

Jahrespressekonferenz
Annual Press Conference
February 6, 2019



DAIMLER

Annual Press Conference

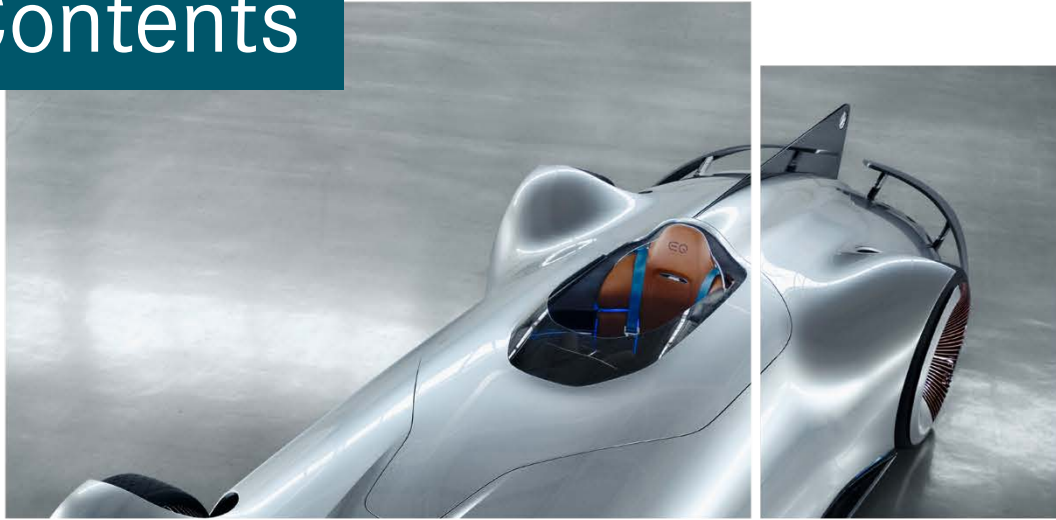
Dr. Dieter Zetsche

Chairman of the Board of Management of Daimler AG

Head of Mercedes-Benz Cars

February 6, 2019

Contents



Highlights 2018

Divisional Information

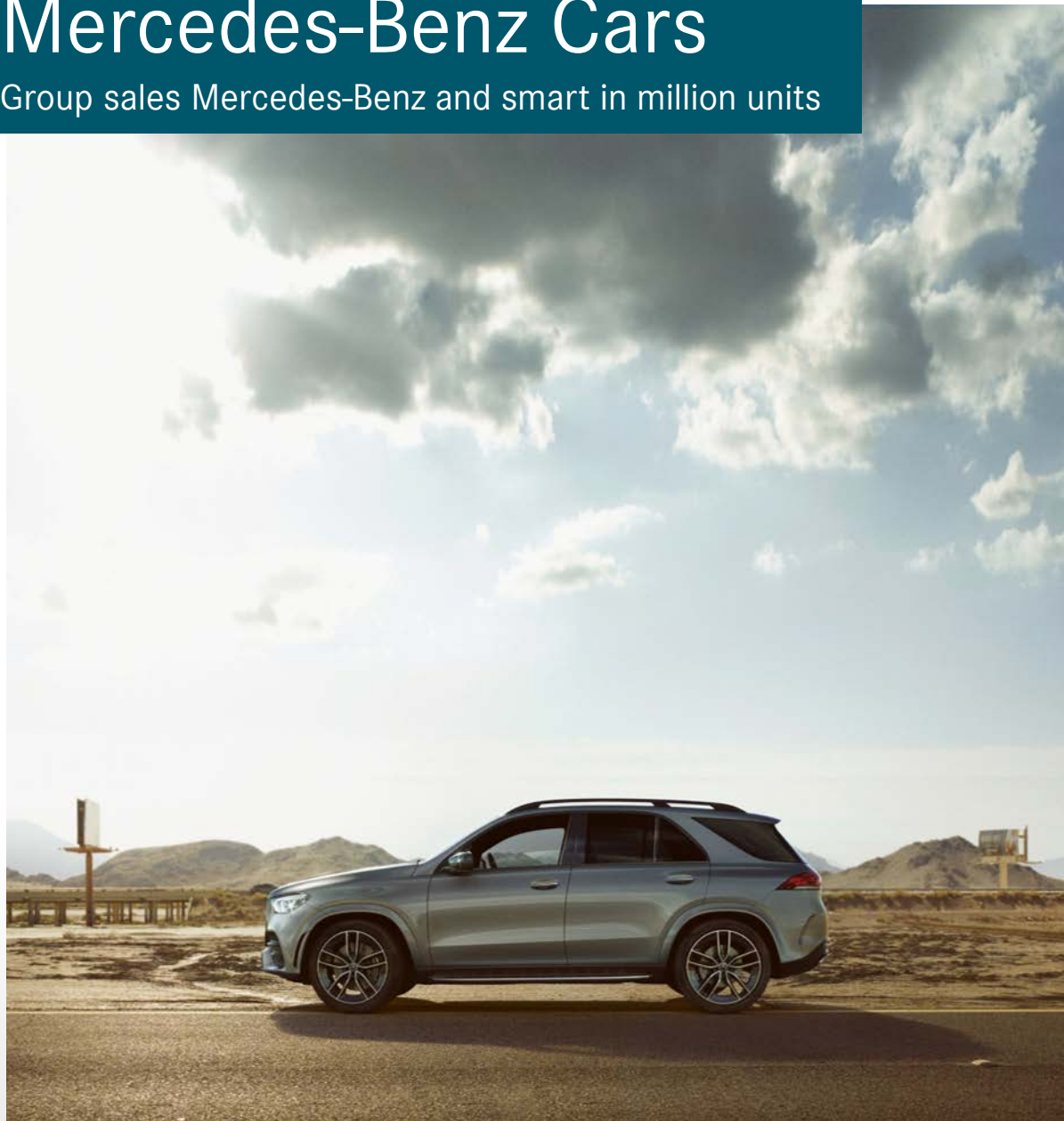
Group financials

Outlook

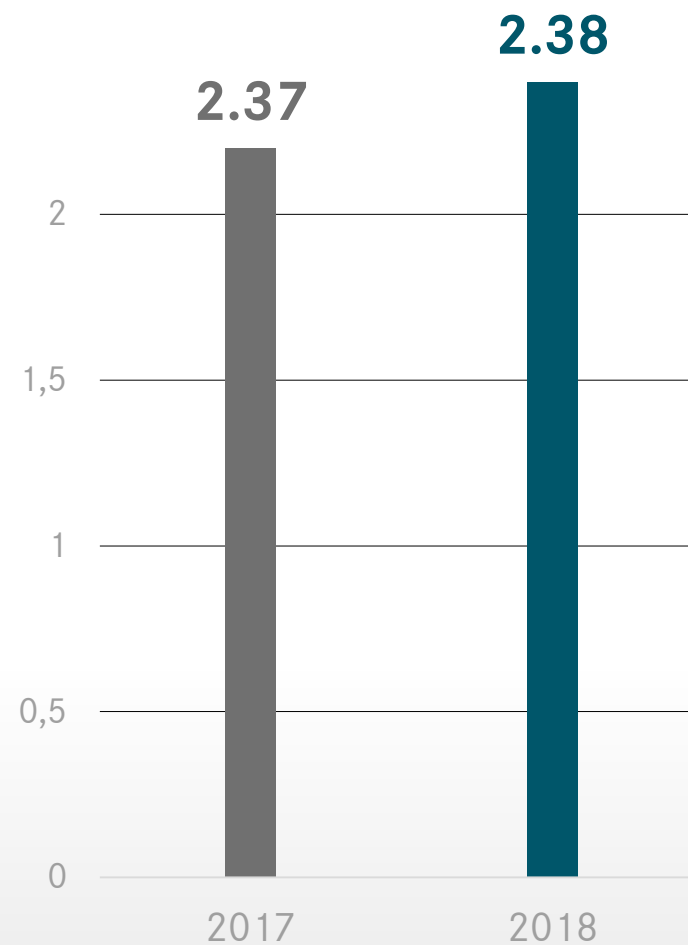
Guidance

Mercedes-Benz Cars

Group sales Mercedes-Benz and smart in million units



+0.4%



Mercedes-Benz Cars

Business challenges and our answers



Withstanding headwinds

Changeover to WLTP

- Number of vehicles in stock back at normal level
- Certification completed by the due date September 1, 2018

Initiated measures to prevent air pollution

- Software updates
- Financial support for hardware retrofits by third parties
- Exchange program
- 90% of today's Mercedes-Benz passenger cars portfolio in Europe certified according to 6d or 6d TEMP

Global tariff dispute

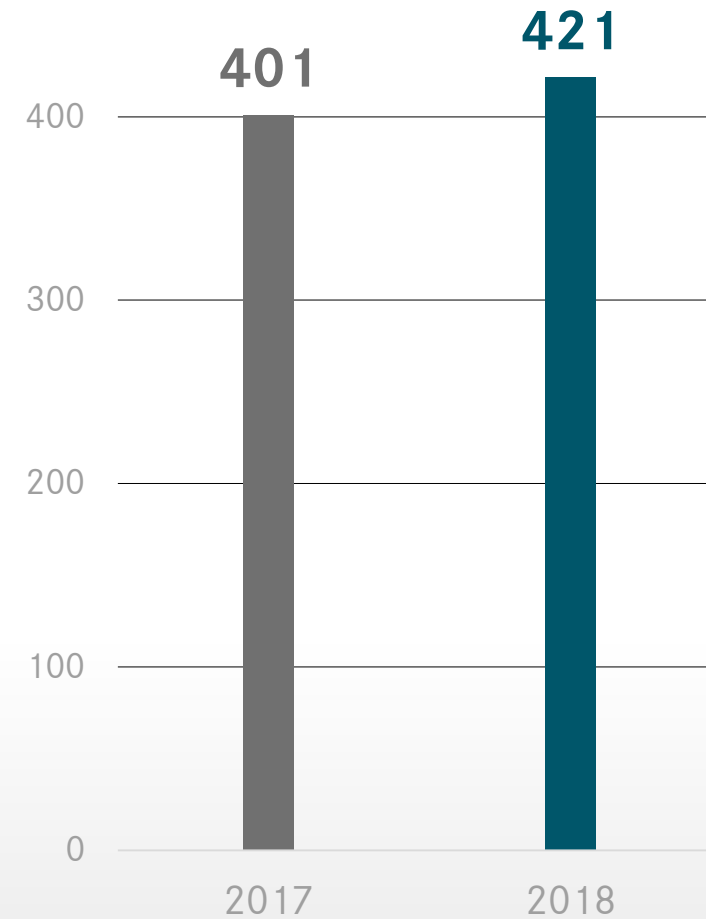
- Preparing for a range of scenarios
- Advocating for free markets

