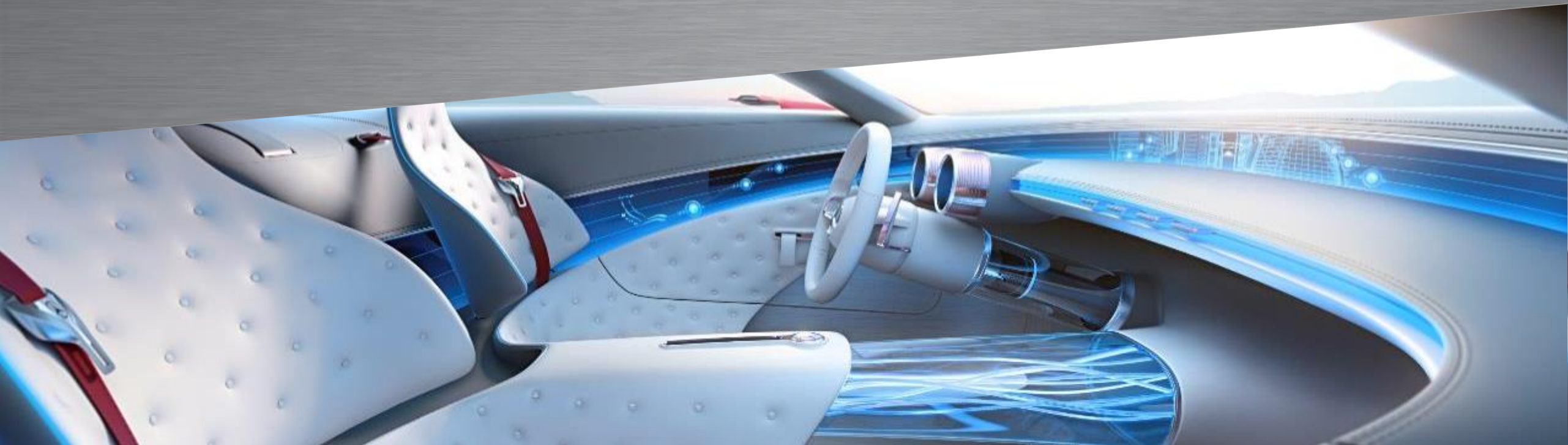


# DAIMLER

FY 2017

Corporate Presentation



# Contents

## **Divisional information**

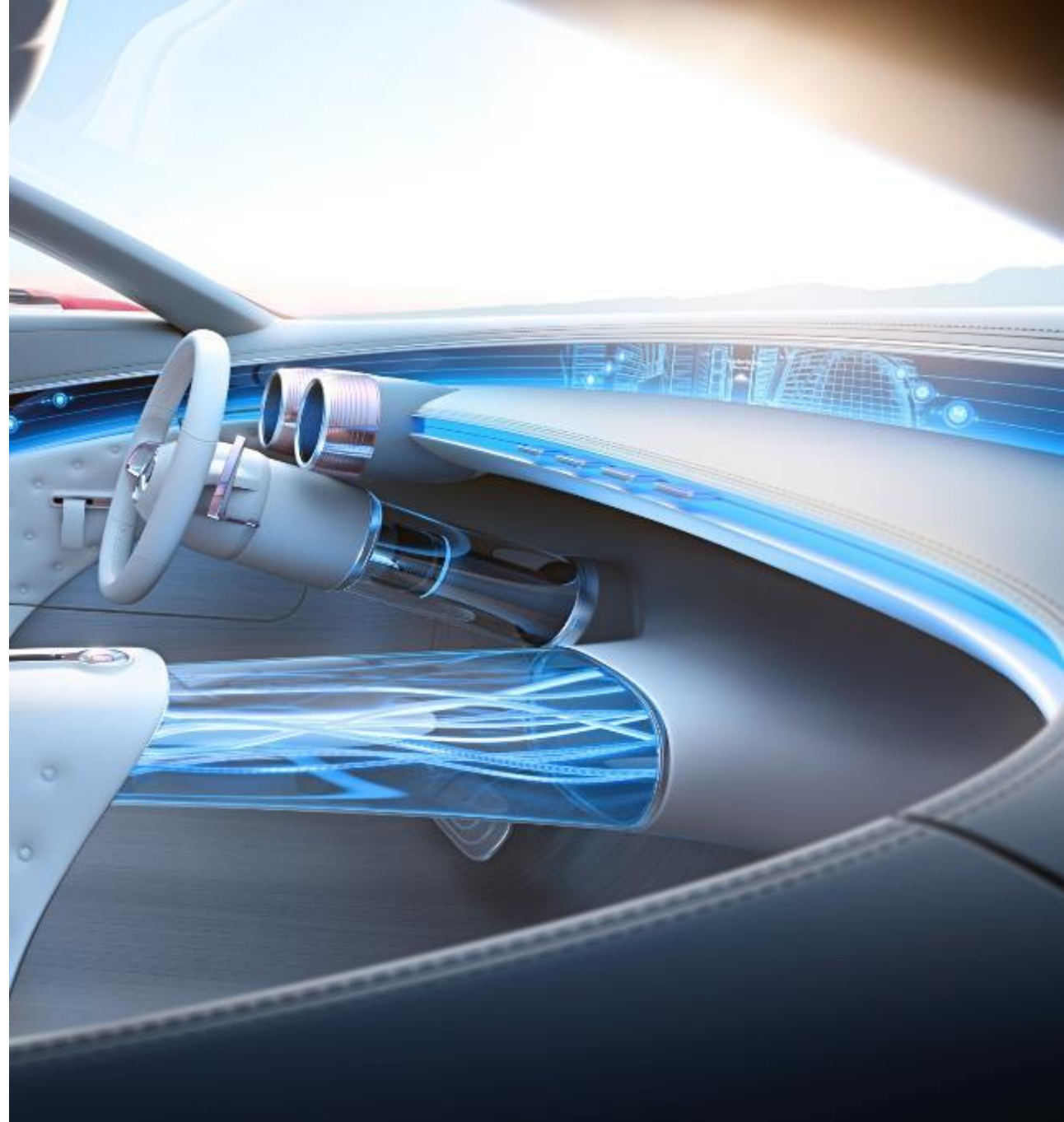
Group financials

Daimler Group Strategy

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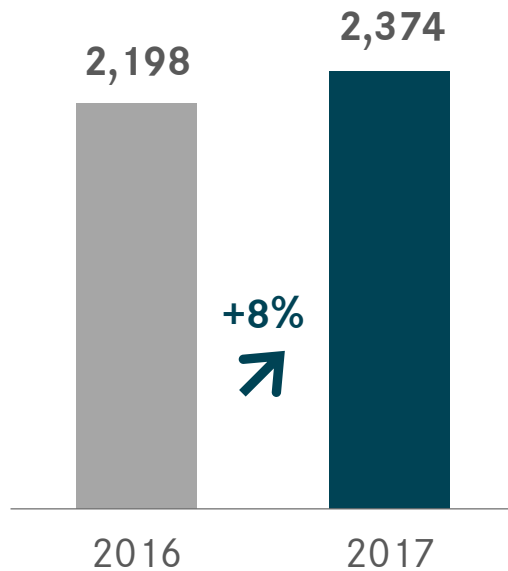
Appendix



