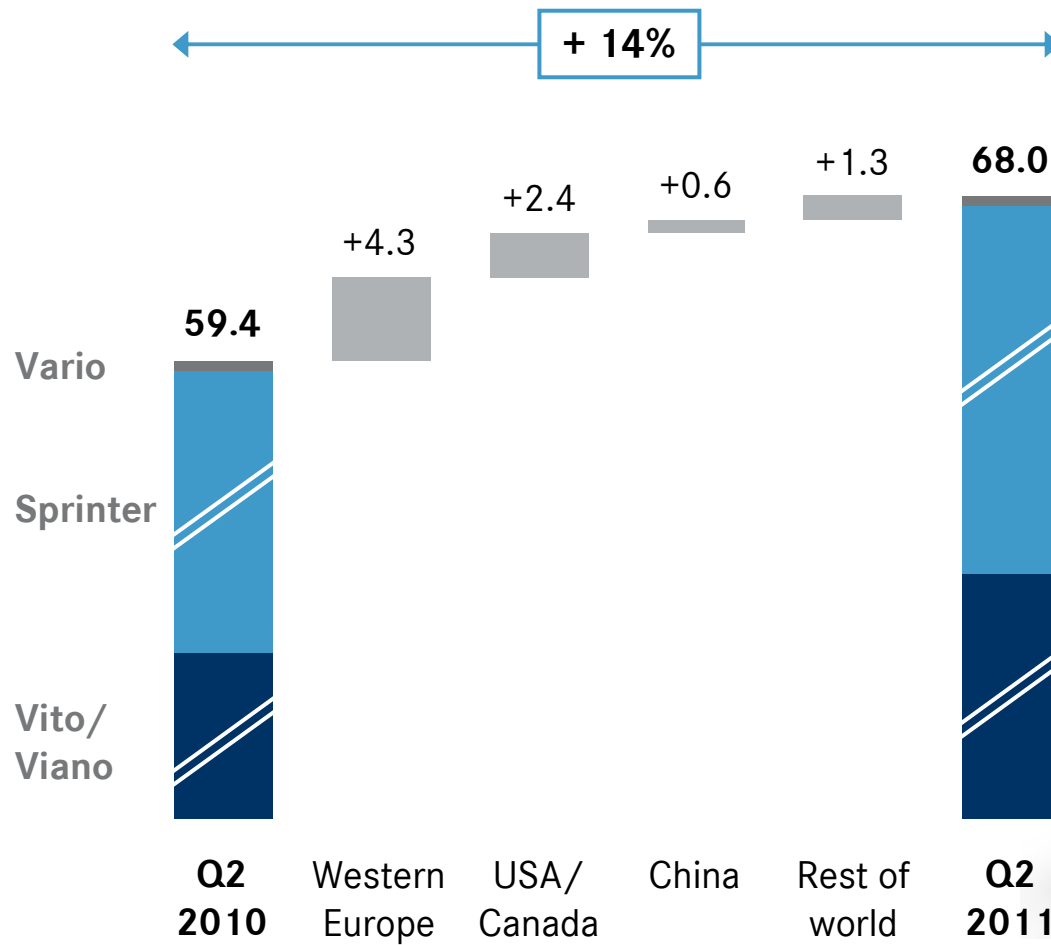
- in millions of euros -



* Return on sales

Increased sales in all major markets

- Unit sales in thousands -



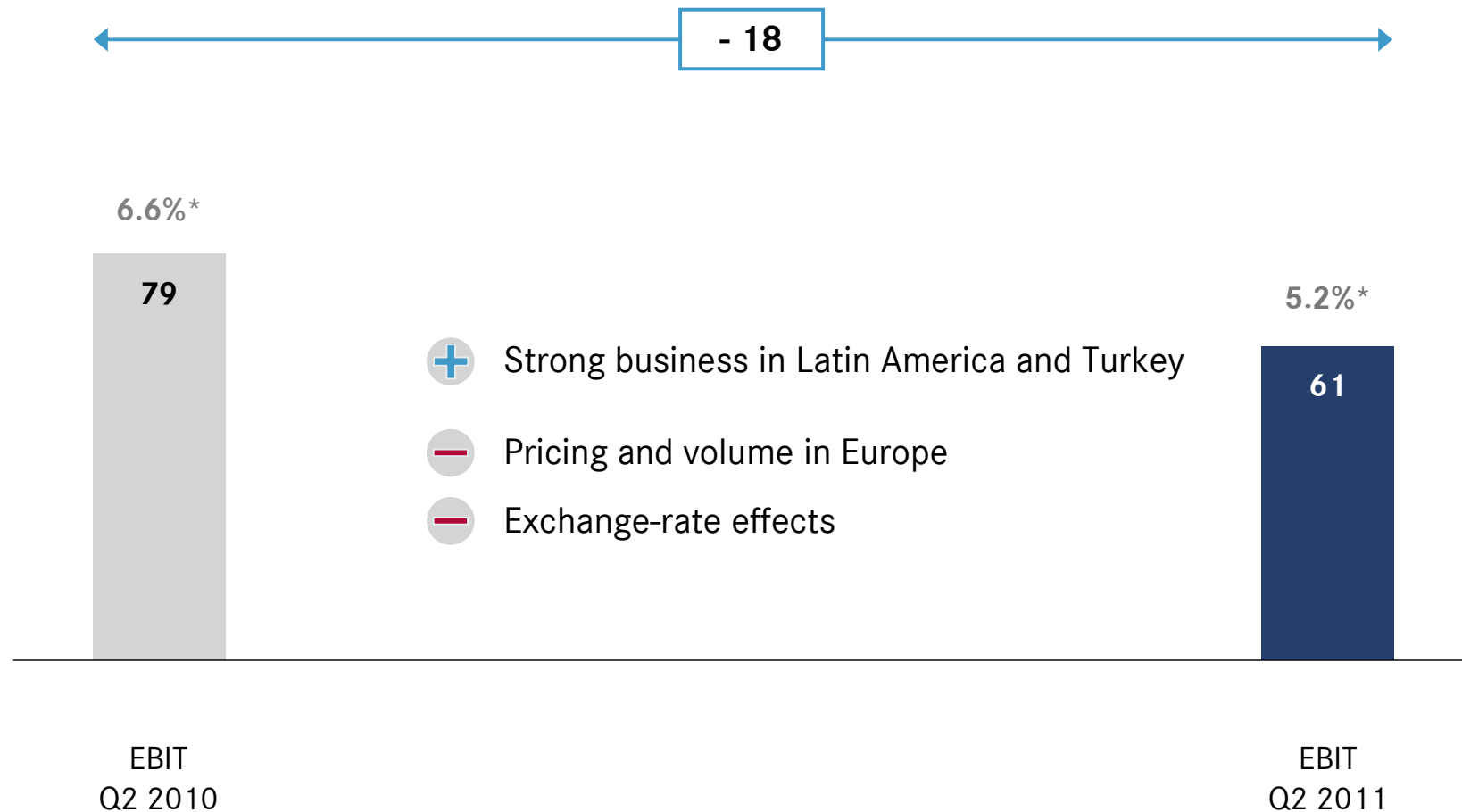
Product highlights



Mercedes-Benz Vito E-CELL

Strong profitability despite slightly lower volume and negative exchange-rate effects