Mercedes-Benz Vans

Group sales in thousand units

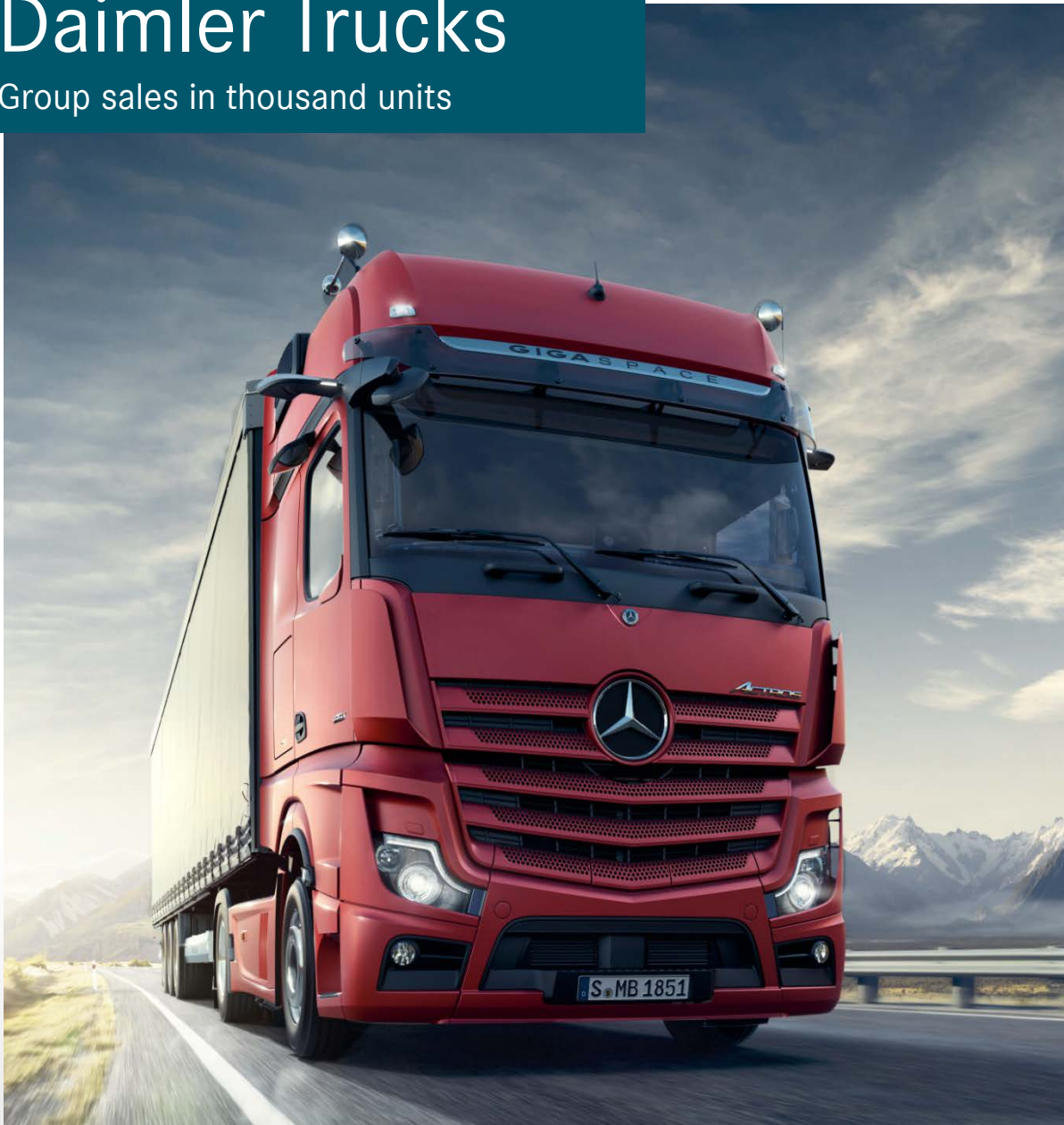


+5%

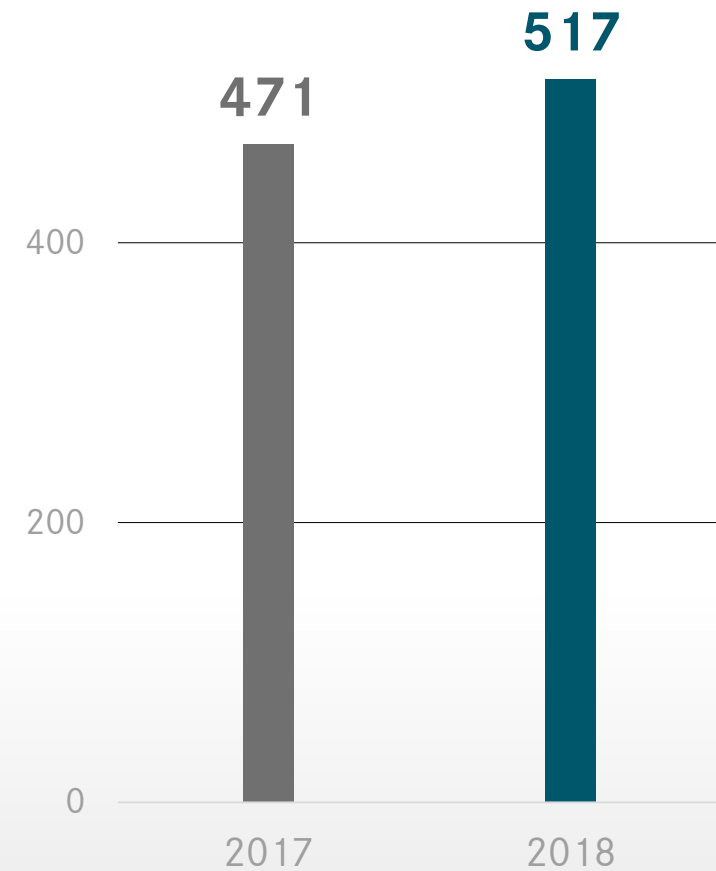


Daimler Trucks

Group sales in thousand units

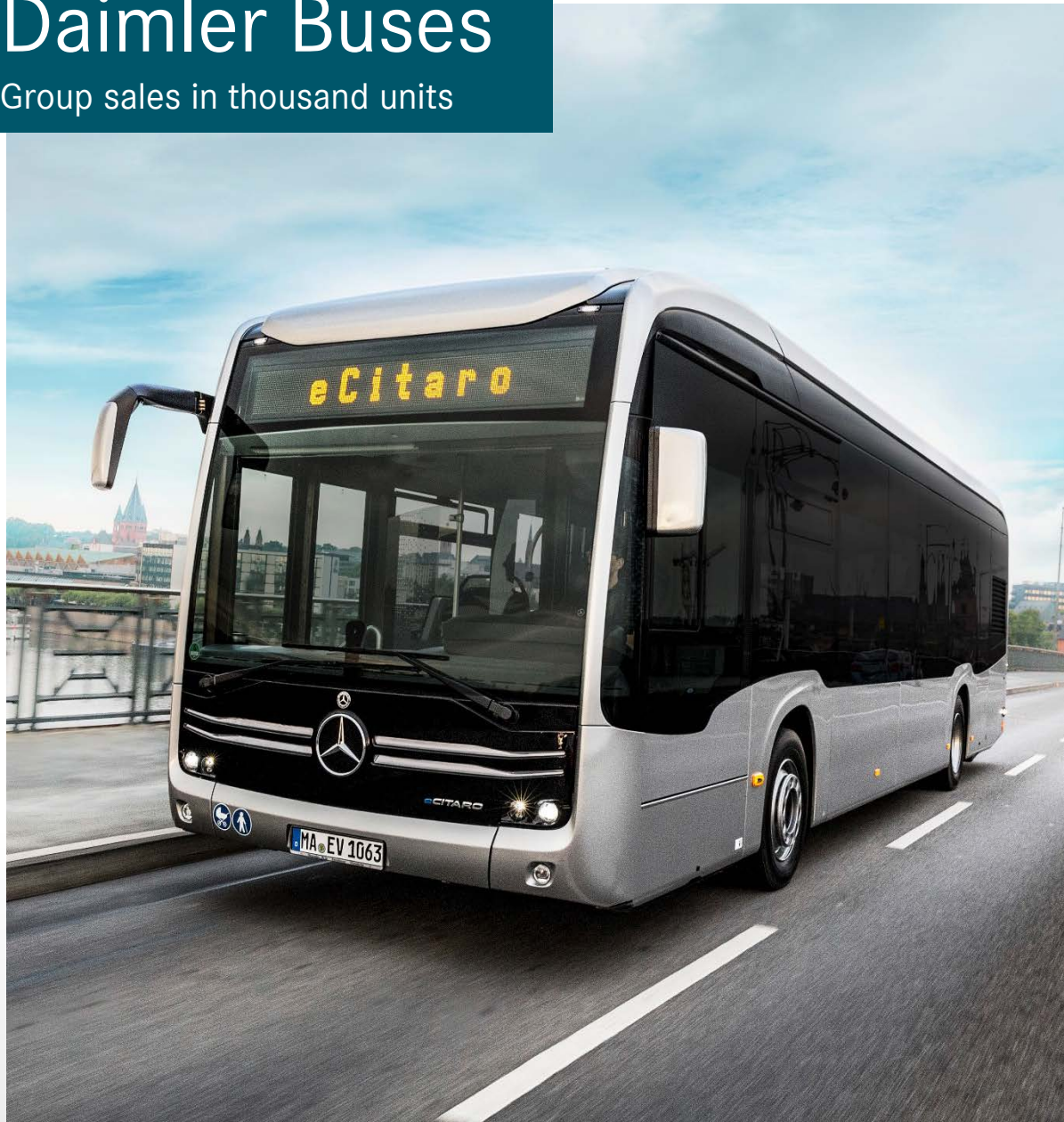


+ 10%

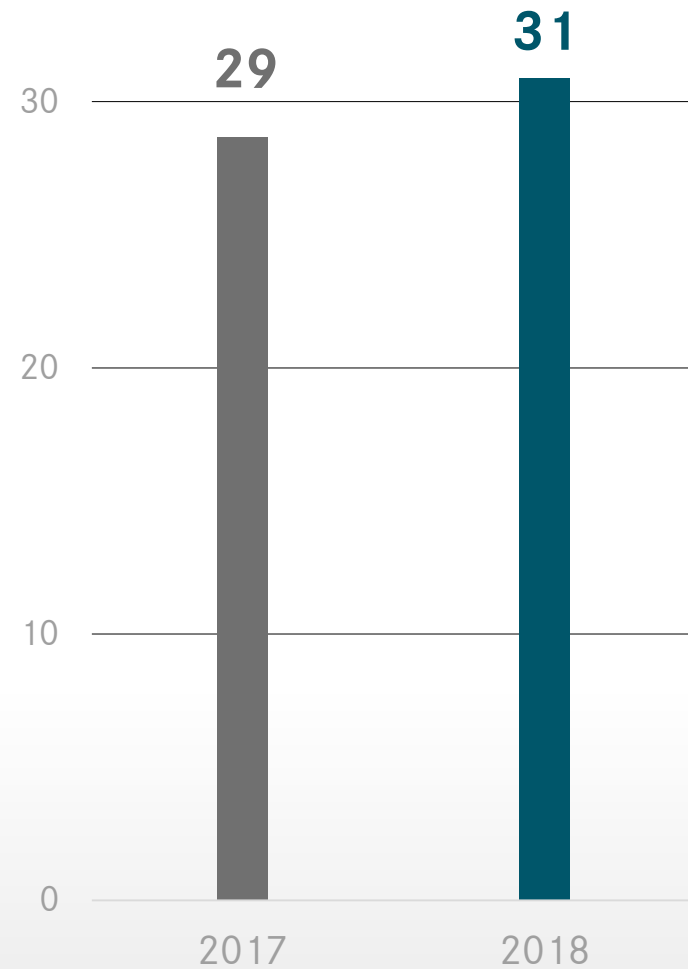


Daimler Buses

Group sales in thousand units



+8%

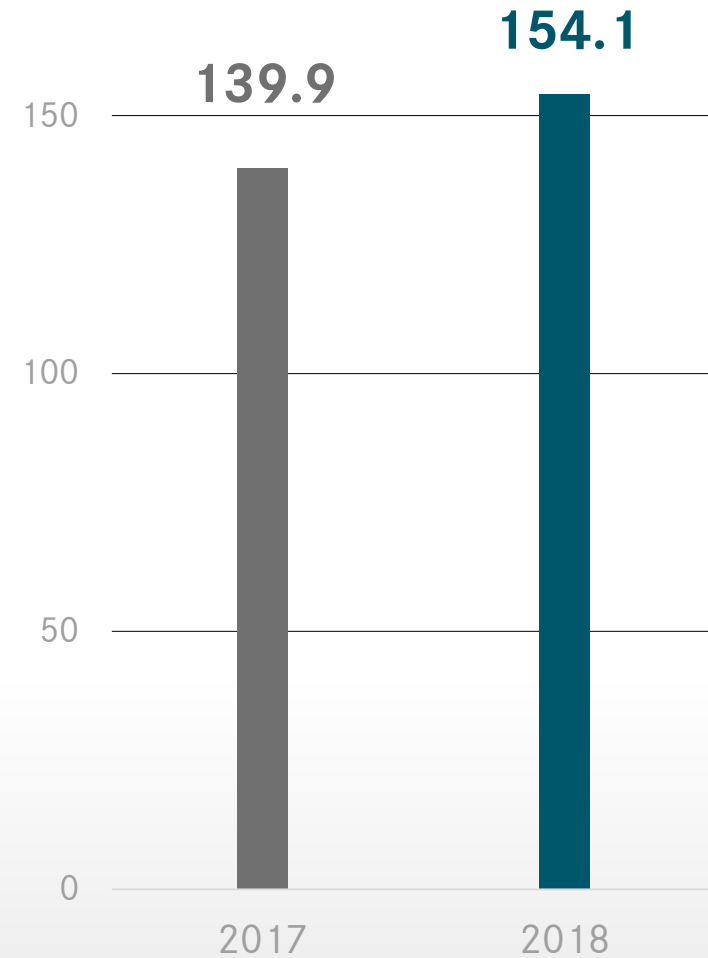


Daimler Financial Services

Contract volume in billion euros

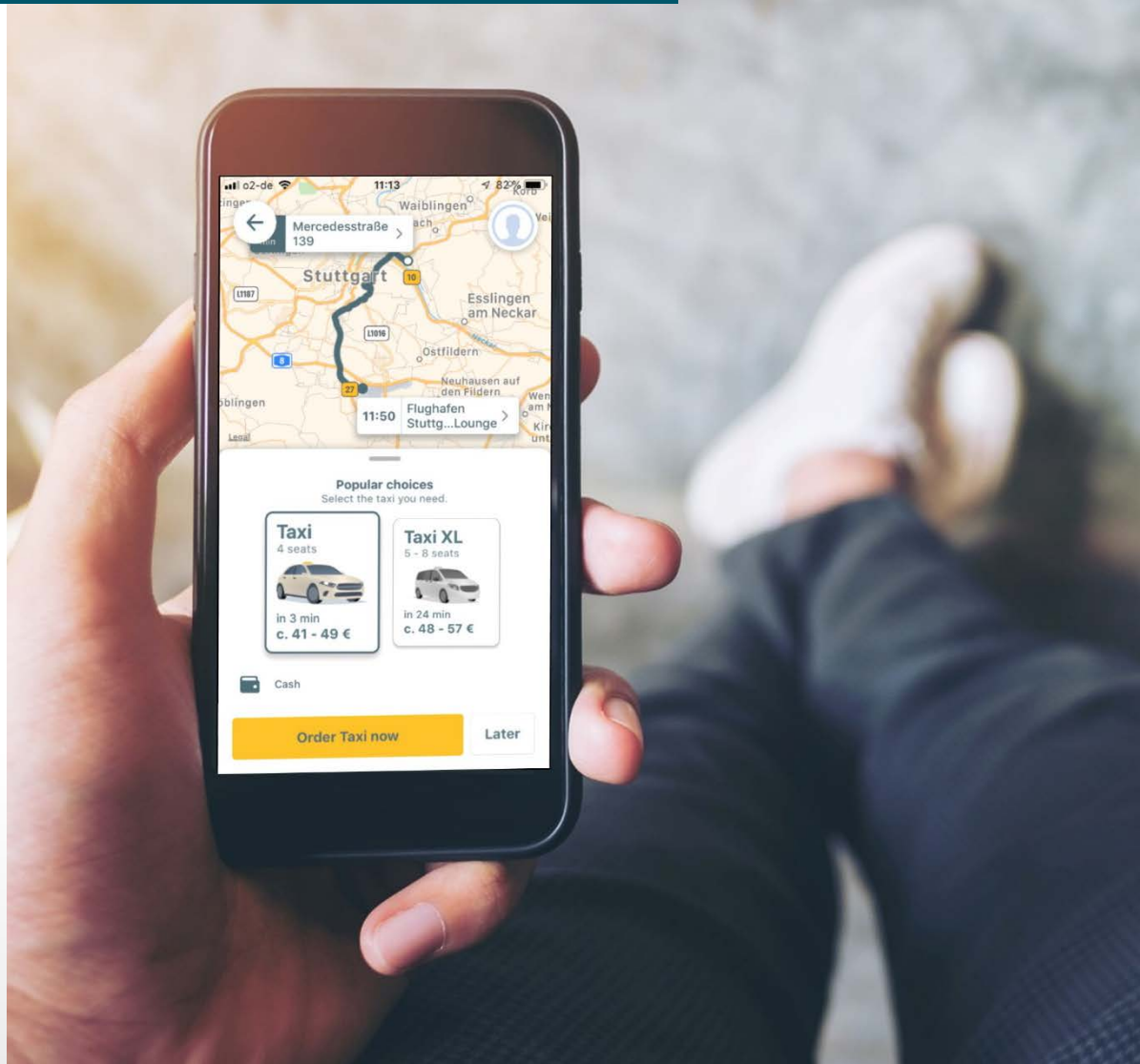


+ 10%

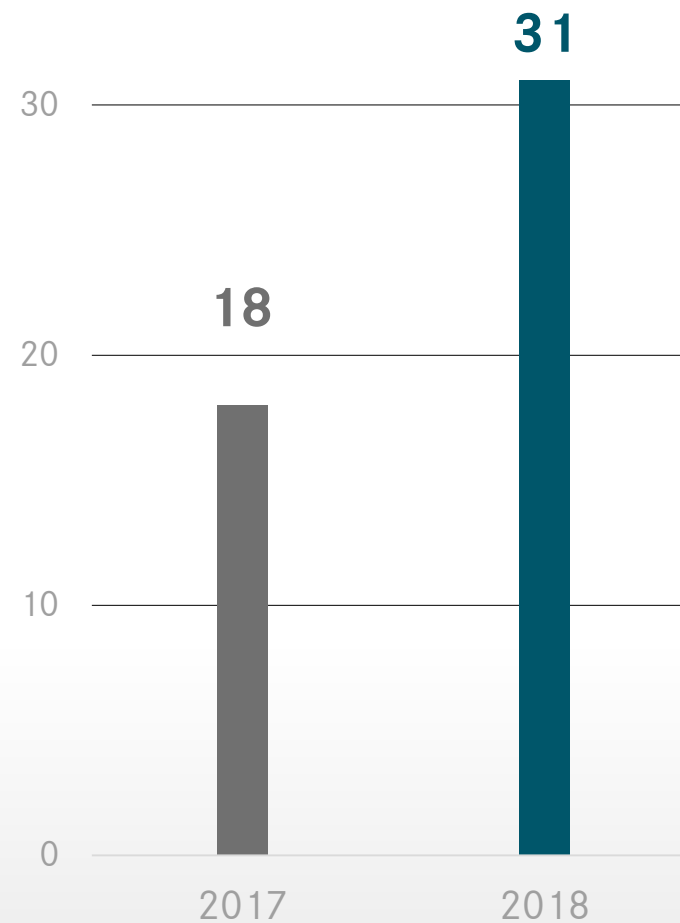


Mobility Services

Number of customers in million



+75%



Key financials

Daimler 2018



+2%

164.2 167.4



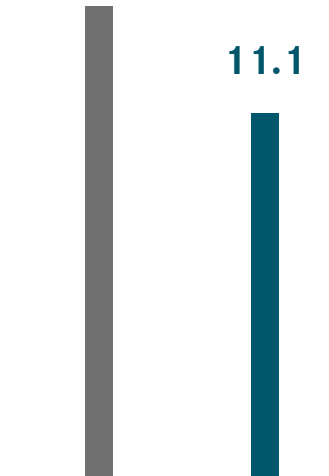
2017 2018

Revenue
in billion euros*

-22%

14.3

11.1



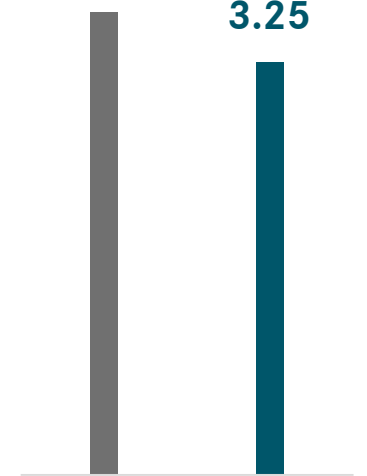
2017 2018

EBIT
in billion euros*

-11%

3.65

3.25



2017 2018

Dividend proposed
in euros

*The 2017 figures have been adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