# Mercedes-Benz Cars: continued business growth based on strong product portfolio

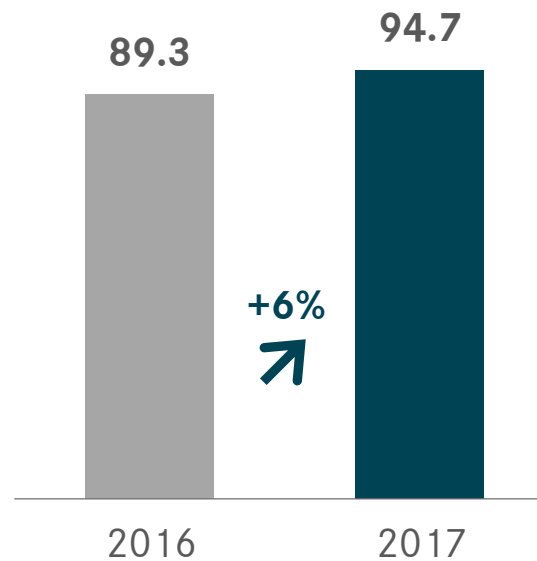
## Unit sales

in thousand units



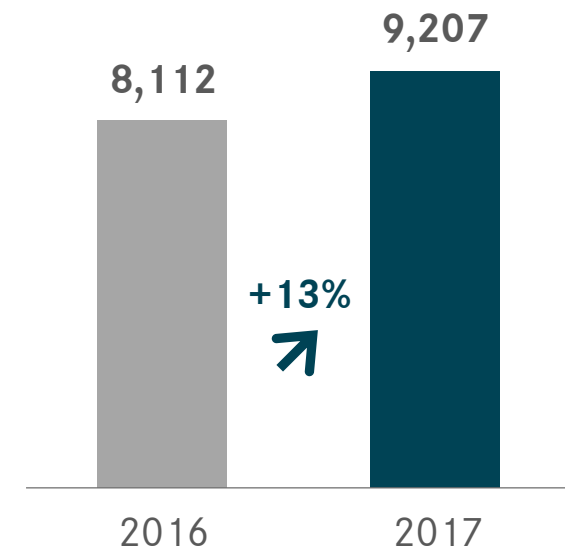
## Revenue

in billion euros



## EBIT

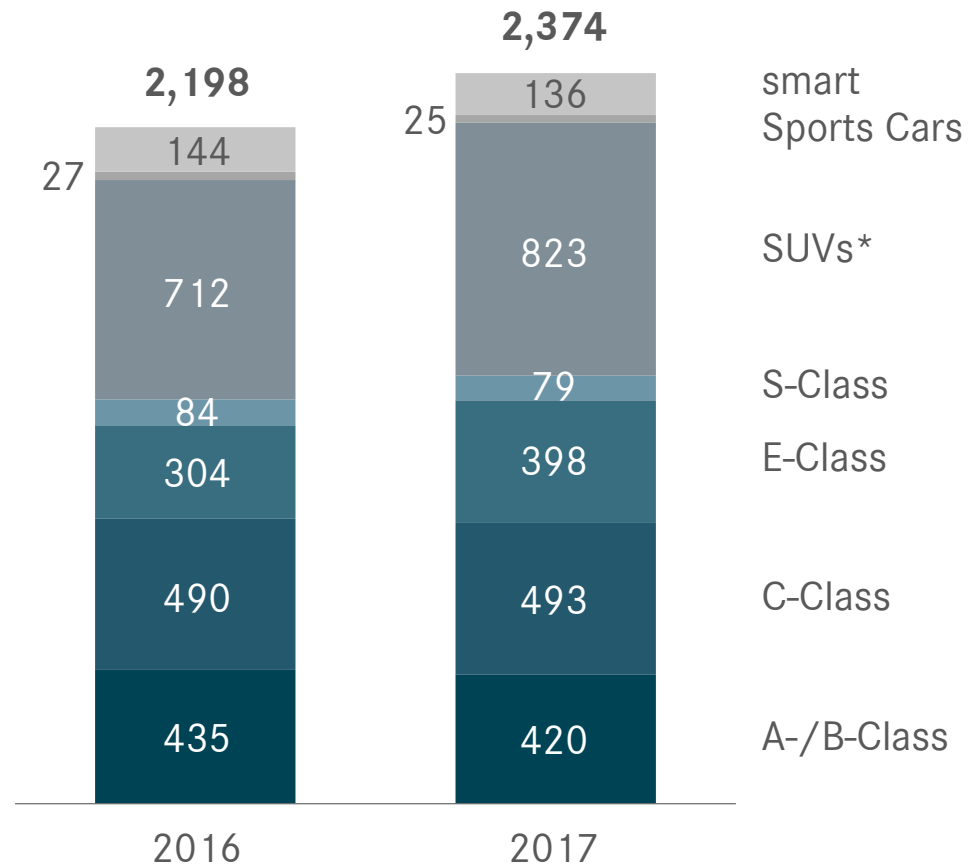
in million euros



# Mercedes-Benz Cars

Sales increase by 8% reflecting our strong product line-up

in thousand units