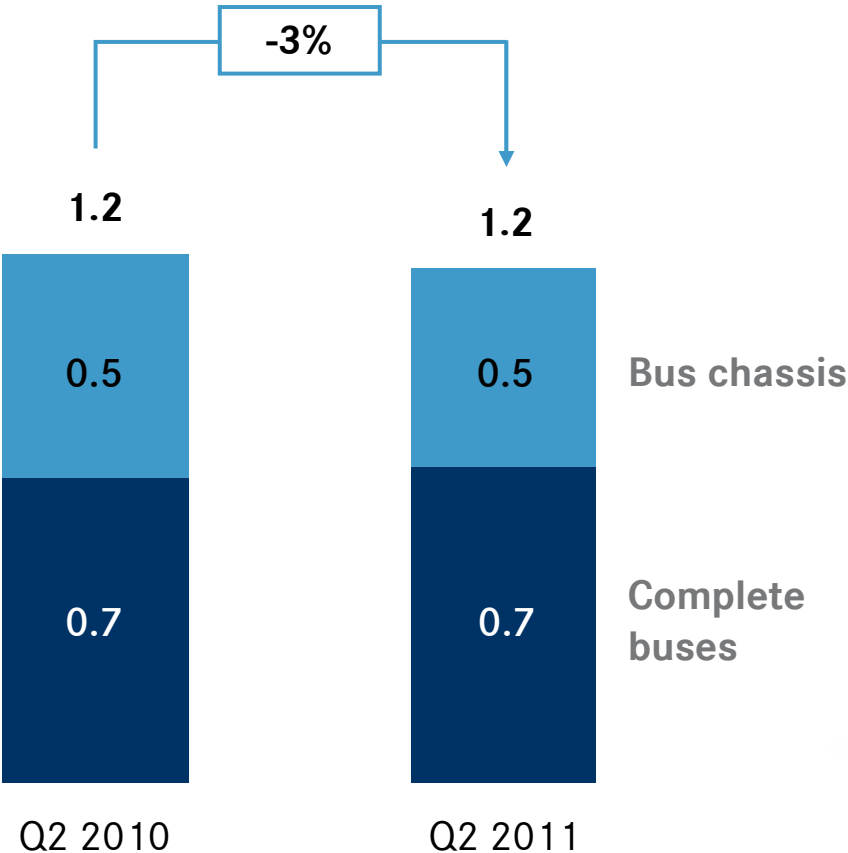
- in millions of euros -



* Return on sales

Revenue slightly below previous year's level due to lower volume

- in billions of euros -



Product highlights

New Mercedes-Benz Citaro G



New Mercedes-Benz Citaro



Setra TopClass 400

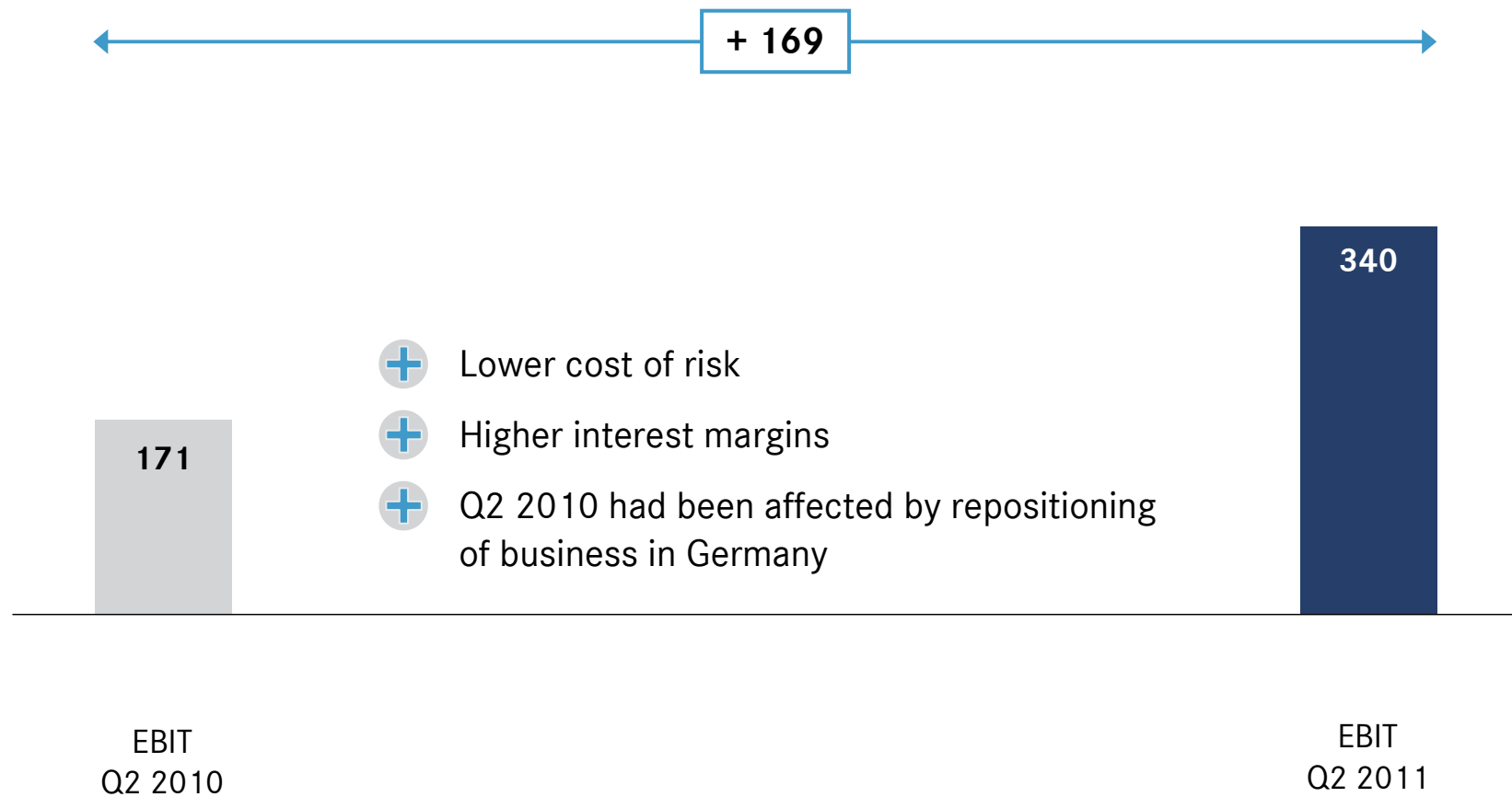


Orion Hybrid Electric Bus

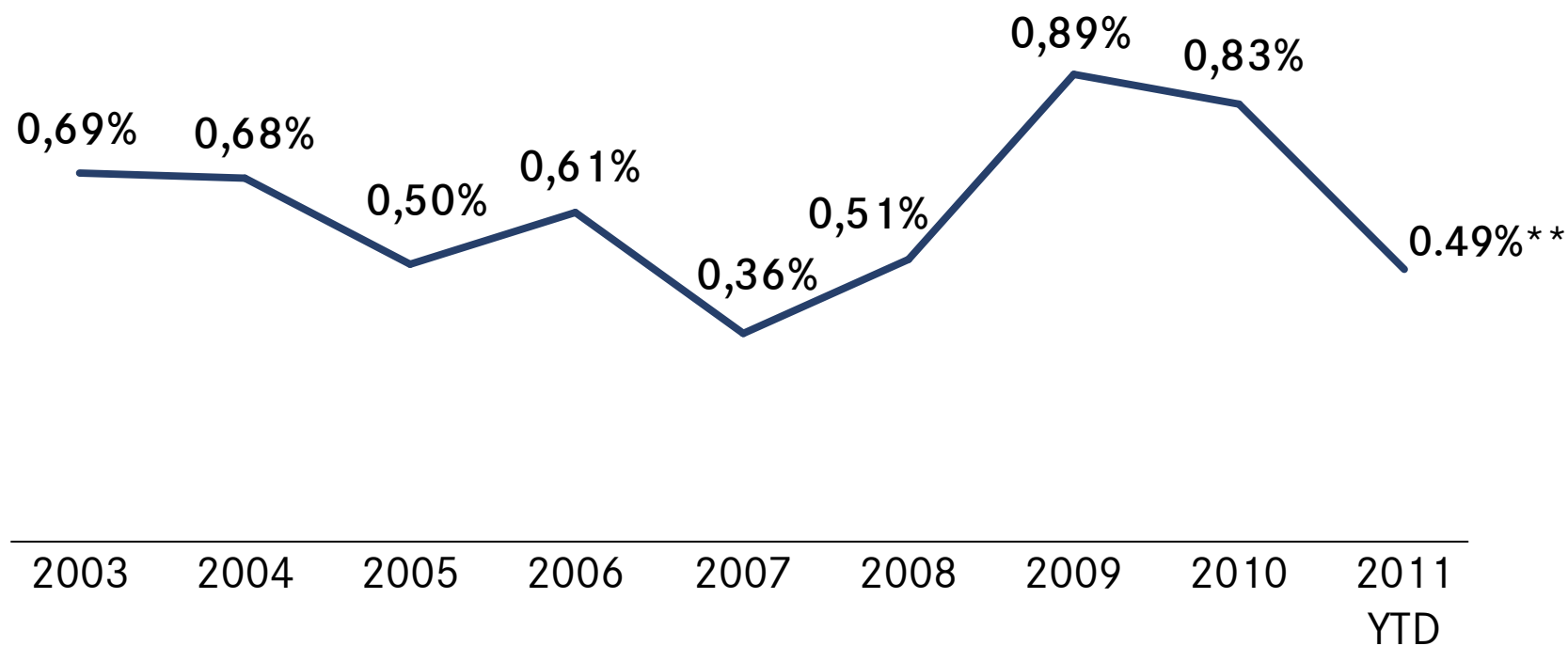


Strong earnings increase due to lower cost of risk

- in millions of euros -



Net credit losses* decreased significantly



* as a percentage of portfolio, subject to credit risk

** annualized rate

Assumptions for automotive markets in 2011

● Car markets

- Worldwide market expected to grow by approximately 5 to 7%
- Growth potential especially in the United States and Asian emerging markets, particularly China and India
- Overall Western European market expected to be flat; in Germany, however, distinct market growth anticipated