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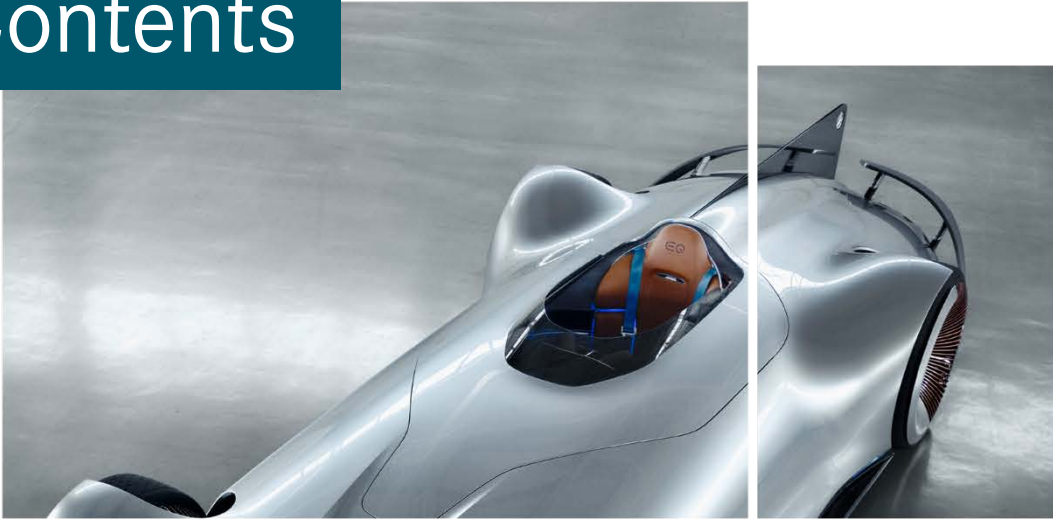
Bodo Uebber

Member of the Board of Management

Finance & Controlling and Daimler Financial Services

February 6, 2019

Contents



Highlights 2018
Divisional Information
Group financials
Outlook
Guidance

Mercedes-Benz Cars

New sales record in a challenging environment



+0.4%

2,374 2,383

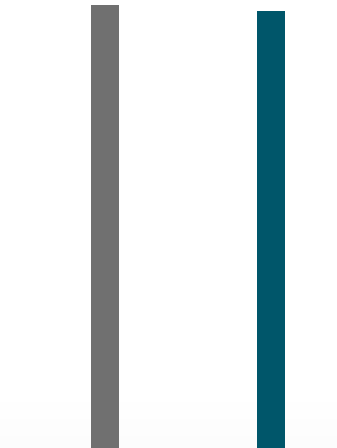


2017 2018

Unit sales
in thousand units

-1%

94.4* 93.1



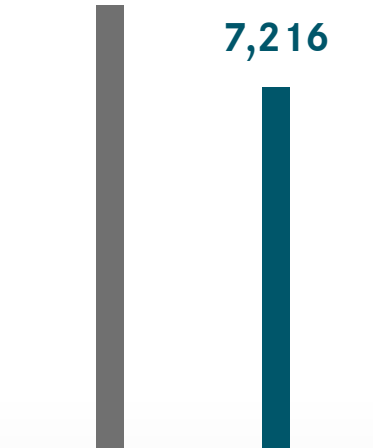
2017 2018

Revenue
in billion euros

-18%

8,843*

7,216



2017 2018

EBIT
in million euros

*Adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Mercedes-Benz Cars

EBIT in million euros / Return on sales in %



9.4%

8,843*

EBIT
2017

-1,627

7.8%

7,216

EBIT
2018

- + Remeasurement of the investment in Aston Martin
- + Expenses for voluntary service activities and expenses for a specific vehicle recall in 2017
- Weaker net pricing
- Foreign exchange rates
- Expenditure for new technologies and future products
- Higher expenses for raw material
- Governmental proceedings and measures related to diesel vehicles
- Remeasurement of the equity investment in THERE Holding B.V. in 2017

Mercedes-Benz Vans

Continued growth of business volume



+5%

401 421

2017 2018

Unit sales
in thousand units

+4%

13.2* 13.6

2017 2018

Revenue
in billion euros

-73%

1,147*

312

2017 2018

EBIT
in million euros

*Adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Mercedes-Benz Vans

EBIT in million euros / Return on sales in %



8.7%

1,147*

EBIT
2017

- 835

+ Higher unit sales

- Higher expenses for new technologies and future products
- Impacts from Sprinter model change
- Governmental proceedings and measures related to diesel vehicles and delivery delays
- Remeasurement of assets in connection with production capacities

2.3%

312

EBIT
2018

*Adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Daimler Trucks

Strong business development based on attractive products and rising demand in core markets

+10%

471 517

2017 2018

Unit sales
in thousand units

+7%

35.8* 38.3

2017 2018

Revenue
in billion euros

+16%

2,383* 2,753

2017 2018

EBIT
in million euros



*Adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Daimler Trucks

EBIT in million euros / Return on sales in %



*Adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Daimler Buses

Very heterogeneous business development
in our core regions



+8%

28.7 30.9

2017 2018

Unit sales
in thousand units

+0%

4.5* 4.5

2017 2018

Revenue
in billion euros

-6%

281* 265

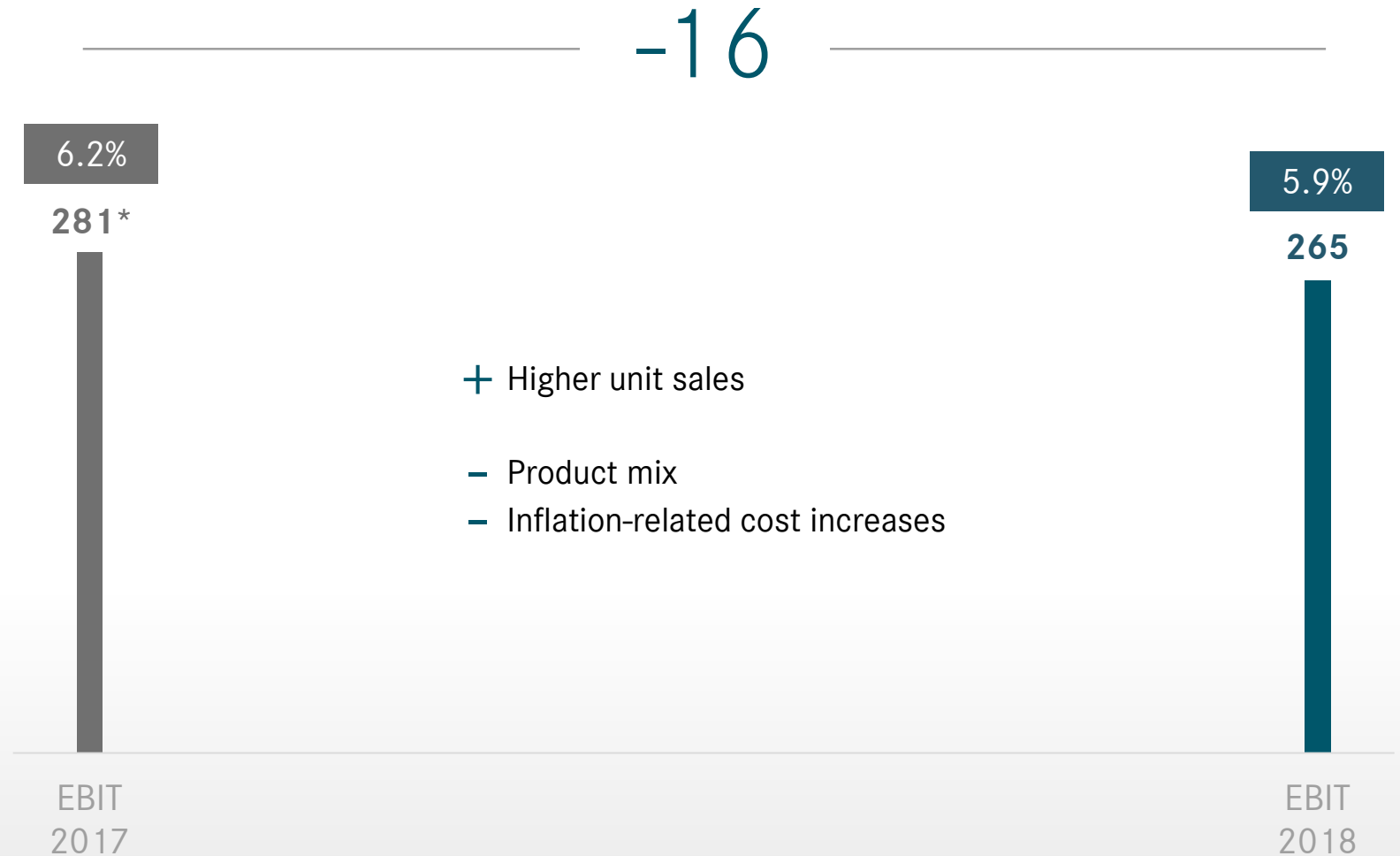
2017 2018

EBIT
in million euros

*Adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Daimler Buses

EBIT in million euros / Return on sales in %



*Adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Daimler Financial Services