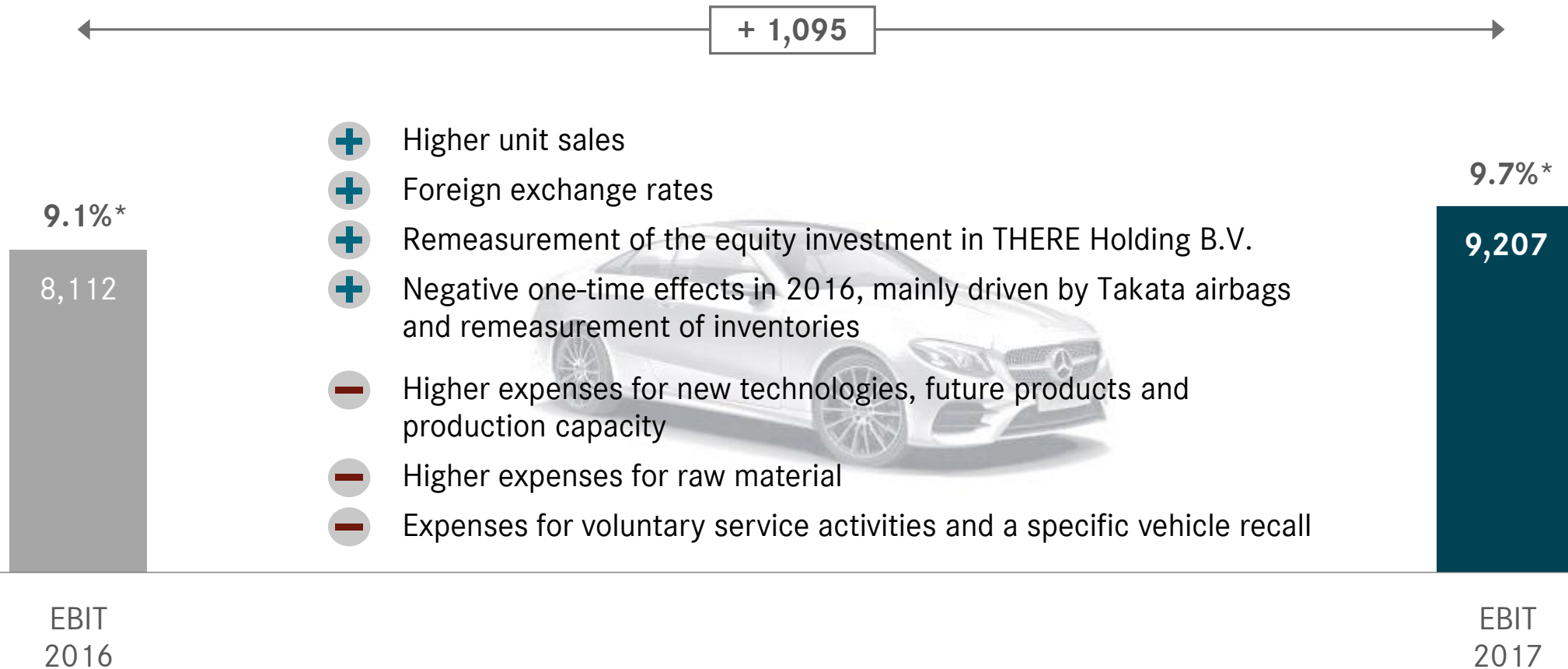


\* incl. GLA



# Mercedes-Benz Cars: EBIT

in million euros

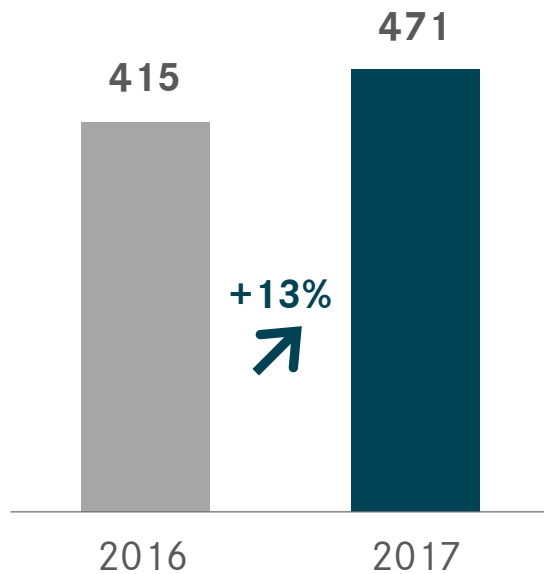


\* Return on sales

# Daimler Trucks: rising demand in core markets in the course of the year

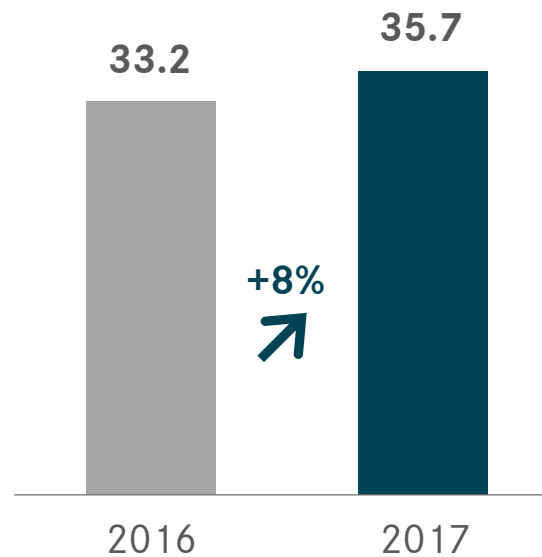
## Unit sales

in thousand units



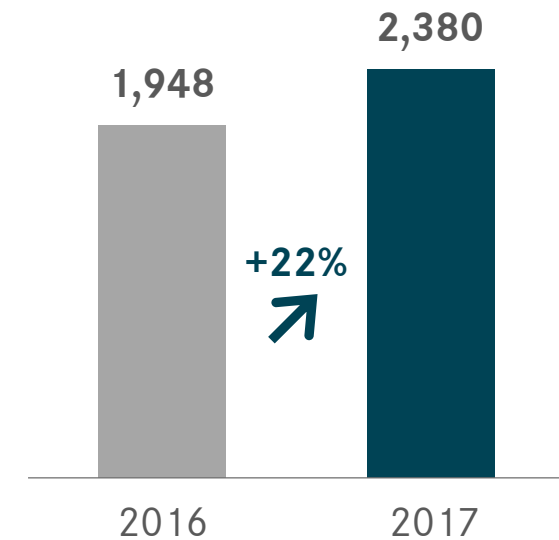
## Revenue

in billion euros



## EBIT

in million euros