● Truck markets

- Further market growth expected for medium- and heavy-duty trucks in the triad
- Europe: +35 to 40%
- NAFTA region: +30 to 35%
- Brazil: +15 to 20% (based on pre-buying effects in connection with the introduction of Euro 5 in 2012)
- Japan: decline of up to 10%

● Van markets

- Market growth of 10% expected in Europe, in the United States double-digit growth rate expected

● Bus markets

- In Europe stable market volume on low level assumed due to weak city-bus business
- Slightly increasing demand expected in Latin America

Sales outlook 2011

● Mercedes-Benz Cars

- Further sales increase to record level of more than 1.35 million units
- Growth potential especially in North America and BRIC countries

● Daimler Trucks

- Daimler Trucks maintains its overall target to increase unit sales substantially
- European business expected to benefit from market expansion
- Significant growth of unit sales in the NAFTA region based on strong order situation and growing market shares
- Increased sales in Latin America expected
- Sales in H2 2011 are expected to exceed first-half volume based on good order intake and stabilization of the Japanese market

● Mercedes-Benz Vans

- Positive sales development should continue, driven by the recovery of important markets, the introduction of the Sprinter in China and capacity increase in Argentina

● Daimler Buses

- Sales target of more than 40,000 units, based on positive chassis business in Latin America
- Business of complete buses in Europe and North America expected to remain weak

Revenue and earnings outlook for 2011

- Based on the currently good market expectations, we expect to post Group revenue of significantly more than €100 billion
- In light of the better than anticipated performance in the first half of 2011 and the currently good market demand, Daimler targets EBIT from the ongoing business which will be better than we previously expected and will very significantly exceed the level of 2010
- Developments in the first half of the year have shown that we continue to make good progress toward the targeted rates of return to be achieved on a sustained basis as of the year 2013
- These targets are based on the assumption that the economic and political environment will remain stable and that automotive markets will remain intact

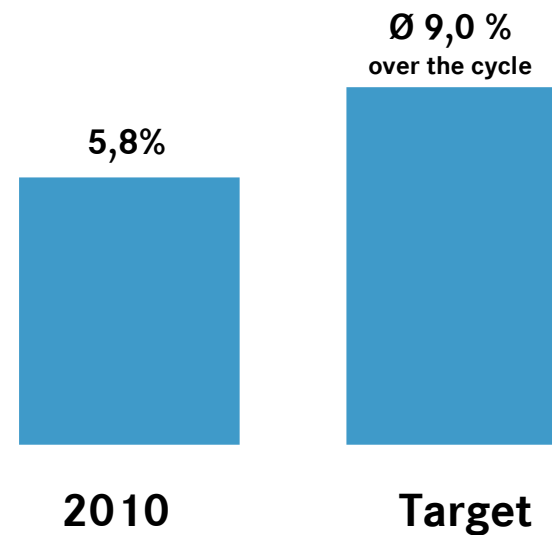
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Mercedes-Benz Vans will ...

- ▶ ... achieve double-digit sales growth in 2011
- ▶ ... achieve sales volume of 325.000 units in 2013
- ▶ ... become the most successful van manufacturer in the world, as it already is in Europe
- ▶ ... become the market leader for large vans in Europe, South America, and Russia
- ▶ ... become the market leader for midsize vans in Europe
- ▶ ... become the green technology leader in the van segment
- ▶ ... produce its vans locally in the key markets

RoS



Mercedes-Benz Vans goes global!