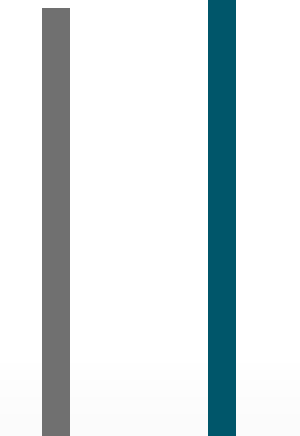
Further business growth

EBIT impacted by settlement of Toll Collect arbitration proceedings



+2%

70.7 71.9

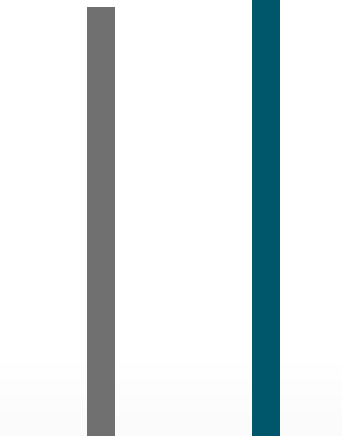


2017 2018

New business
in billion euros

+10%

139.9 154.1

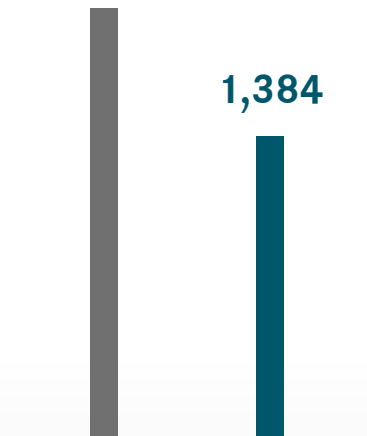


12/31/17 12/31/18

Contract volume
in billion euros

-30%

1,970 1,384

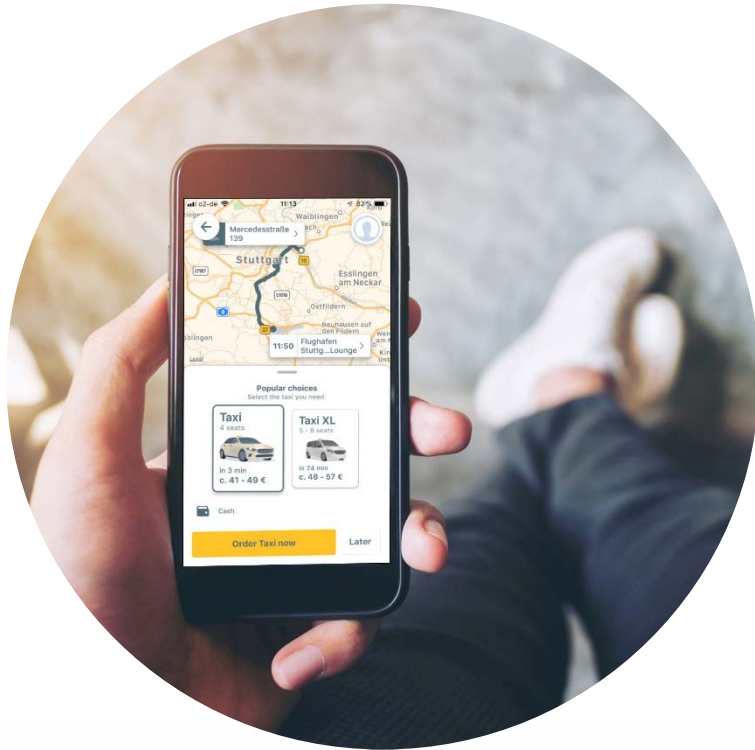


2017 2018

EBIT
in million euros

Daimler Financial Services

Creating one of the leading providers of urban mobility



31 million

Daimler mobility service customers
at the end of 2018

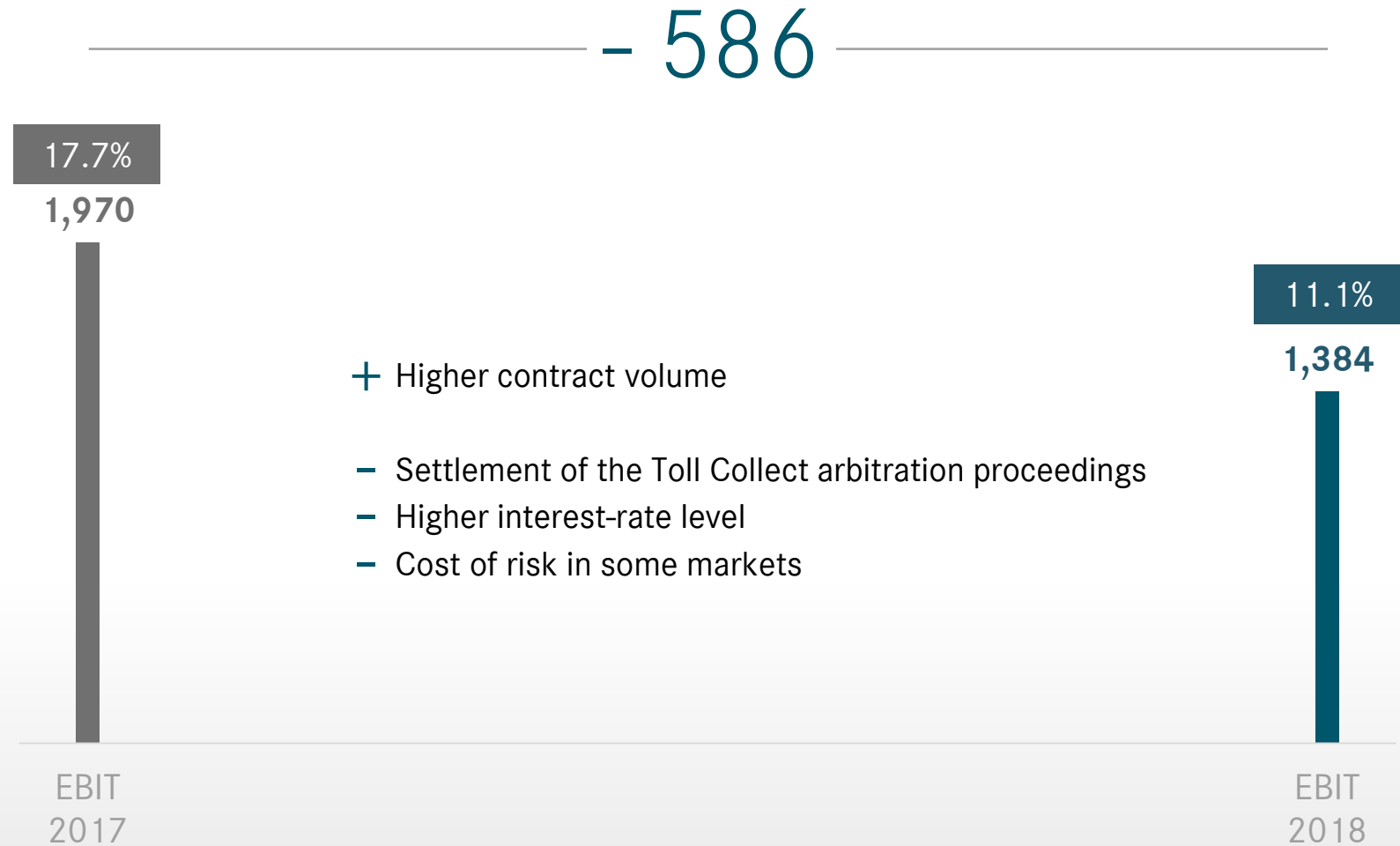
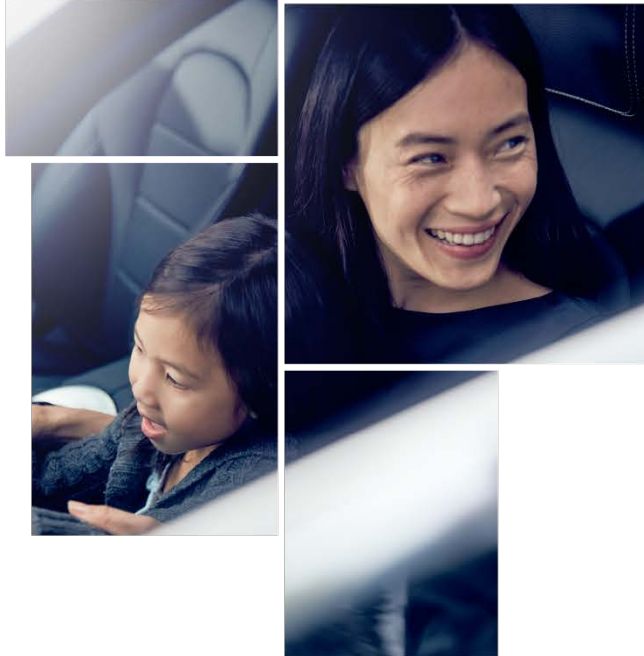


Mobility joint ventures with BMW

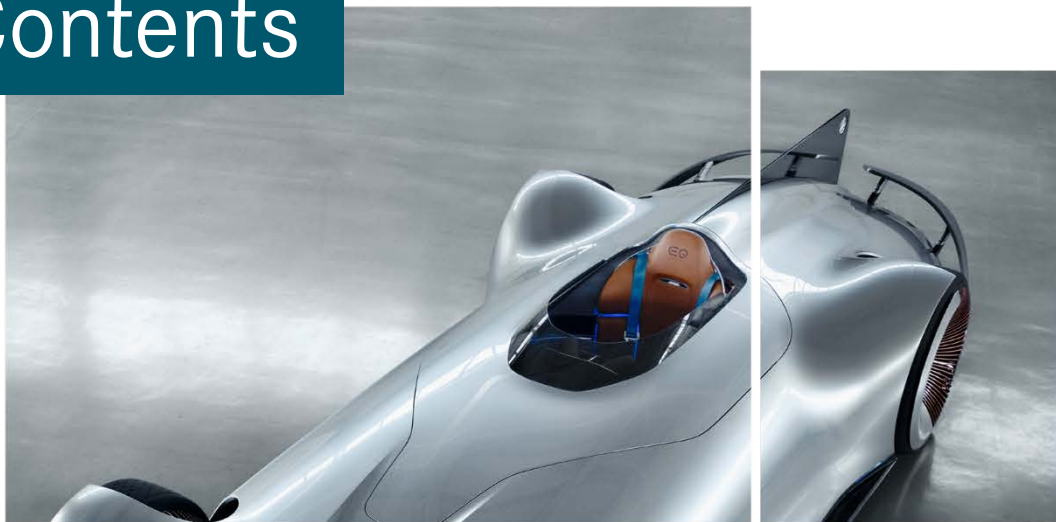
including ride hailing, car sharing, parking,
on-demand multimodal mobility and charging

Daimler Financial Services

EBIT in million euros / Return on equity in %



Contents



Highlights 2018
Divisional Information
Group financials
Outlook
Guidance

Daimler: Key figures

in billion euros

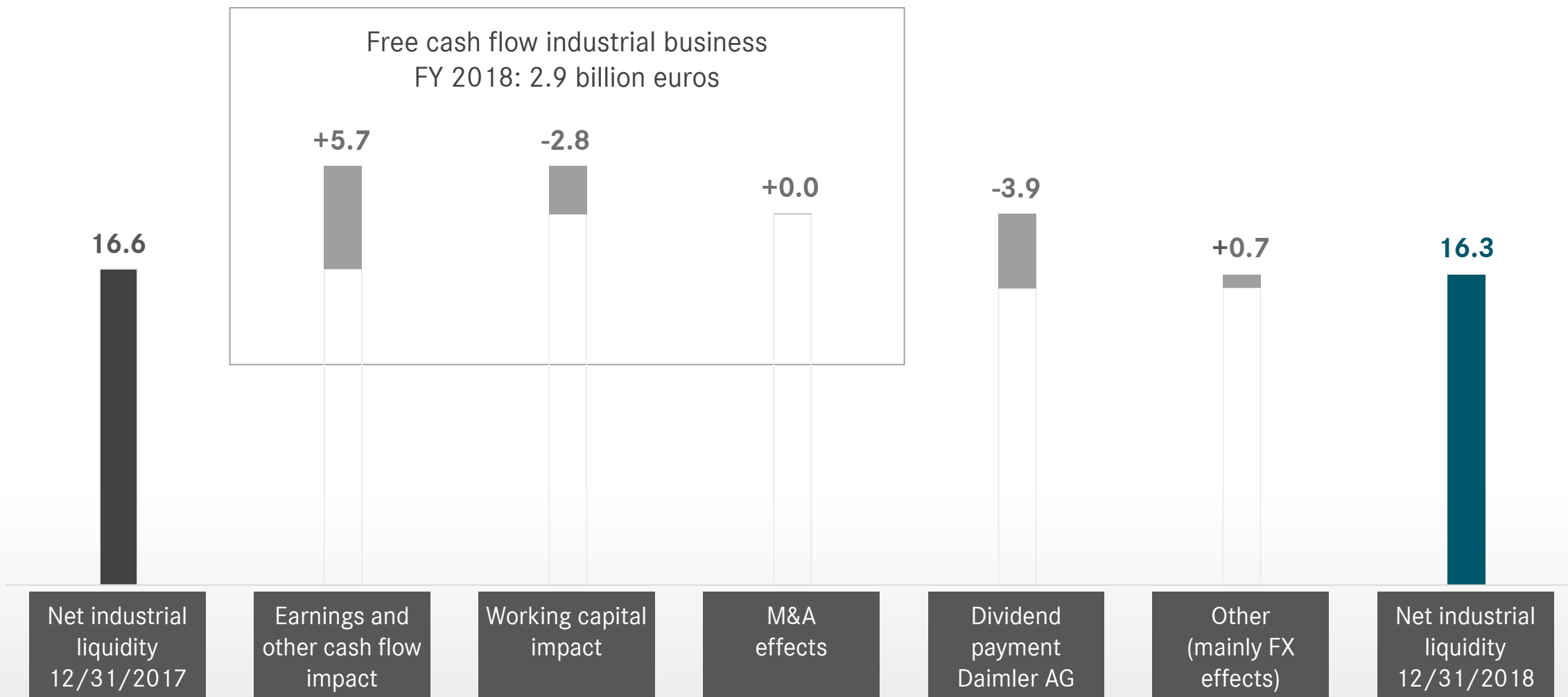


	2017	2018
Unit sales (in thousands of units)	3,274	3,352
Revenue*	164.2	167.4
EBIT*	14.3	11.1
Net profit*	10.6	7.6
Free cash flow of the industrial business	2.0	2.9
Earnings per share (in euros)*	9.61	6.78
Dividend per share (in euros)	3.65	3.25

*The 2017 figures have been adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

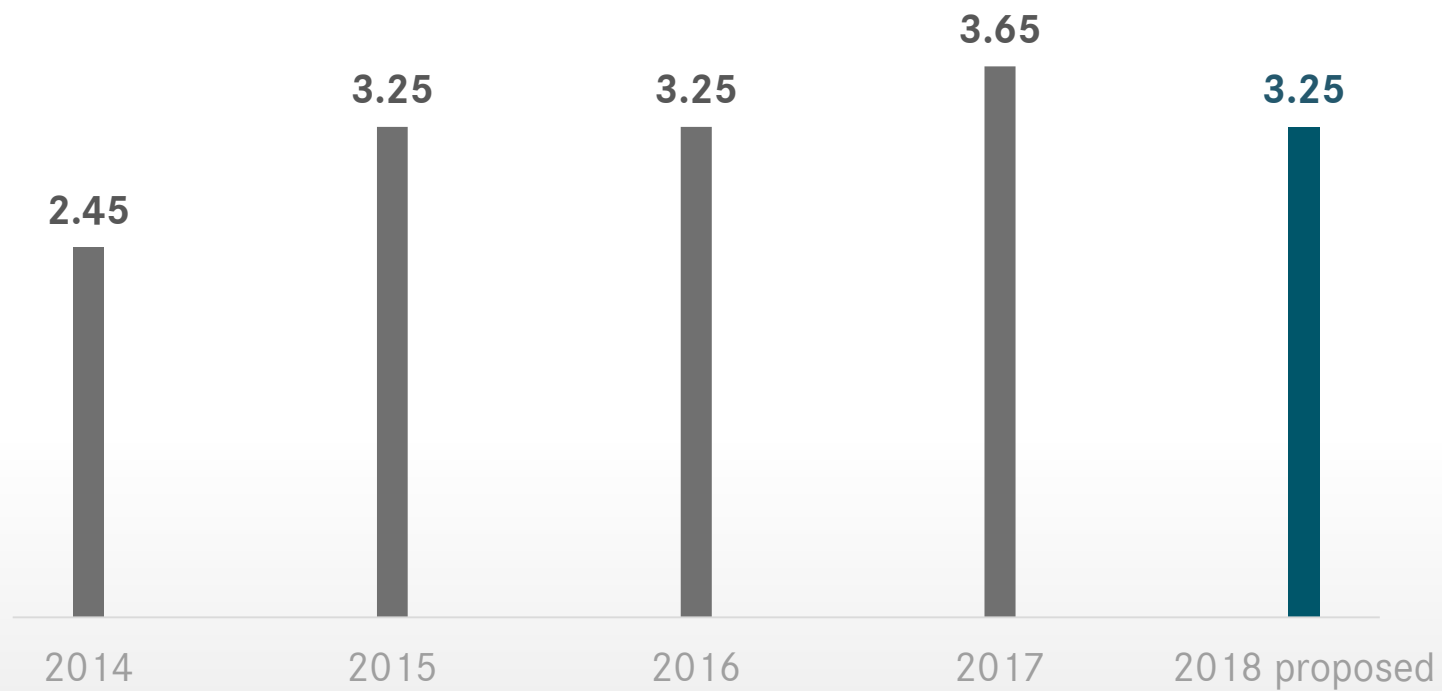
Continued high level of net industrial liquidity

in billion euros



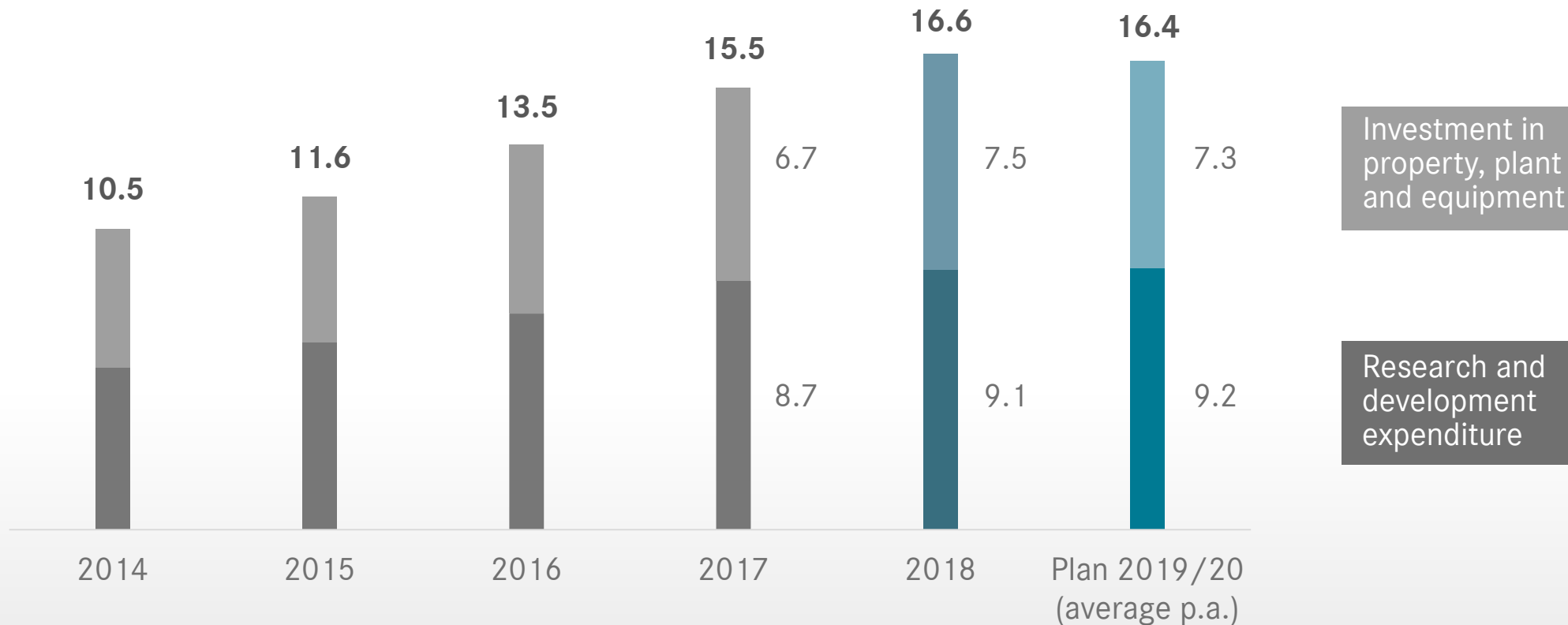
Development of dividend per share

in euros



Investment to remain at a high level as a basis for profitable growth and development of future mobility

in billion euros



Project Future: Our new corporate structure

Next steps



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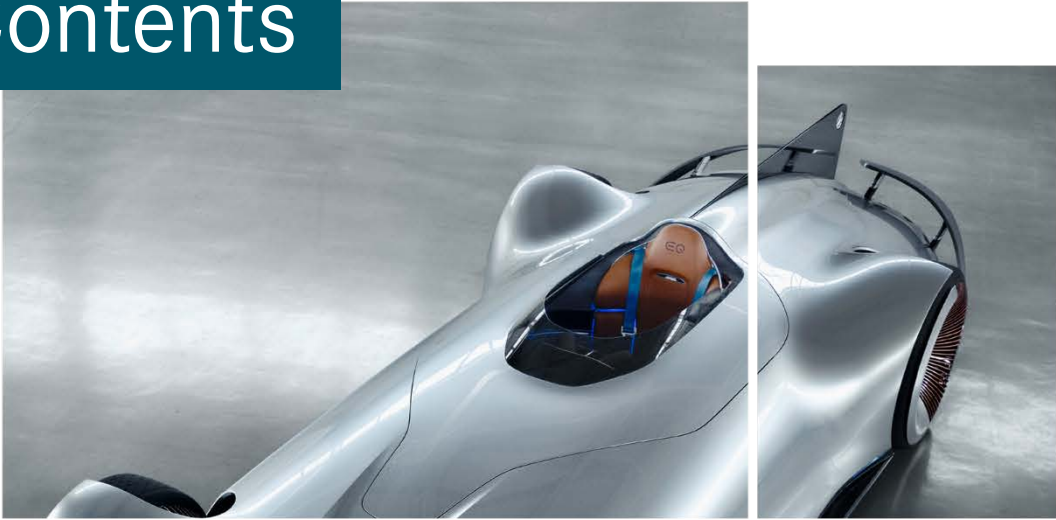
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Contents