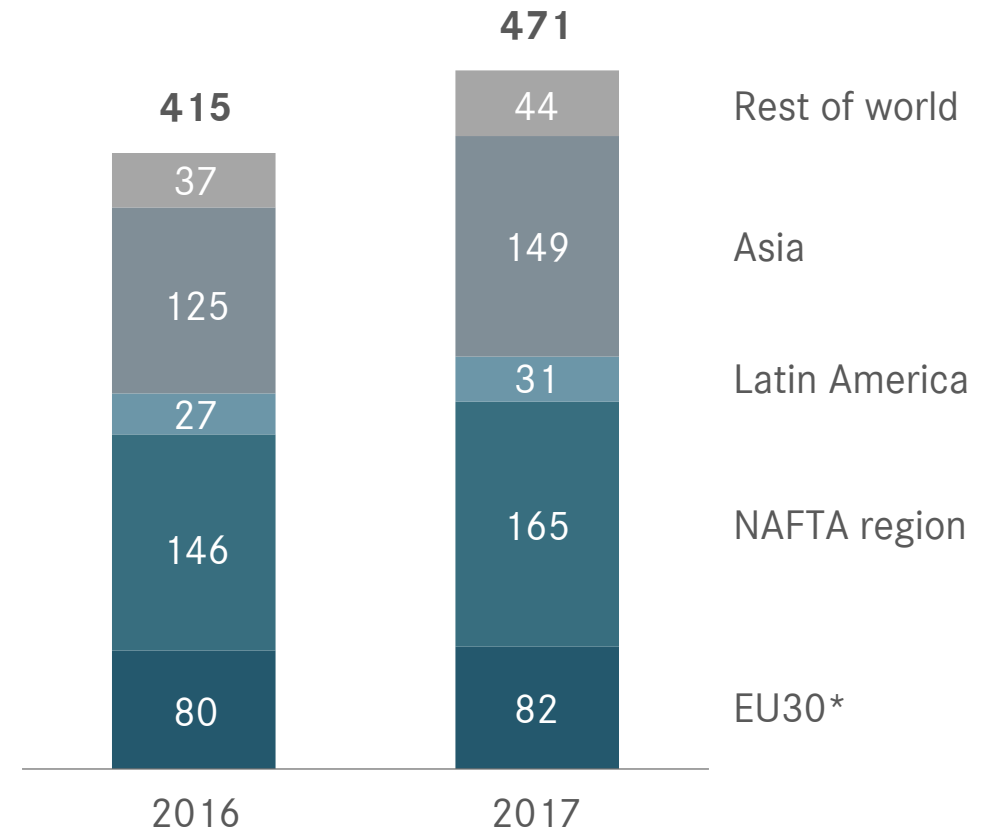




# Daimler Trucks

Sales increase by 13% mainly driven by NAFTA region and Asia

in thousand units

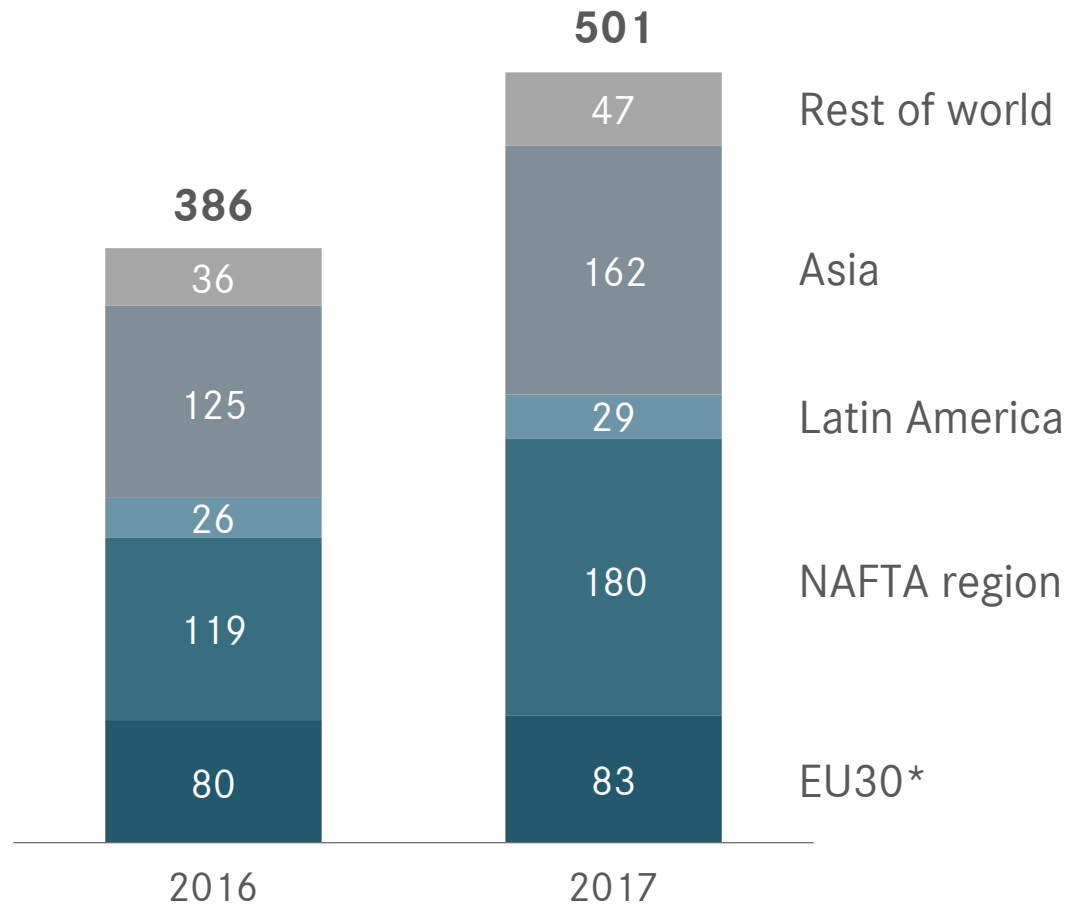


\* European Union, Switzerland and Norway

# Daimler Trucks

Incoming orders increase primarily driven by NAFTA region and Indonesia

in thousand units



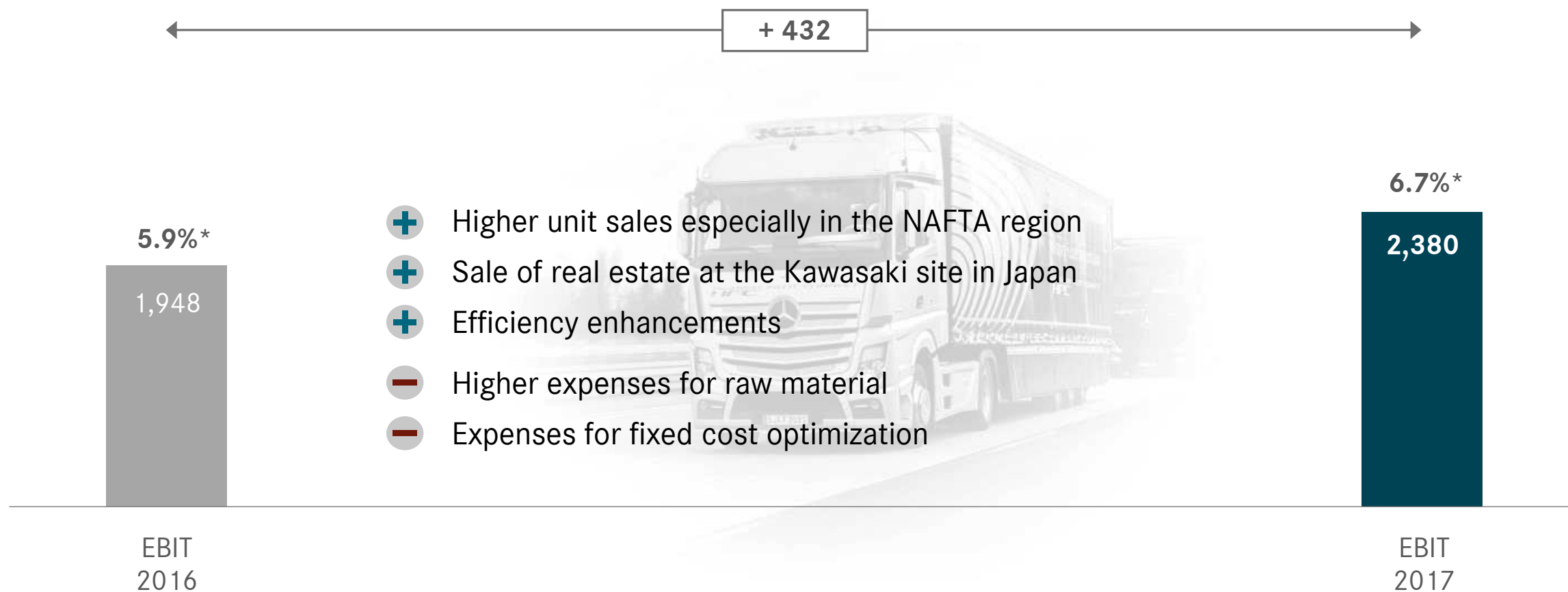
\* European Union, Switzerland and Norway