Product range

Large Vans

▶ Best in class



Midsized Vans

▶ Objective: Best in class

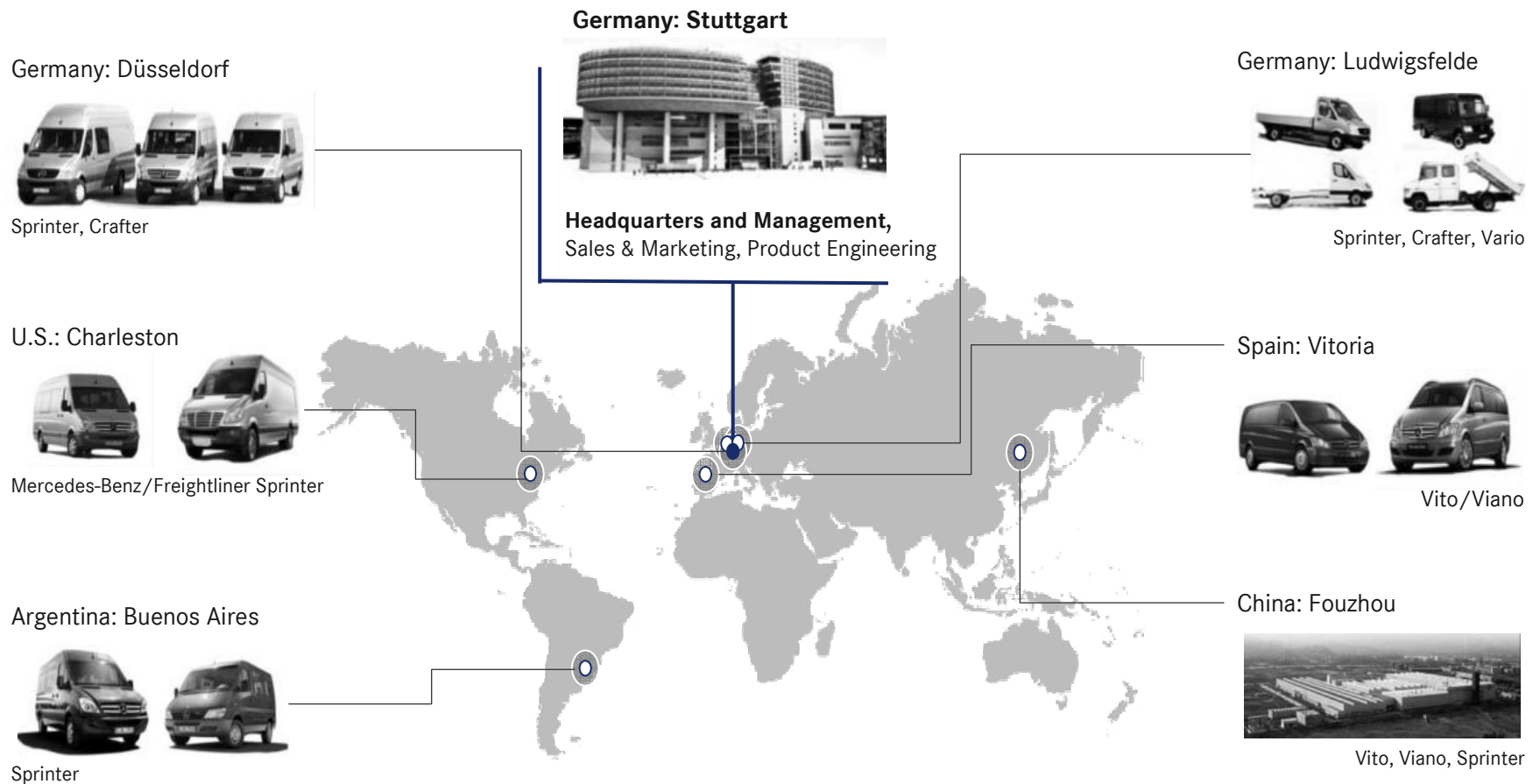


Small Vans

▶ Objective: Successful entry



Mercedes-Benz Vans – represented at seven locations worldwide



Mercedes-Benz Vans goes global!

Growth Markets

▶ Traditional Markets



▶ New Markets



▶ Future Markets



Growth offensive

▶ Viano Avantgarde Edition 125!



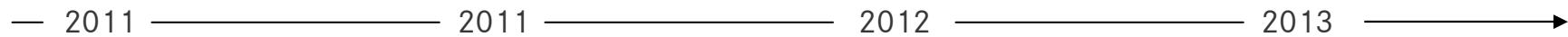
▶ Sprinter China/Latin America



▶ City Van



▶ Sprinter Russia



Production launch

FJDA joint venture in China: We are first!

First year of production a success

- ▶ Very good customer feedback
- ▶ More than 10.700 locally produced vehicles
- ▶ 40 dealerships set up
- ▶ Sprinter production to start in Q3 2011



Russian growth market

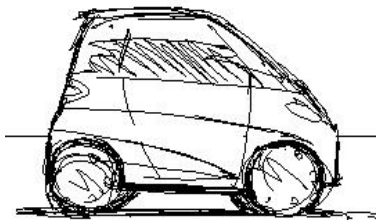


- ▶ MoU signed in December 2010
- ▶ Made-to-order van production, beginning in Q1 2013
- ▶ Investment of more than €100 million

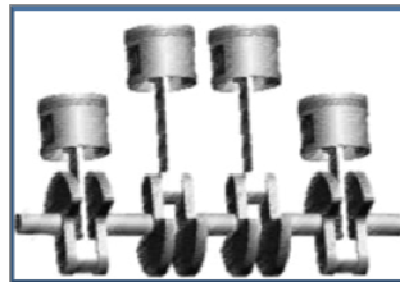
Strategic alliance with Renault-Nissan:

Four areas of collaboration

▶ 1. smart



▶ 2. Engines



▶ 3. Electric vehicles (EV) and EV components

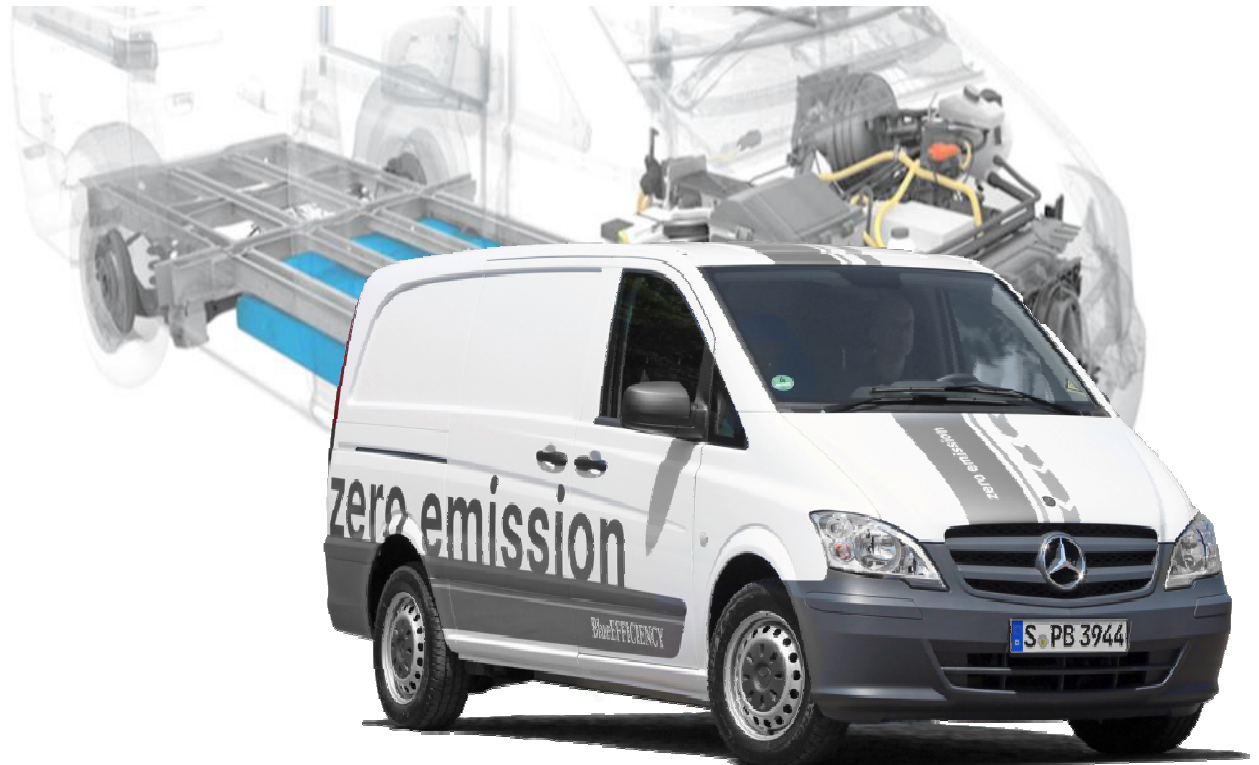


▶ 4. City Van



Mercedes-Benz Vito E-CELL

- ▶ First electric-powered van
- ▶ The first batch of 100 vehicles delivered in 2010
- ▶ Customers:
e.g. DHL, Stuttgart Airport,
Police Baden-Württemberg
- ▶ Additional 2.000 Vito E-CELL



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Outlook

Daimler Buses

- has a full product range with flexible processes
- is and will be worldwide market leader and benchmark in profitability
- is continuously working on growth/efficiency programs
- is able to invest significantly in new products, alternative drives, flexible production network, production sites
- will assure profitability at 6% over the cycle
- Is ready for the future.



Product launch

Most challenging product launch in the next six years

2010



SETRA 415 H

SETRA 417 (EPA 10)

CITARO K

CITARO BlueTec Hybrid

CITARO FC Hybrid

ORION VII Hybrid

O 500 8x2
OH Low Entry

Sprinter City 77

2011 - 2017



Mercedes-Benz MB India City

Mercedes-Benz City



Mercedes-Benz CapaChassis

EURO 6 (MDEG)

EURO 6 (HDEP)



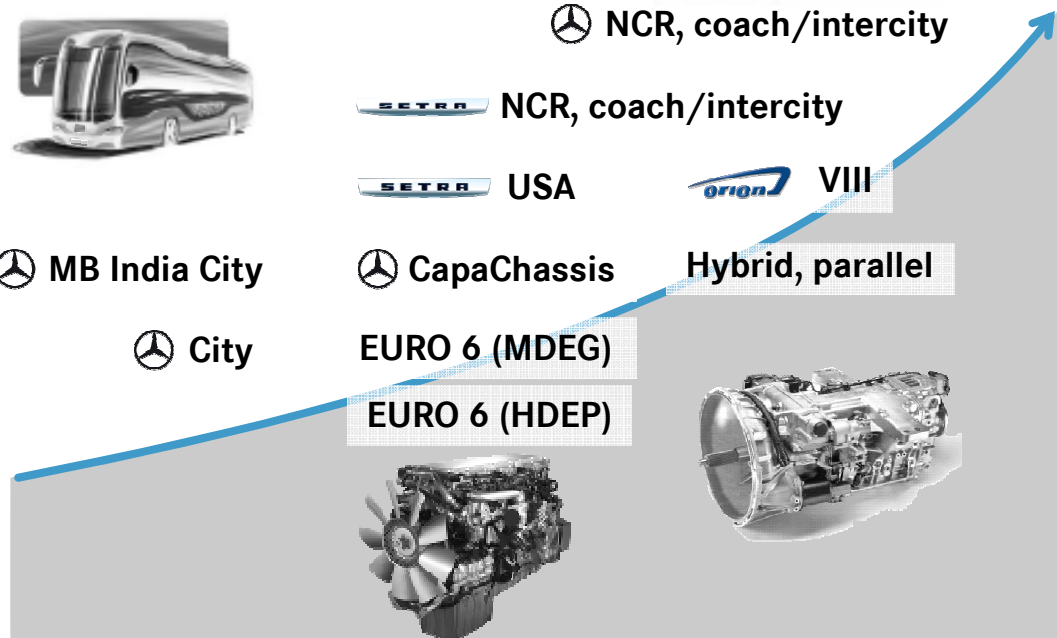
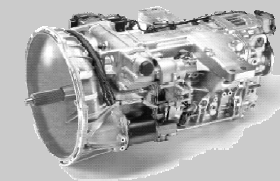
Mercedes-Benz NCR, coach/intercity