Highlights 2018
Divisional Information
Group financials
Outlook
Guidance

Connectivity: Making our cars even more intelligent



Introduction of gesture control functions

Ability to solve even more complex issues

Further improvement of voice control system

Autonomous driving: Taking it up to the next level

Testing Level 4 on public roads in Beijing

Pioneering an automated car service in San José



Automated driving: Leading the change in logistics



New unit to work on autonomous vans

Partially-automated trucks in serial production

Highly automated trucks on the road within a decade

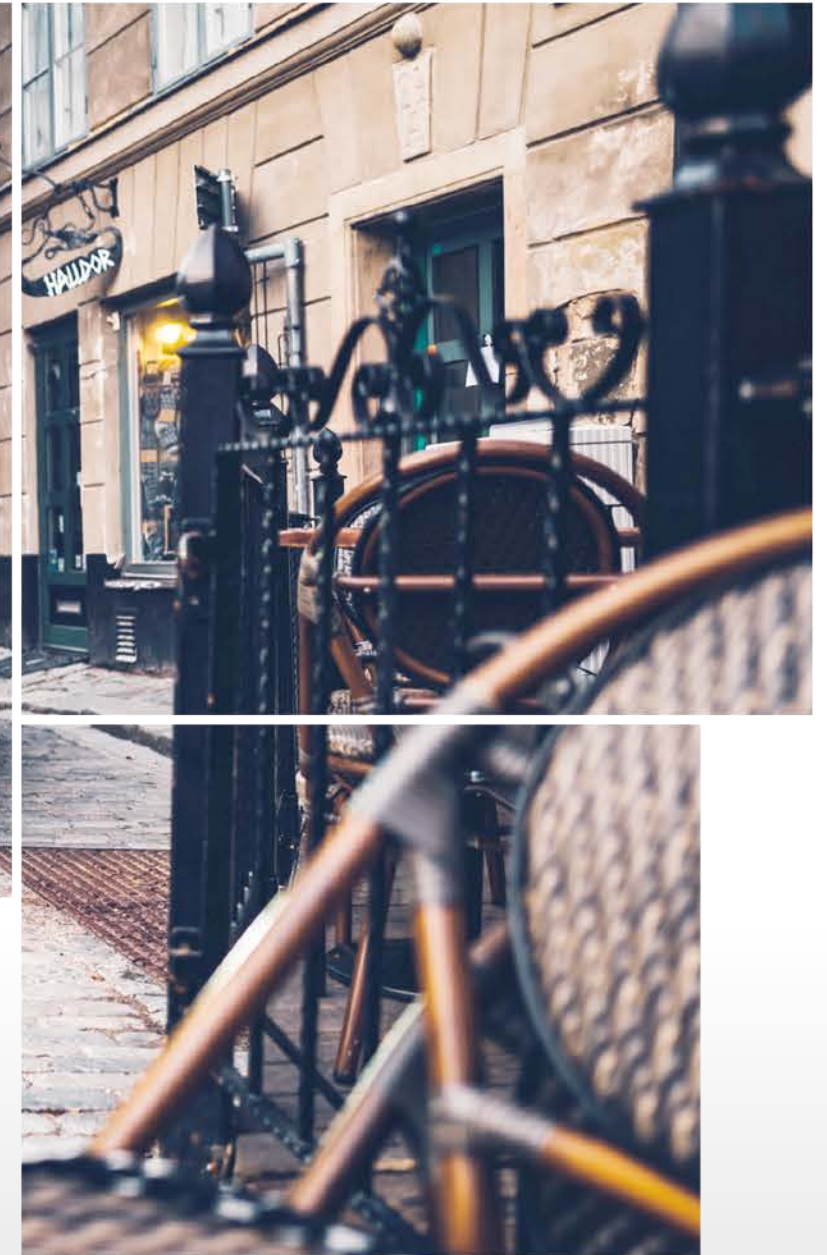
Shared: Teaming up for mobility services

Merging our services with BMW's

Developing premium ride-hailing for China



E-mobility: Entering a new era



Preparing for EQC's serial production in Bremen and Beijing

Offering 130 electrified Mercedes-Benz Cars variants by 2022

E-mobility: Flipping the switch



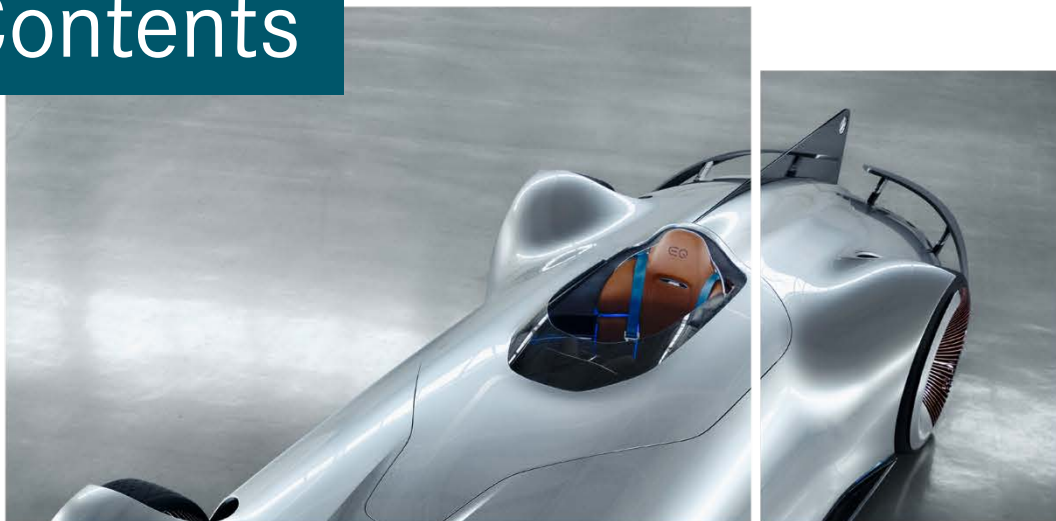
Electrifying vans, trucks and buses

Buying battery cells for 20 billion euros

Purpose: First move the world



Contents



Highlights 2018
Divisional Information
Group financials
Outlook
Guidance

Sales outlook

for 2019



Mercedes-Benz Cars

Slightly higher unit sales



Daimler Trucks

Slightly higher unit sales



Mercedes-Benz Vans

Significantly higher unit sales



Daimler Buses

Significantly higher unit sales

Return on sales outlook

for 2019



EBIT Daimler group

Slightly above the prior-year level

Mercedes-Benz Cars

Return on sales in the range of 6 to 8%

Daimler Trucks

Return on sales in the range of 7 to 9%

Mercedes-Benz Vans

Return on sales in the range of 5 to 7%

Daimler Buses

Return on sales in the range of 5 to 7%

Daimler Financial Services

Return on equity in the range of 17 to 19%*

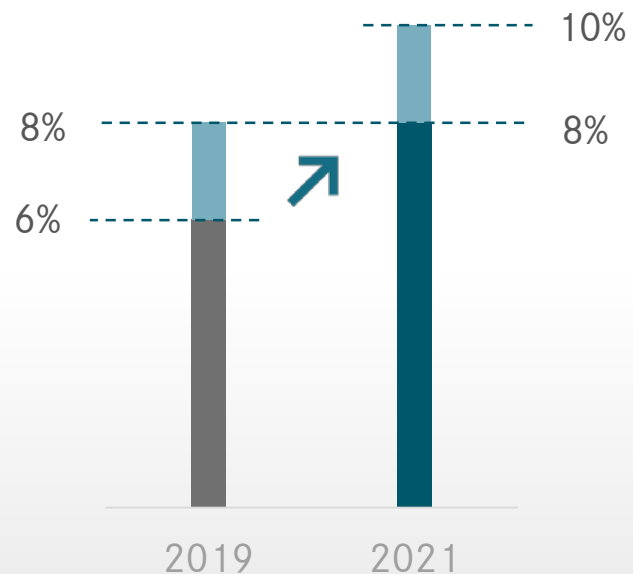
*Including significant one-time valuation and earnings effects from the combination of the mobility services business with BMW Group.

Improving future profits to invest in future technologies and sustainably achieve our target margins

Sustainable return to target RoS range



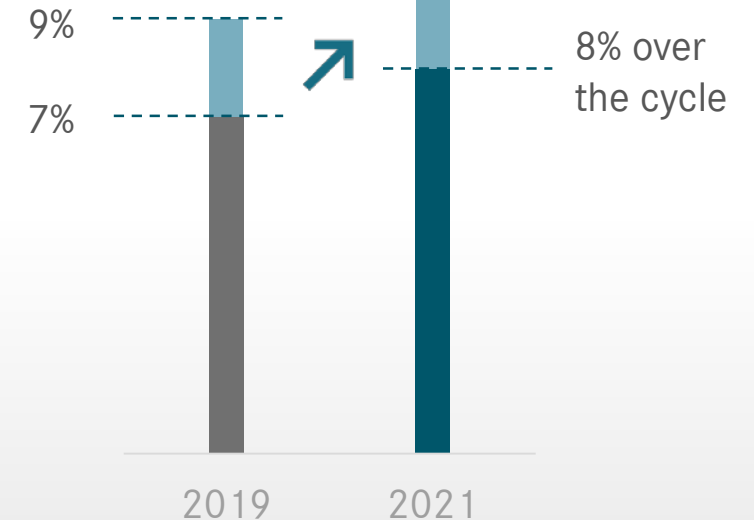
Mercedes-Benz
Cars & Vans



Sustainable achievement of target RoS level and exploitation of additional potential



Daimler
Trucks & Buses



Setting the course for the next decade



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Appendix



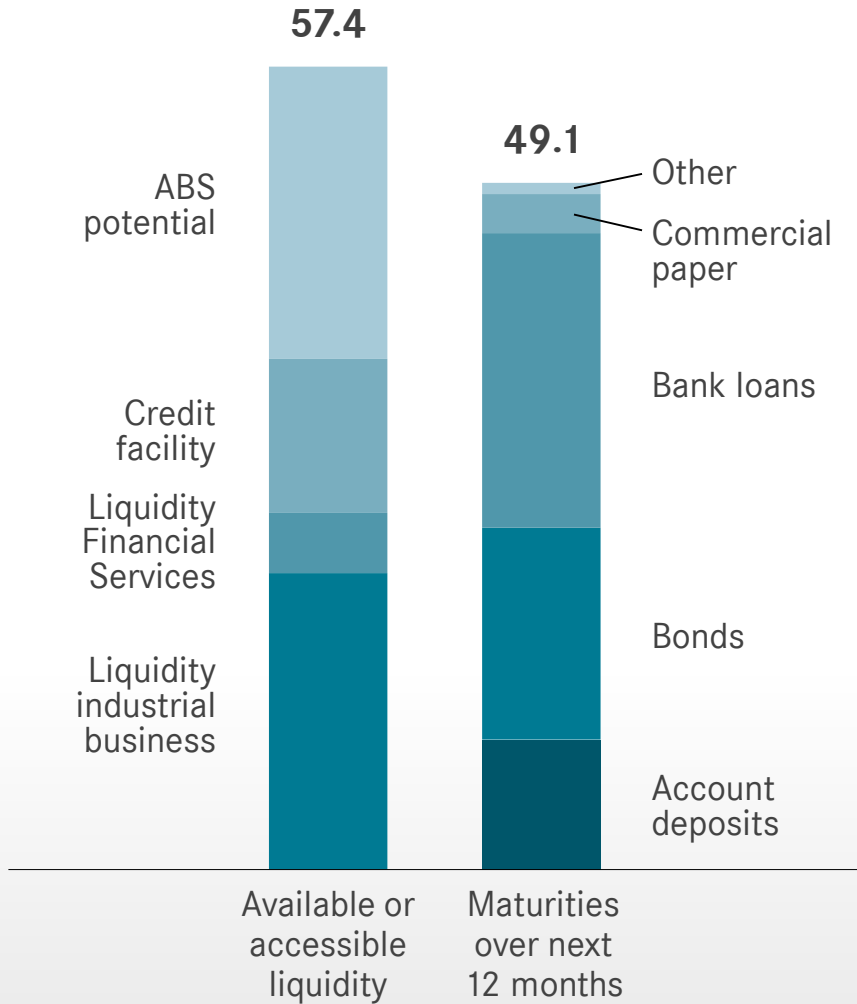
Financial and balance sheet figures support our financial strength and A-rating

in billion euros

Daimler Group	Dec. 31, 2017	Dec. 31, 2018
Equity ratio	24.0%	22.2%
Gross liquidity	22.1	25.4
Funded status of pension obligations	-4.5	-6.2
<i>Funding ratio</i>	<i>86%</i>	80%
Industrial business		
Equity ratio	46.4%	42.8%
Net liquidity	16.6	16.3
Free cash flow	2.0	2.9

Financial flexibility over a 12-month period

in billion euros



The financial flexibility provides support to mitigate risk and volatility through a balanced mix of funding instruments and clear principles

Daimler follows a financial management to safeguard our A-rating and thus our attractive refinancing conditions

A high financial flexibility is a key support to our A-Rating

Available or short-term accessible liquidity is higher than the total maturities over the next 12 months

The current liquidity position reflects the volatile market environment, the currently required high investments for our future business model and the required financial flexibility for our business

Sales development of all automotive divisions

in thousand units

	2017	2018	% change
Daimler Group	3,273.9	3,352.4	+2
of which			
Mercedes-Benz Cars	2,373.5	2,382.8	+0
Daimler Trucks	470.7	517.3	+10
Mercedes-Benz Vans	401.0	421.4	+5
Daimler Buses	28.7	30.9	+8

Revenue by division

in billion euros

	2017*	2018	% change
Daimler Group	164.2	167.4	+2
of which			
Mercedes-Benz Cars	94.4	93.1	-1
Daimler Trucks	35.8	38.3	+7
Mercedes-Benz Vans	13.2	13.6	+4
Daimler Buses	4.5	4.5	+0
Daimler Financial Services	24.5**	26.3	+7
Contract volume of Daimler Financial Services***	139.9	154.1	+10

* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** At the Daimler Financial Services segment, the Group's internal revenue and cost of sales have been adjusted by the same amount. These adjustments have been fully eliminated in the reconciliation.