# Daimler Trucks: EBIT

in million euros

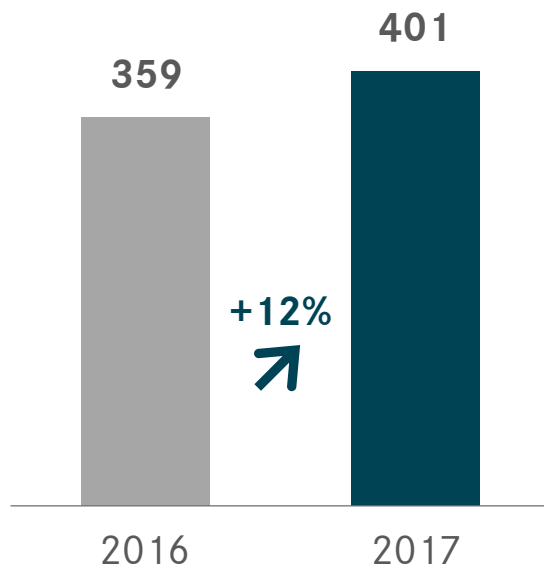


\* Return on sales

# Mercedes-Benz Vans: strong development based on very successful products

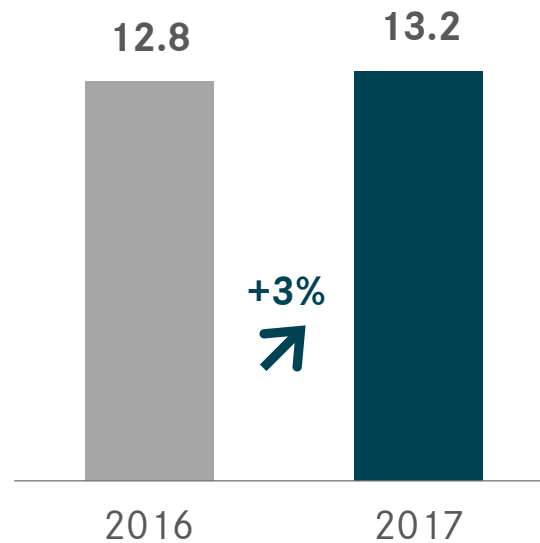
## Unit sales

in thousand units



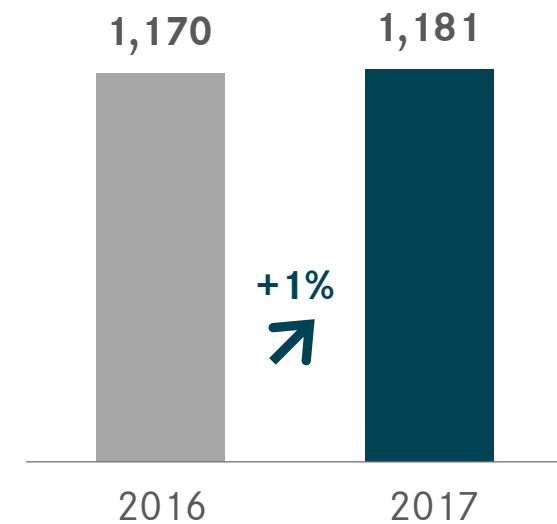
## Revenue

in billion euros



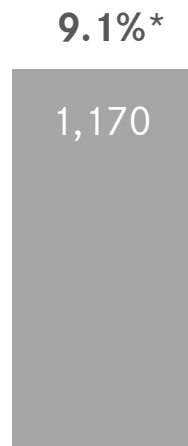
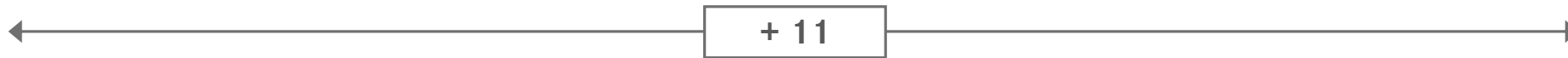
## EBIT

in million euros



# Mercedes-Benz Vans: EBIT

in million euros



EBIT  
2016

- + Higher unit sales
- + Foreign exchange rates
- + Prior-year figures included expenses related to Takata airbags and workforce adjustments in Germany
- Higher expenses for new technologies and products
- End of contract manufacturing