SETRA NCR, coach/intercity

SETRA USA

ORION VIII

Hybrid, parallel



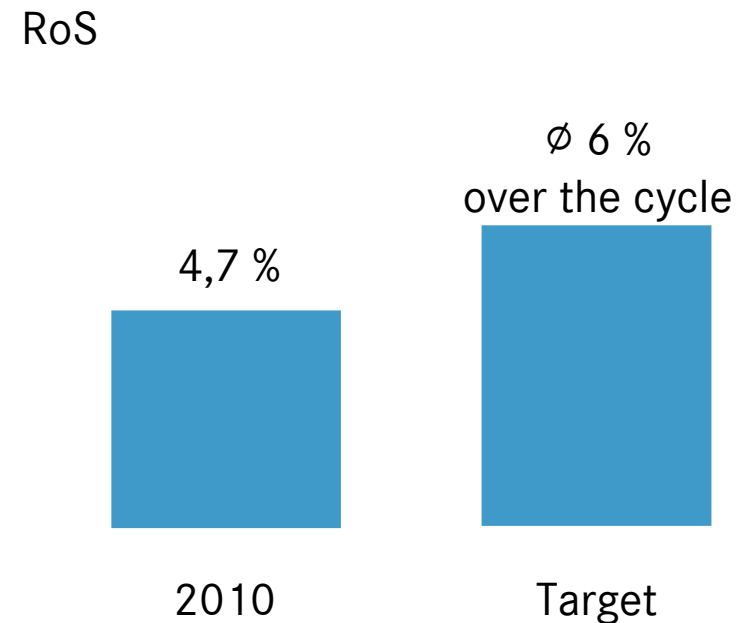
“Get to 6“, Target = 6% RoS

Daimler Buses benchmark in profitability for many years

Vision/ Target

“We are the bus: We are number 1 in the global bus business and offer our customers superior value by setting the benchmark for sustainability, quality and profitability.

We are shaping the future of mobility and improving the quality of life.“



Daimler Buses – Global Network

Daimler Buses is a global Full-Line-Supplier



Orion VII (Hybrid)



Mercedes-Benz Citaro



Setra TopClass 400



Mercedes-Benz Multego



Mercedes-Benz Tourismo



O 500 MA



MB Intercity Luxury Coach

Growth in Traditional Markets

Leading the European and LA market with benchmark products and a full range product portfolio.



“Bus of the decade”:
Mercedes-Benz Citaro with
over 30.000 units the most
successful city bus of all
times



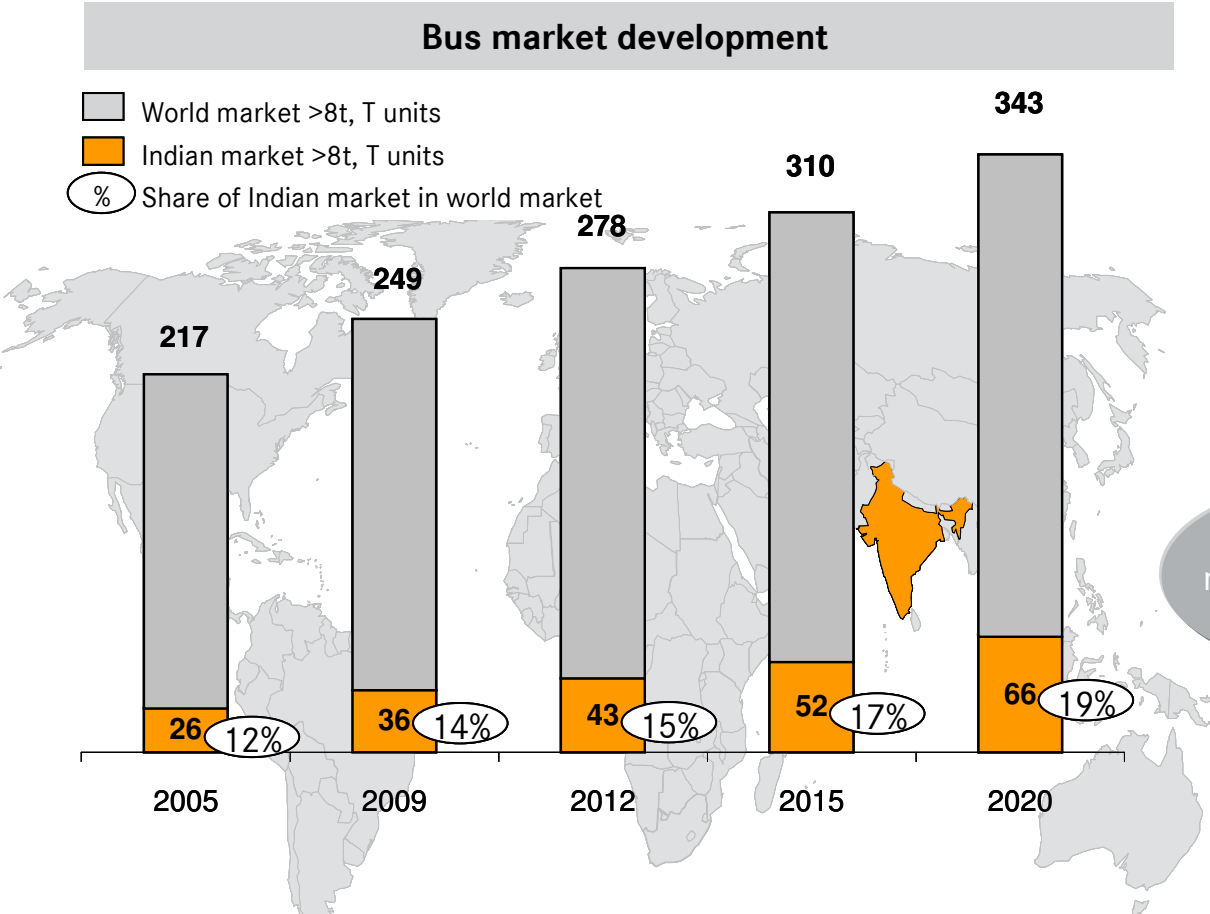
Mercedes-Benz Travego won
“Coach of the Year 2010” award



Mercedes-Benz do Brasil has
reached a milestone of 400,000
buses sold in the country since
1956

Growth in New Markets

India: After successful market entry with coach, Daimler Buses will enter city bus market beginning of 2012



Source: SP 10

2012

2010: 20% market share in segment

2010

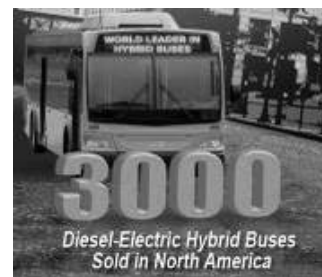
2008

Technology Leadership

Daimler Buses offers zero-emission already today and is leading the way to sustainable mobility.