*** figures as of December 31, 2017 and December 31, 2018

Revenue by region

in billion euros

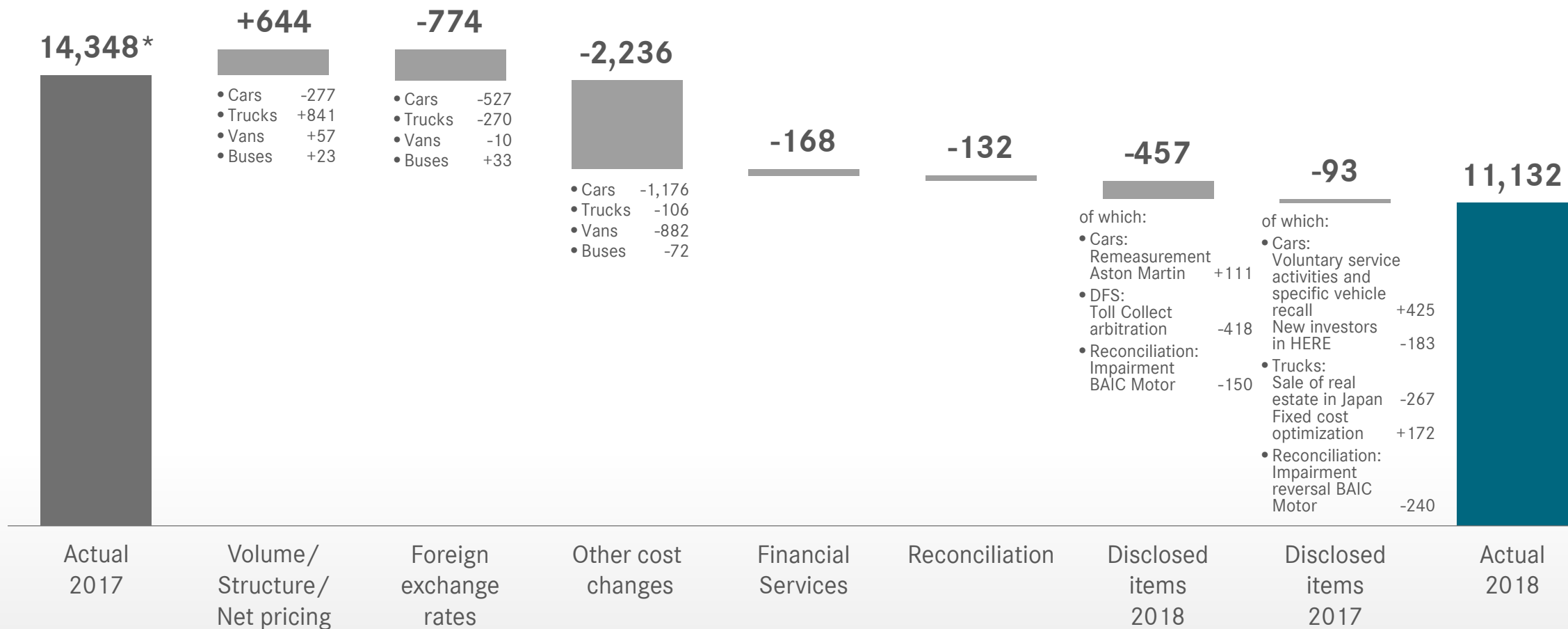
	2017*	2018	% change
Daimler Group	164.2	167.4	+2
of which			
Europe	68.3	68.5	+0
<i>of which Germany</i>	24.3	24.8	+2
NAFTA	46.5	48.0	+3
<i>of which United States</i>	40.1	41.2	+3
Asia	39.1	40.6	+4
<i>of which China**</i>	18.8	19.8	+5
Other markets	10.2	10.3	+1

* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** excluding revenue of not fully consolidated companies

Group EBIT in 2018

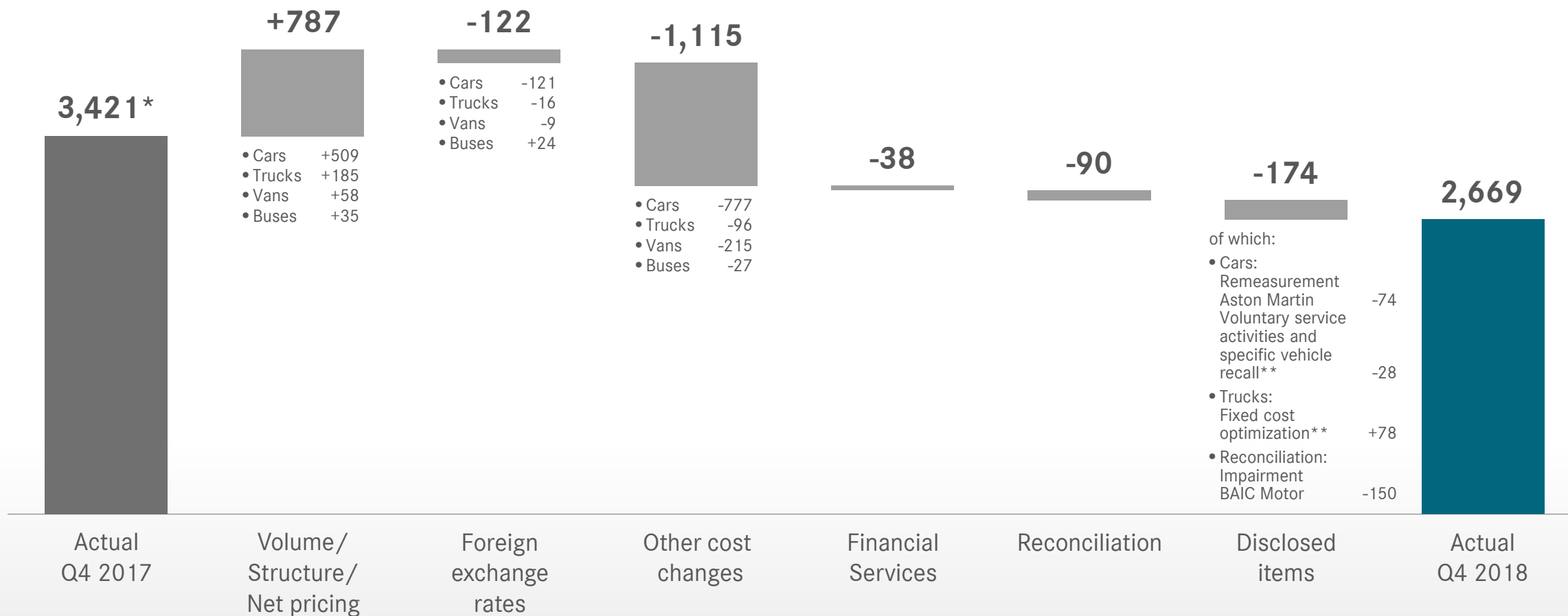
in million euros



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

Group EBIT in Q4 2018

in million euros



* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** in Q4 2017

EBIT by division

EBIT in million euros; RoS/RoE in %

	2017*		2018	
	EBIT	RoS/RoE**	EBIT	RoS/RoE**
Daimler Group	14,348	8.9	11,132	6.9
of which				
Mercedes-Benz Cars	8,843	9.4	7,216	7.8
Daimler Trucks	2,383	6.7	2,753	7.2
Mercedes-Benz Vans	1,147	8.7	312	2.3
Daimler Buses	281	6.2	265	5.9
Daimler Financial Services	1,970	17.7	1,384	11.1
Reconciliation	-276	-	-798	-

* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** Return on sales for automotive business, return on equity for Daimler Financial Services; Daimler Group excluding Daimler Financial Services

EBIT in Q4 2018

EBIT in million euros; RoS/RoE in %

	Q4 2017*		Q4 2018	
	EBIT	RoS/RoE**	EBIT	RoS/RoE**
Daimler Group	3,421	8.1	2,669	5.8
of which				
Mercedes-Benz Cars	2,375	9.5	1,883	7.3
Daimler Trucks	559	5.8	710	6.8
Mercedes-Benz Vans	247	6.6	81	2.0
Daimler Buses	99	7.3	132	8.6
Daimler Financial Services	416	14.3	378	12.0
Reconciliation	-275	-	-515	-

* adjusted based on new IFRS 15 standards including cost of hedging (IFRS 9)

** Return on sales for automotive business, return on equity for Daimler Financial Services; Daimler Group excluding Daimler Financial Services

Assumptions for automotive markets in 2019

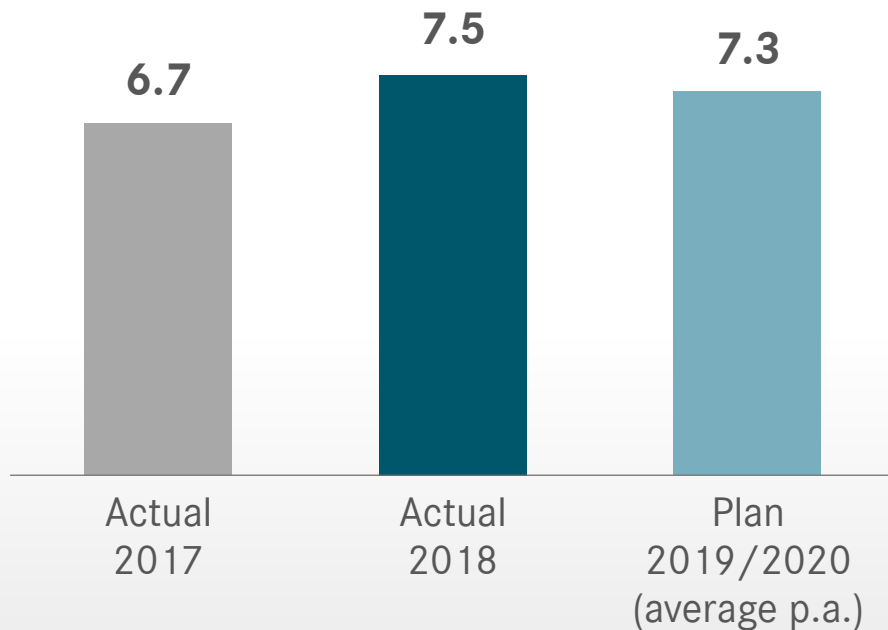
Car markets	Global	around the prior-year level
	Europe	around the prior-year level
	USA	slight decrease
	China	around the prior-year level
Medium- and heavy-duty truck markets	NAFTA region	around the prior-year level
	EU30	around the prior-year level
	Japan*	slight decrease
	Brazil	significant growth
	Indonesia*	stable development
Van markets	EU30	around the prior-year level
	USA	slight growth
Bus markets	EU30	slight growth
	Brazil	slight growth

* including light-duty trucks

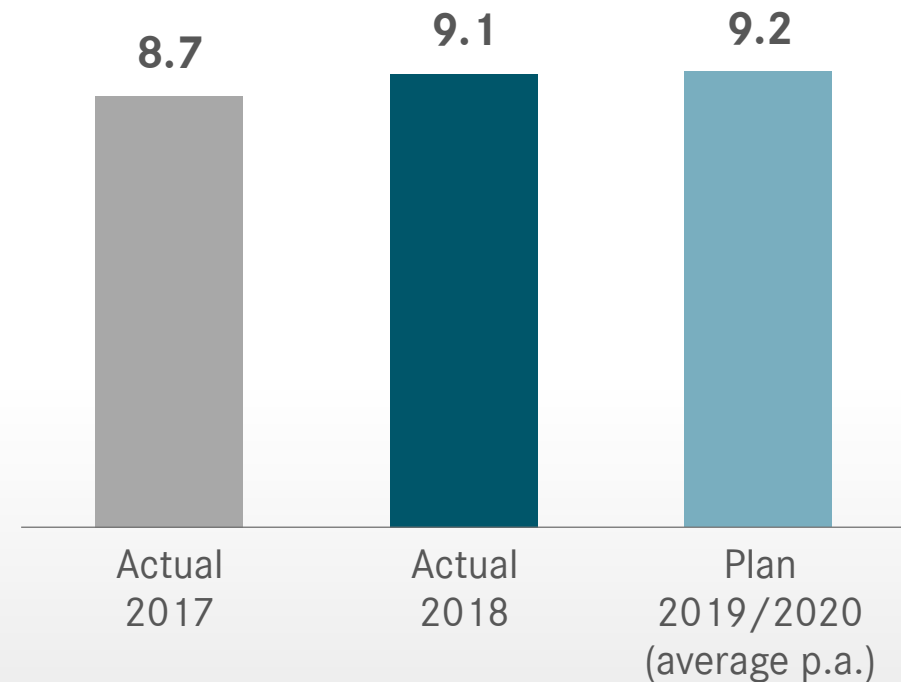
Capital expenditure / Research and development

in billion euros

Investment in property, plant and equipment



Research and development expenditure



Capital expenditure / Research and development

in billion euros

	Investment in property, plant and equipment			Research and development expenditure		
	Actual 2017	Actual 2018	Plan* 2019-2020	Actual 2017	Actual 2018	Plan* 2019-2020
Daimler Group	6.7	7.5	7.3	8.7	9.1	9.2
of which						
Mercedes-Benz Cars	4.8	5.7	5.7	6.6	7.0	7.0
Daimler Trucks	1.0	1.1	1.1	1.3	1.3	1.4
Mercedes-Benz Vans	0.7	0.5	0.2	0.6	0.7	0.5
Daimler Buses	0.1	0.1	0.1	0.2	0.2	0.2
Daimler Financial Services	0.04	0.06	0.05	–	–	–

* average p.a.

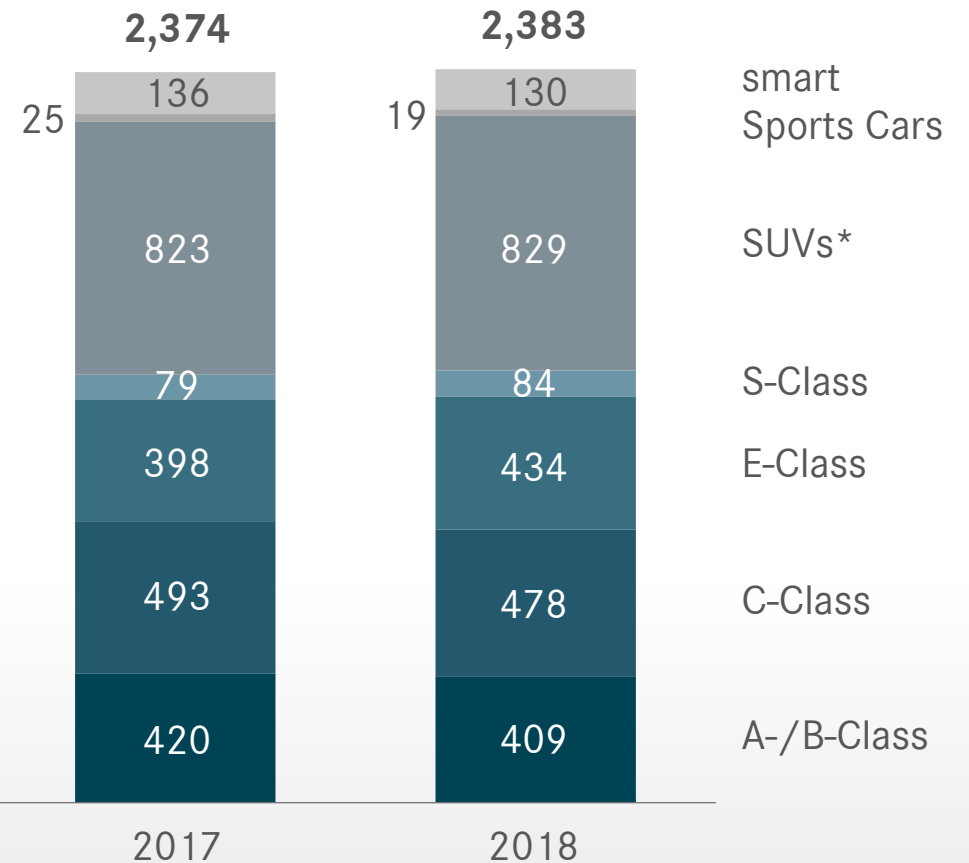
Mercedes-Benz Cars

in thousand units



The EQC – power consumption combined: 22.2 kWh/100 km; CO₂ emissions combined: 0 g/km, preliminary figures (Information on electricity consumption and CO₂ emissions is provisional and has been determined by an external technical service and is non-binding. Range figures are also provisional and non-binding. EU type approval and a certificate of conformity with official figures are not yet available. The figures given above may deviate from the official figures.