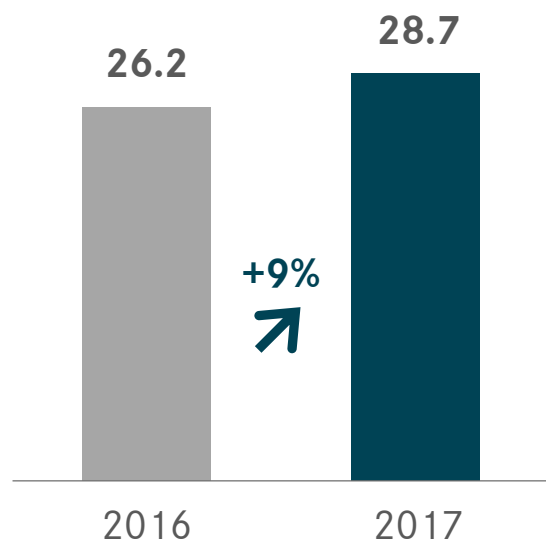
EBIT  
2017

\* Return on sales

# Daimler Buses: EBIT at the high prior-year level

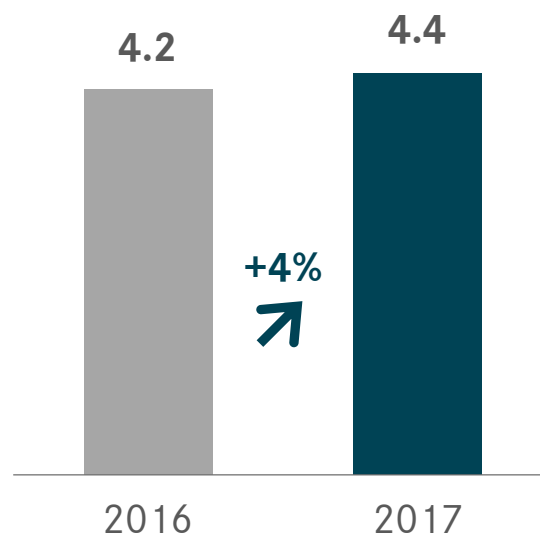
## Unit sales

in thousand units



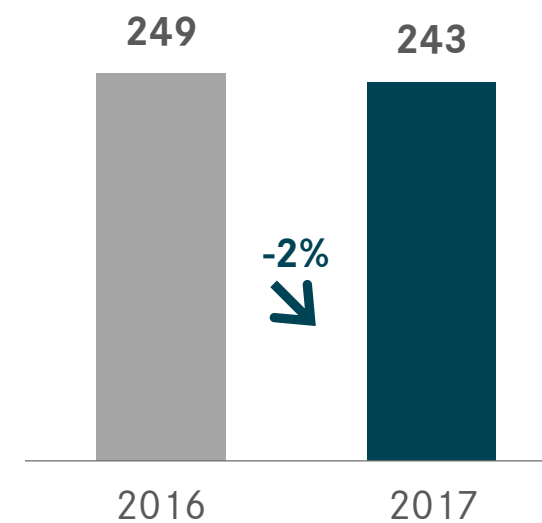
## Revenue

in billion euros



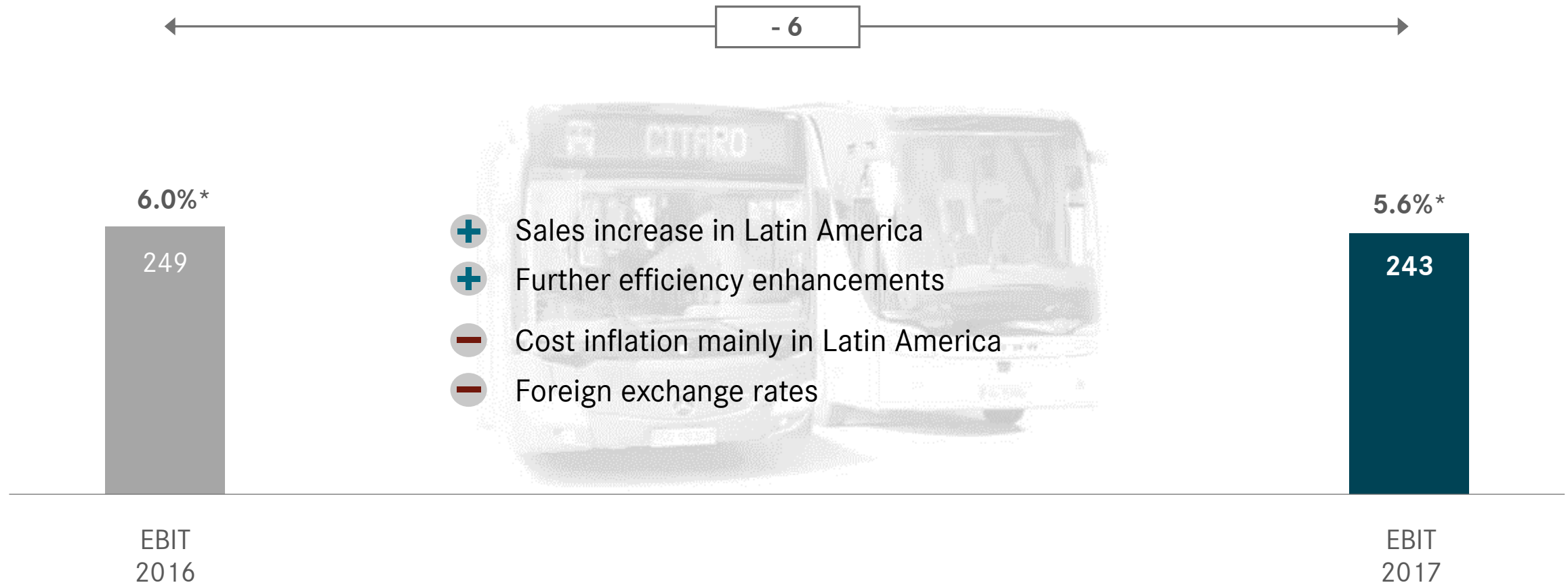
## EBIT

in million euros



# Daimler Buses: EBIT

in million euros

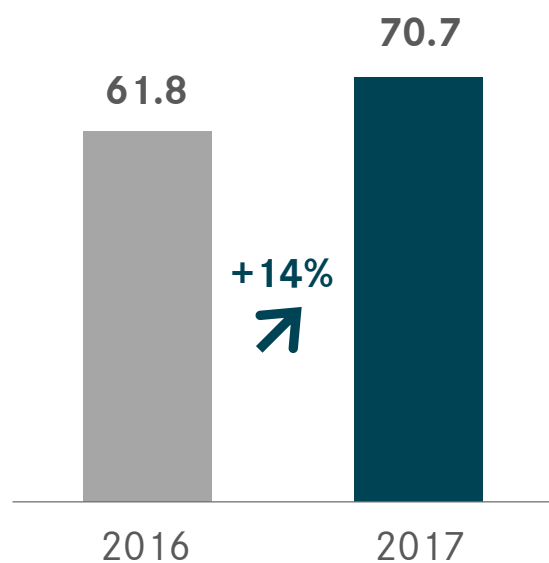


\* Return on sales

# Daimler Financial Services: further business growth

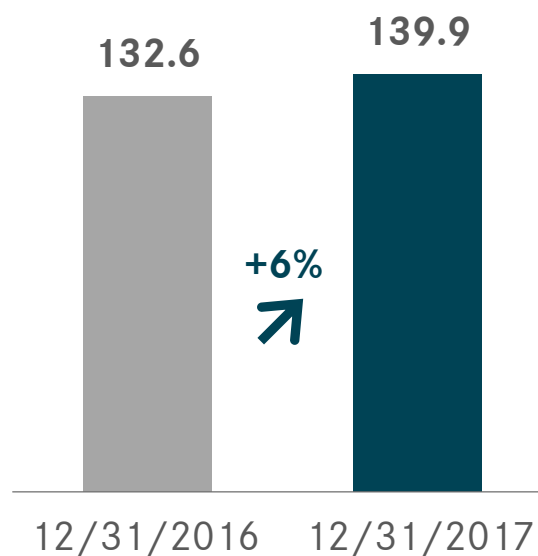
## New business

in billion euros



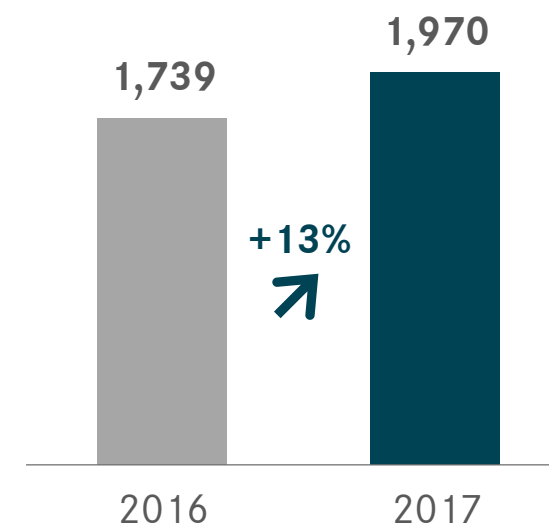
## Contract volume

in billion euros



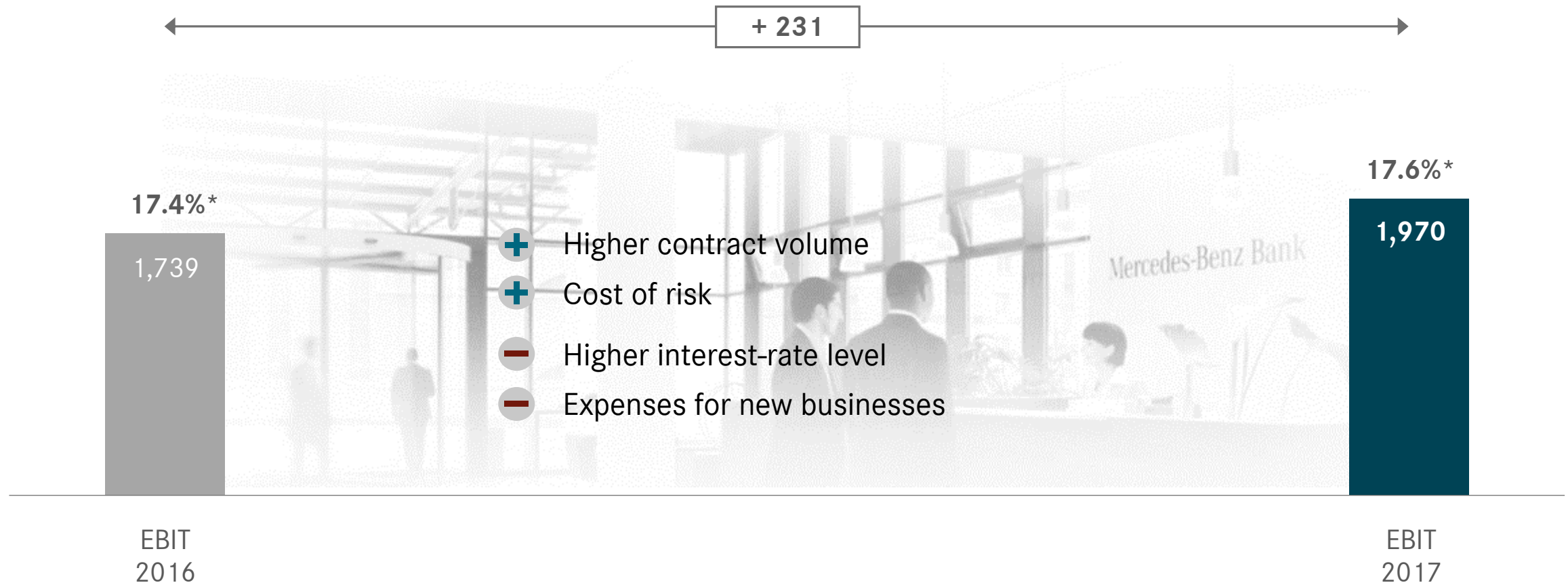
## EBIT

in million euros



# Daimler Financial Services: EBIT

in million euros