- Mercedes-Benz G BlueTec Hybrid & Mercedes-Benz FuelCELL Hybrid
- Over 3000 Orion VII hybrid buses sold in North America
- Technology leader in safety, comfort & design

(e.g. Active Brake Assist, Lane Assistant, coach travelling as alternative to aviation travelling, deluxe equipment in luxury coaches, etc.)

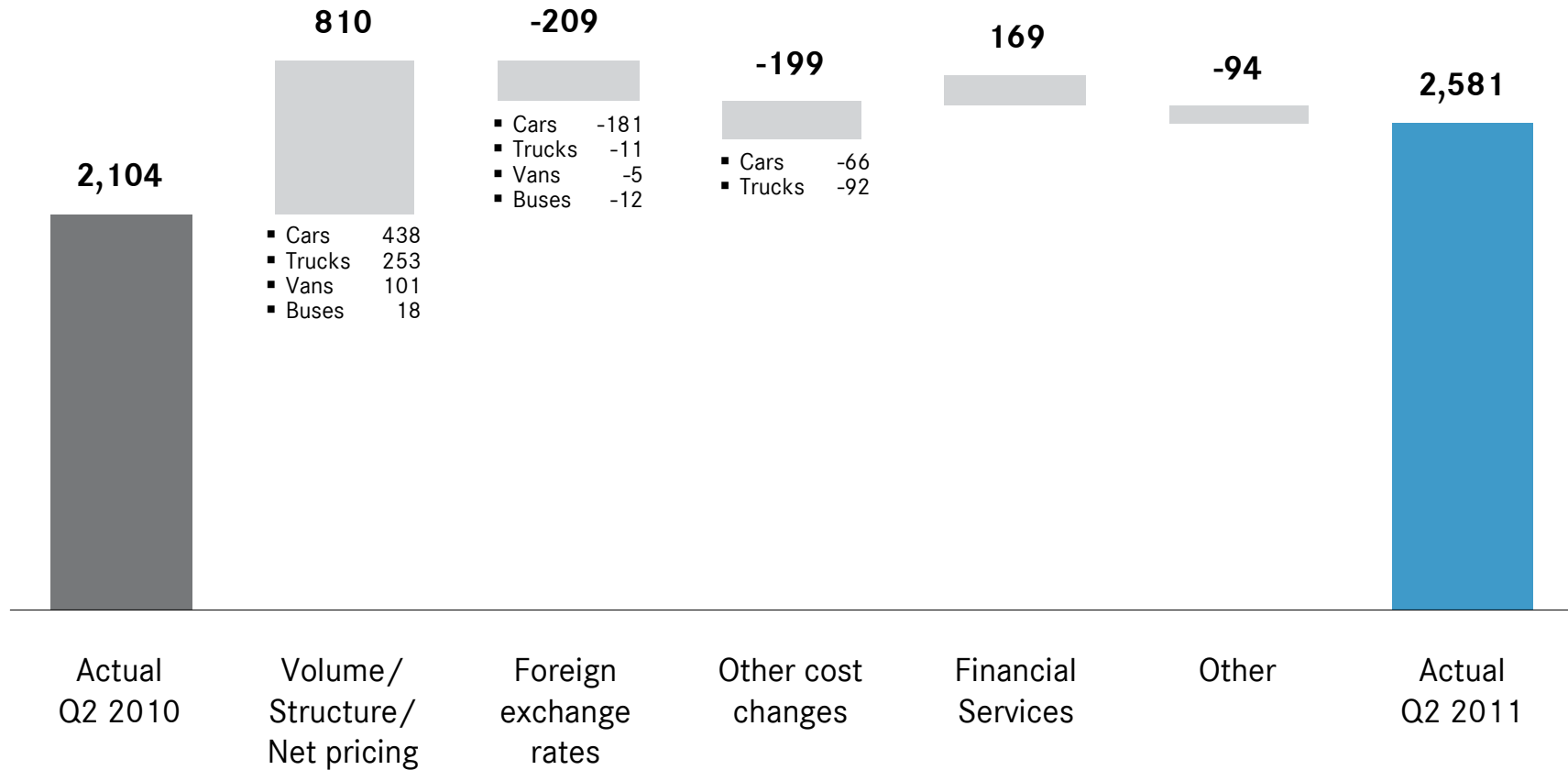


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Group EBIT in Q2 2011

- in millions of euros -



Special items affecting EBIT / A400M

- in millions of euros -

	2nd quarter		January - June	
	2010	2011	2010	2011
Daimler Trucks				
Natural disaster in Japan (Q2 2011: primarily insurance compensation)	-	11	-	-38
Repositioning of Daimler Trucks North America	-4	-	-16	-
Repositioning of Mitsubishi Fuso Truck and Bus Corporation	-10	-	-15	-
Daimler Financial Services				
Natural disaster in Japan	-	-	-	-29
Repositioning of business activities in Germany	-78	-	-78	-
Sale of non-automotive assets	26	-	-20	-
Reconciliation				
Sale of equity interest in Tata Motors	-	-	265	-
A400M military transport aircraft	-	-	-237*	-

* Charges related to the A400M military transport aircraft of EADS are not considered in the calculation of EBIT from ongoing business

Key balance-sheet figures

- in billions of euros -

	Dec. 31, 2010	June 30, 2011
Daimler Group		
Equity ratio	26.5%	28.4%
Gross liquidity	13.0	11.5
Industrial business		
Equity ratio	45.8%	48.5%
Net liquidity	11.9	11.5

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 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, purchases, 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.