New sales record



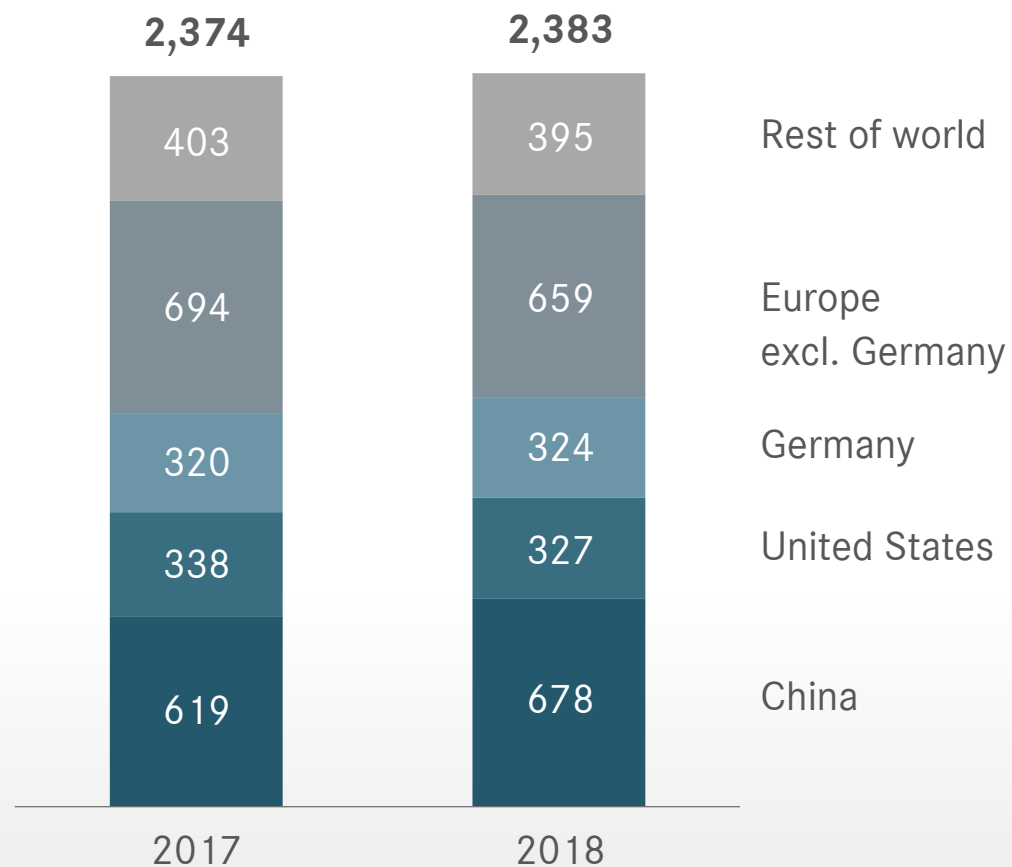
* incl. GLA

Mercedes-Benz Cars

in thousand units



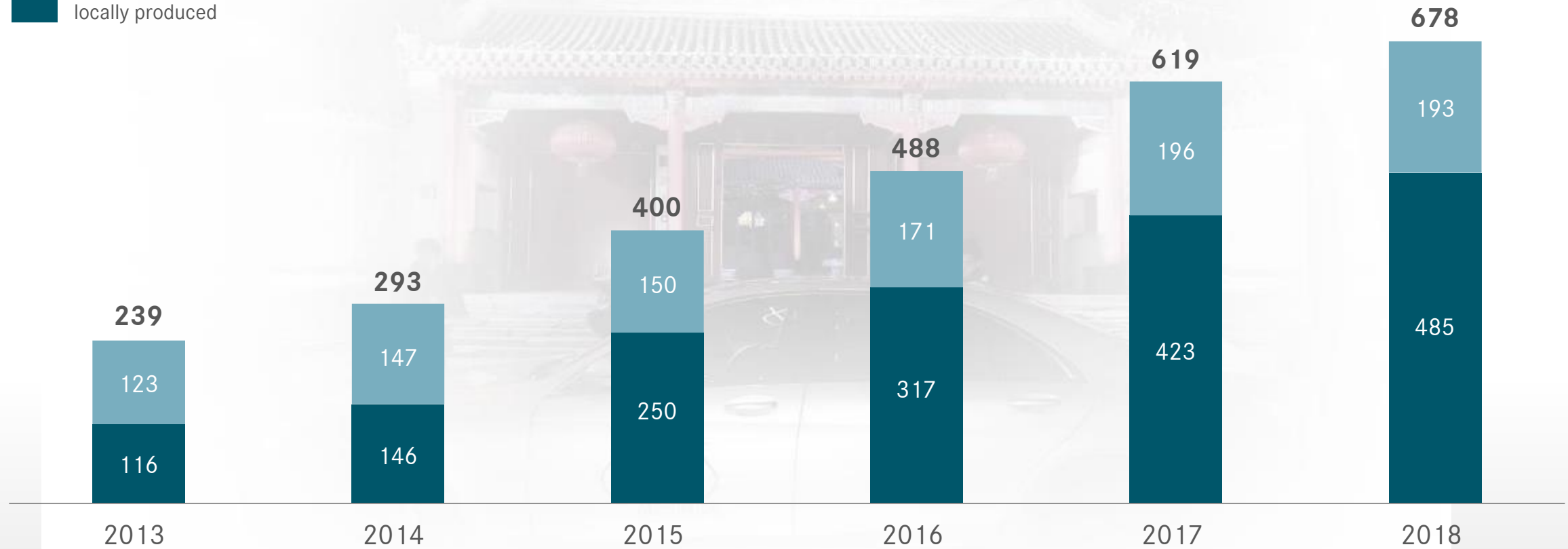
Globally balanced sales structure



Mercedes-Benz Cars in China: strong sales growth with increasing share of locally produced vehicles

in thousand units

imported
locally produced

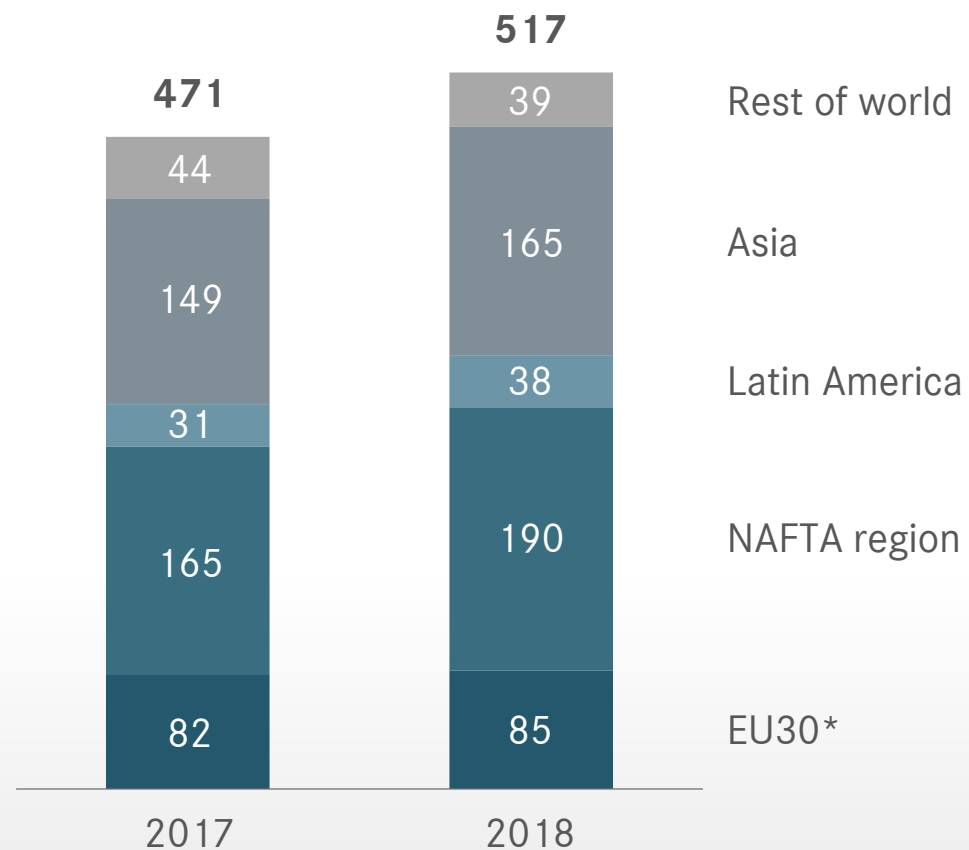


Daimler Trucks

in thousand units



Sales increase by 10%



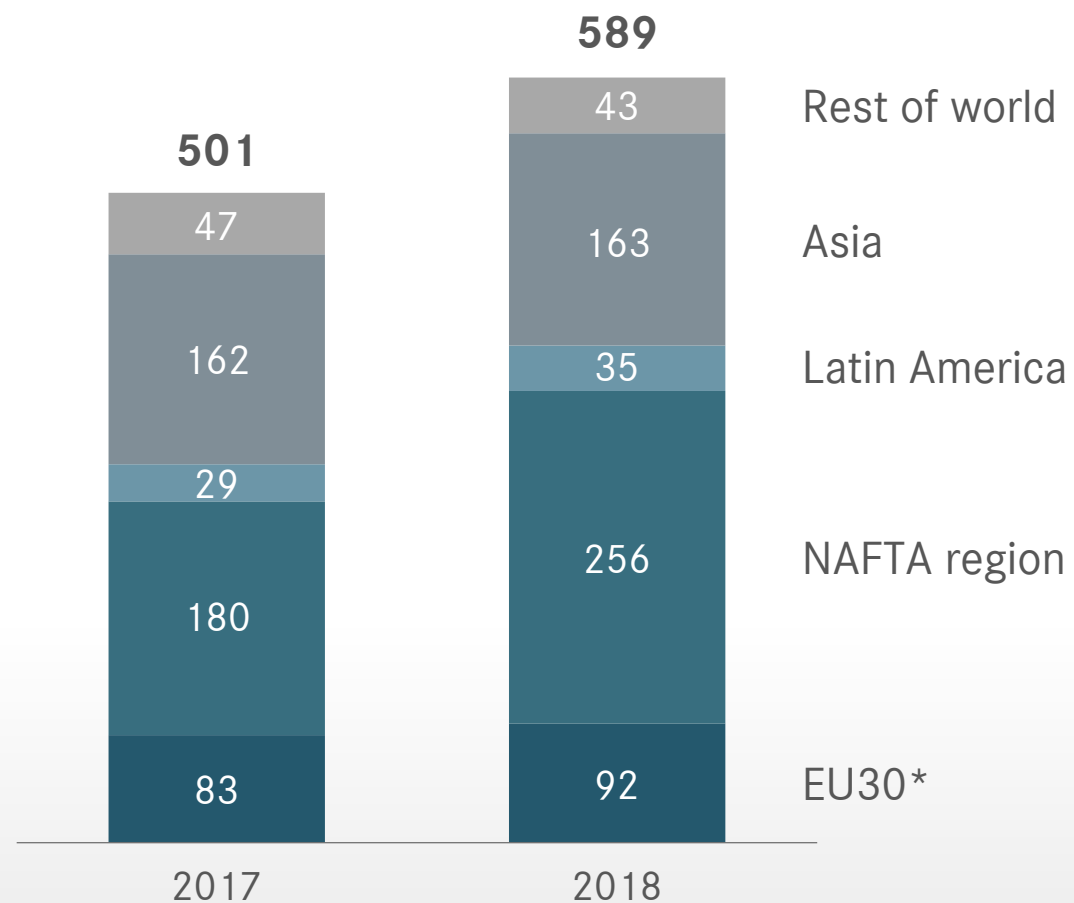
* European Union, Switzerland and Norway

Daimler Trucks

in thousand units



Incoming orders increase primarily driven by NAFTA region



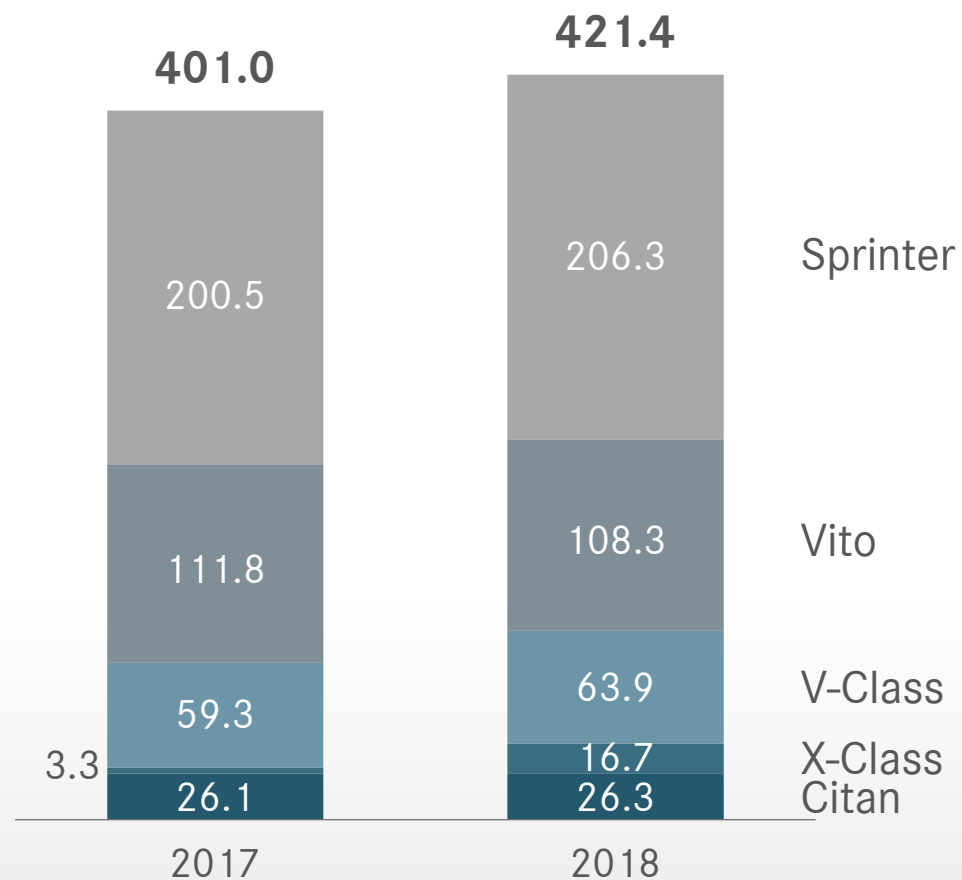
* European Union, Switzerland and Norway