\* Return on equity

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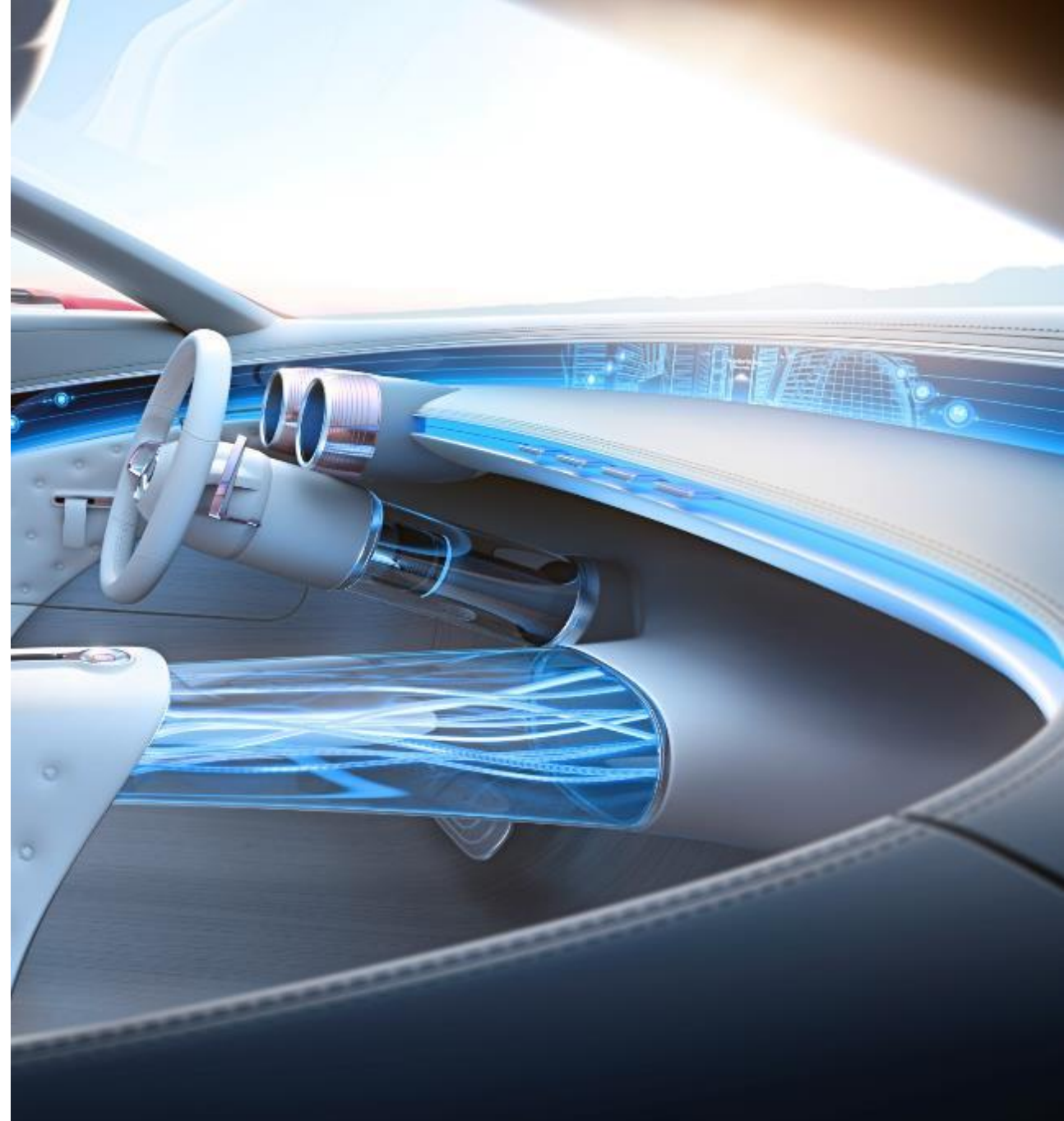
**Group financials**

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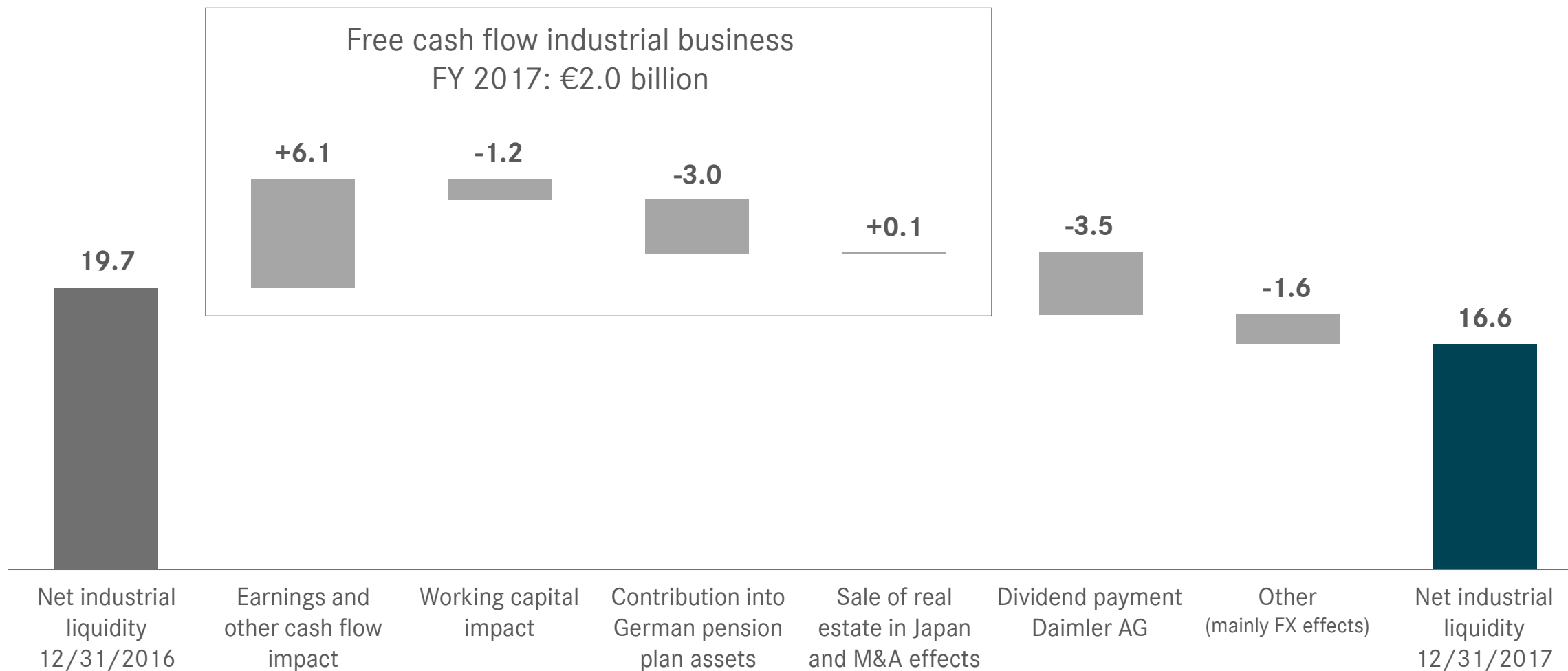
# Key figures

in billion euros

|   | 2016  | 2017         |
|---|-------|--------------|
| Unit sales (in thousands of units)        | 2,998 | <b>3,274</b> |
| Revenue                                   | 153.3 | <b>164.3</b> |
| EBIT                                      | 12.9  | <b>14.7</b>  |
| Net profit                                | 8.8   | <b>10.9</b>  |
| Free cash flow of the industrial business | 3.9   | <b>2.0</b>   |
| Earnings per share (in euros)             | 7.97  | <b>9.84</b>  |
| Dividend per share (in euros)             | 3.25  | <b>3.65</b>  |