Mercedes-Benz Vans

in thousand units



Sales increase by 5%

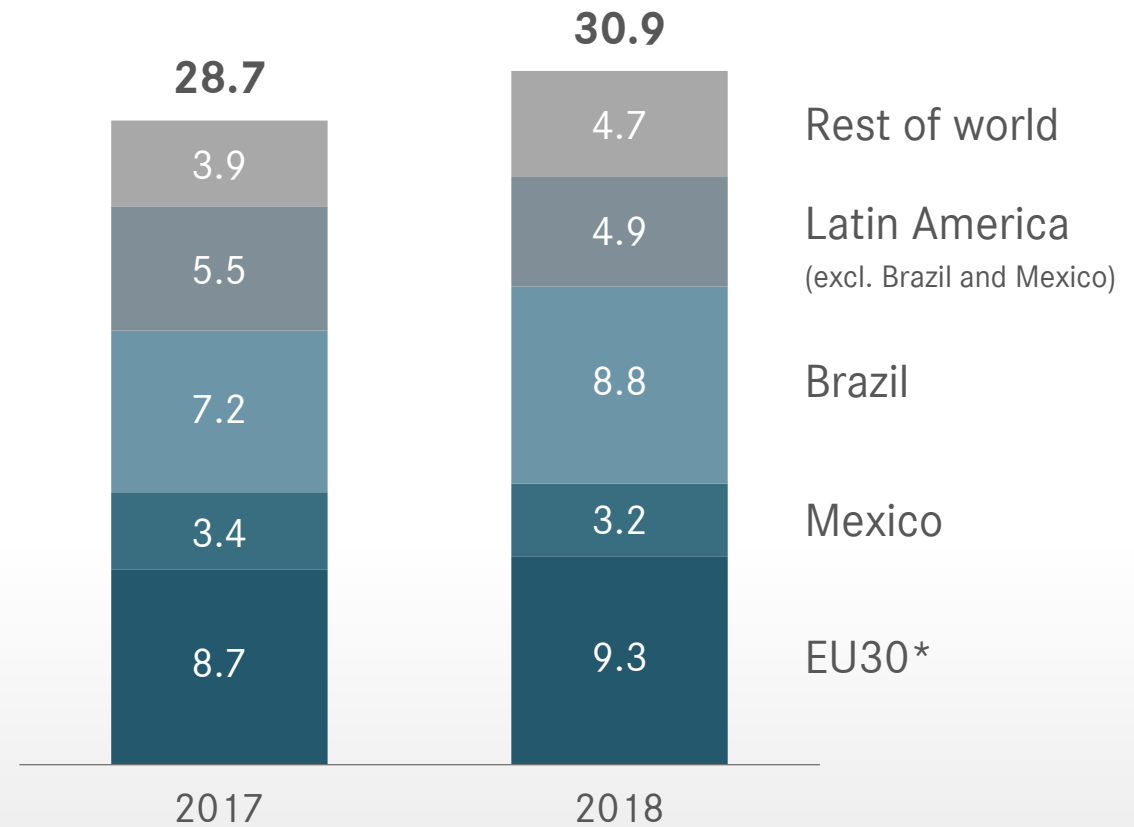


Daimler Buses

in thousand units



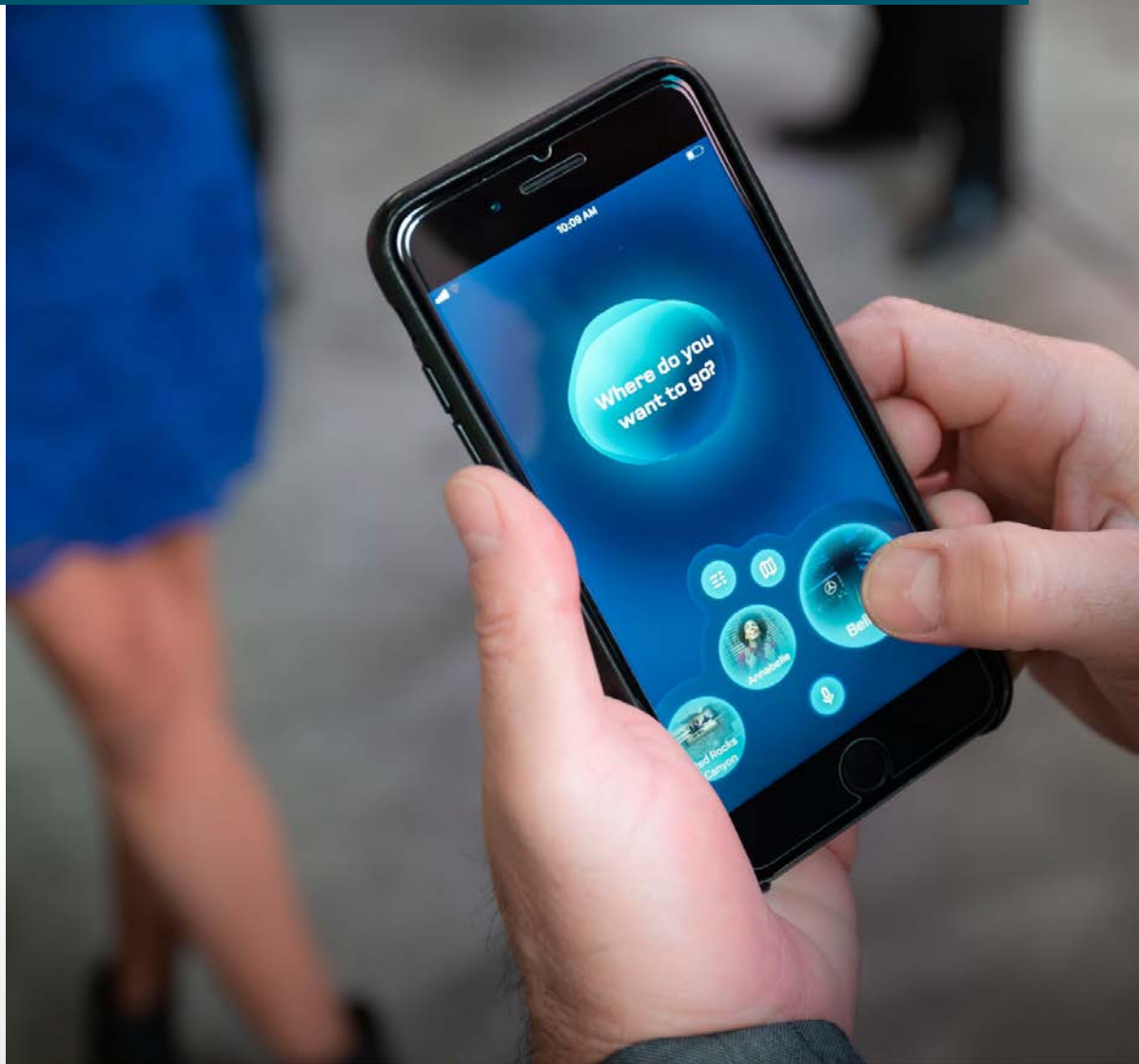
Sales increase by 8%



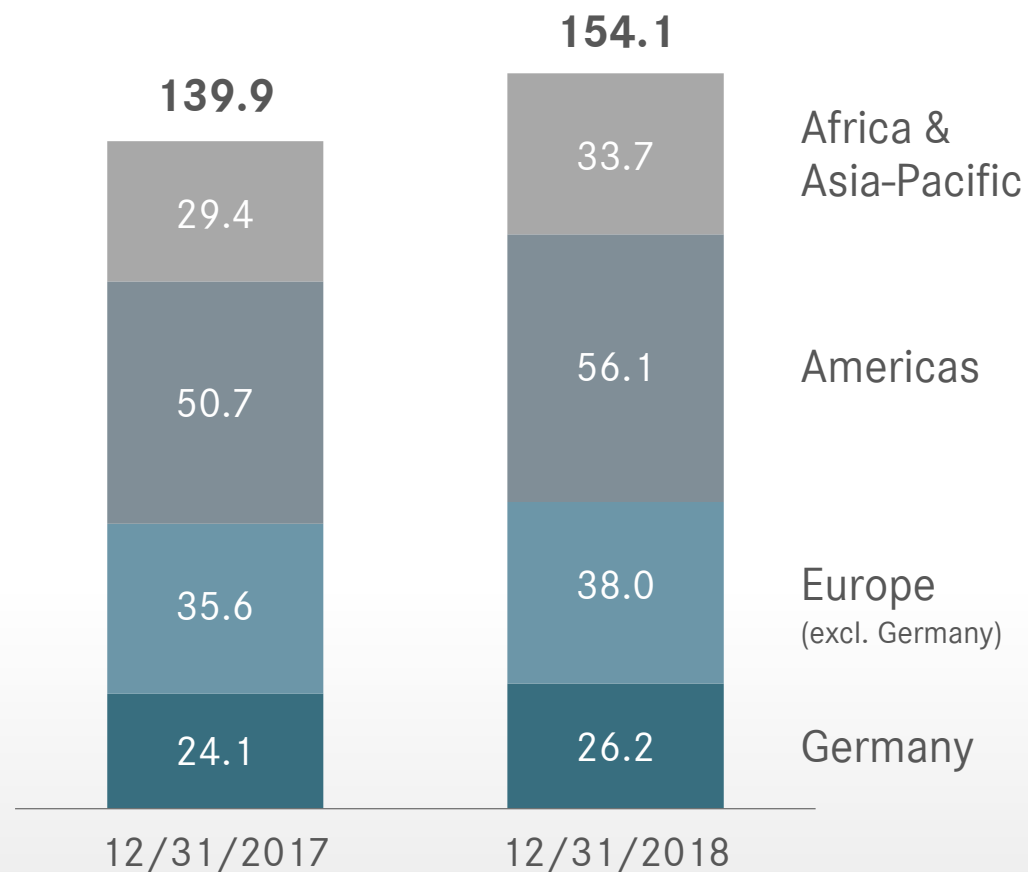
* European Union, Switzerland and Norway

Daimler Financial Services

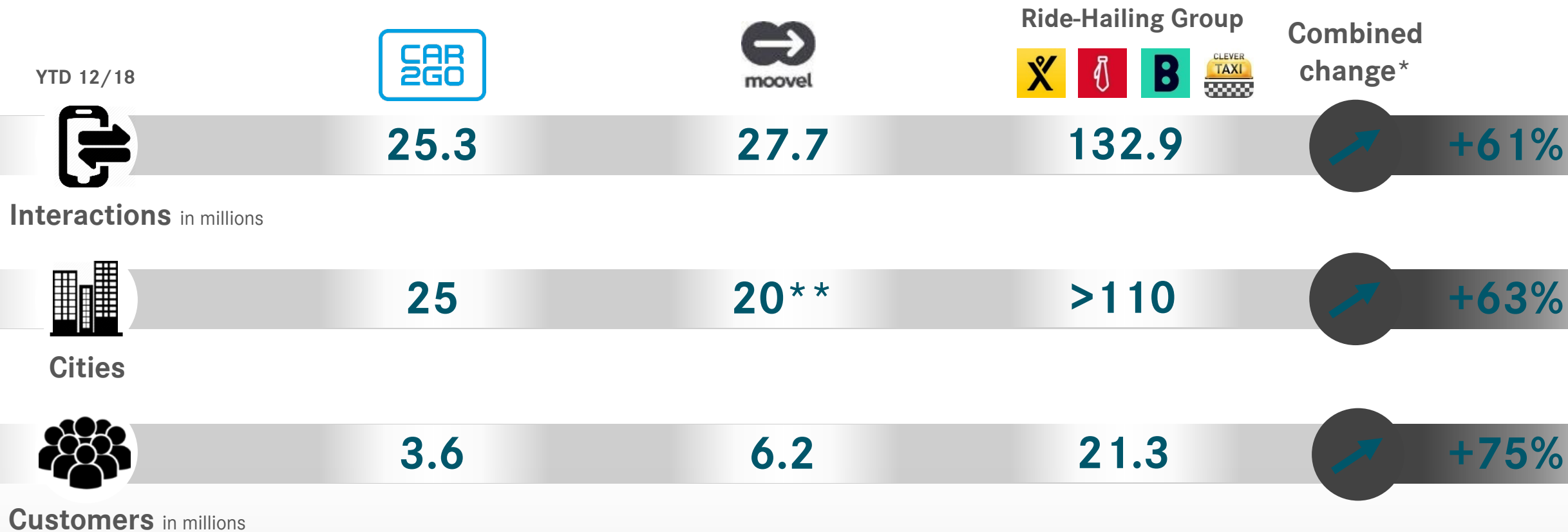
in billion euros



Further increase in contract volume to 154.1 billion euros (+10%)



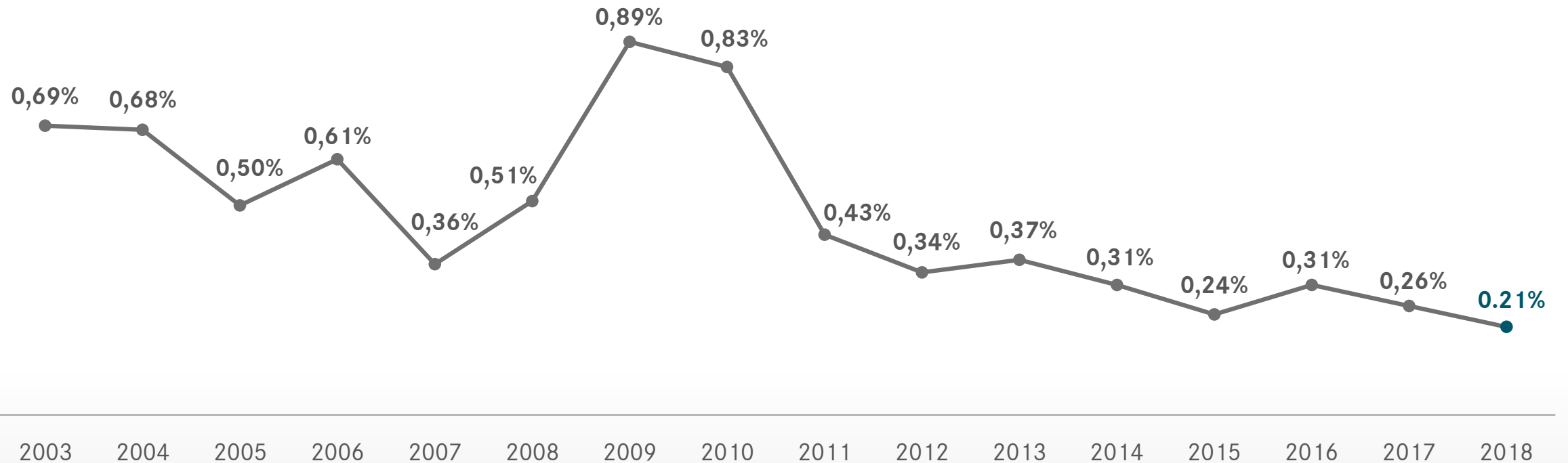
Daimler Mobility Services: ongoing business expansion



* car2go, moovel and Ride-Hailing Group (incl. mytaxi, Beat since 02/17, Clever Taxi since 06/17 and Chauffeur Privé since 03/18) combined, 12/18 (YTD) vs. 12/17 (YTD)

** Number of cities with ticketing capability of public transit

Daimler Financial Services: net credit losses* at low level



* as a percentage of portfolio, subject to credit risk

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 deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates and tariff regulations; a shift in consumer preferences towards smaller, lower-margin vehicles; 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 for 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 for 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 or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which we describe under the heading “Risk and Opportunity Report” in the current Annual Report. If any of these risks and uncertainties materializes 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 date of publication.