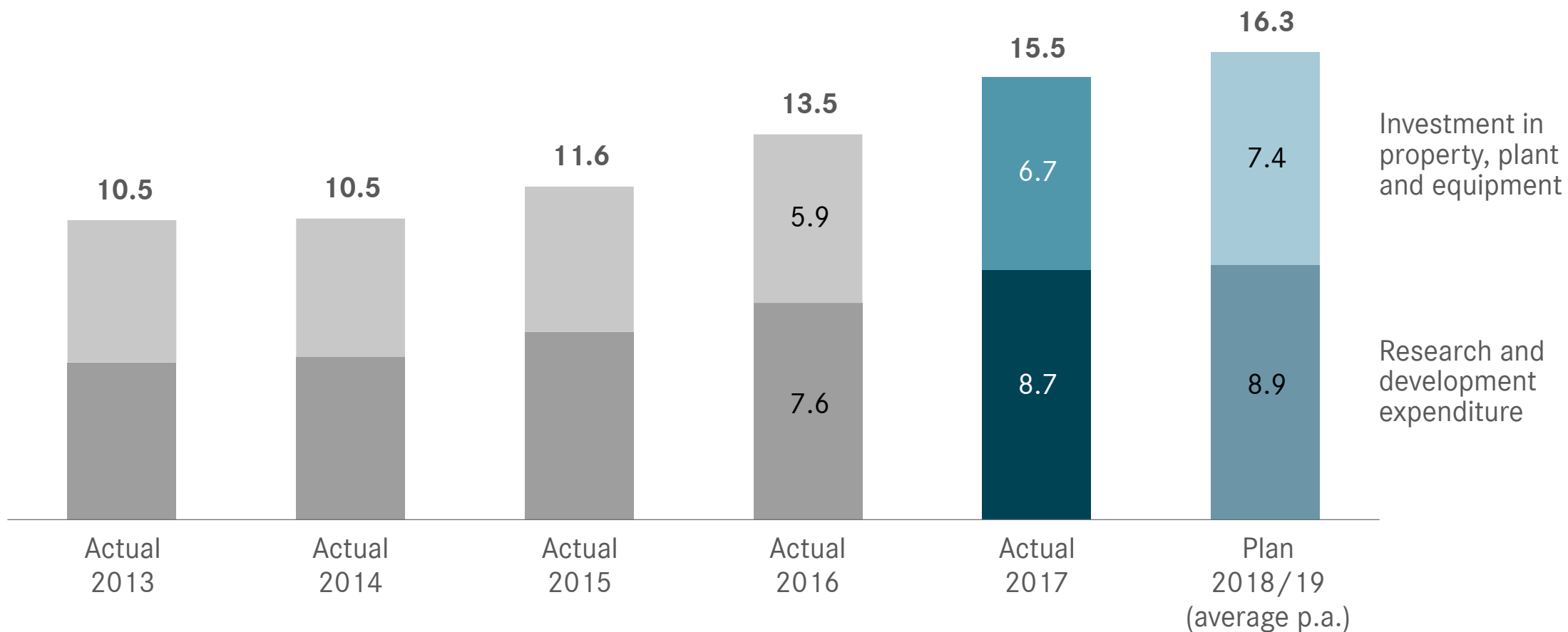
# Continued high level of net industrial liquidity

in billion euros



# Further investment growth as a basis for profitable growth and development of future mobility

in billion euros



# Contents

Divisional information

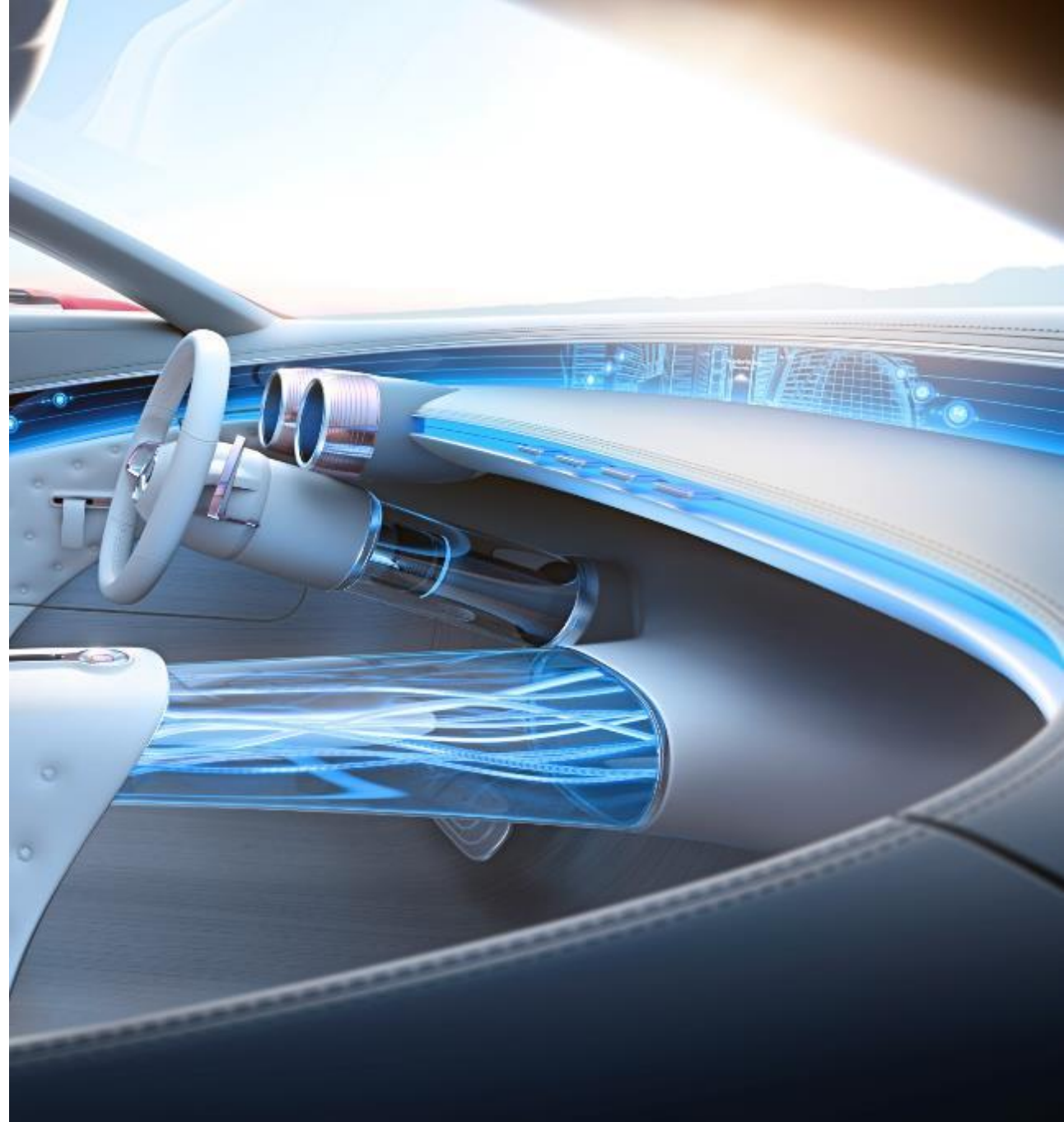
Group financials

**Daimler Group Strategy**

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# CORE, CASE, CULTURE, COMPANY:

We have set the course for a successful future



# Clear aspiration for all divisions

## DAIMLER

Mercedes-Benz  
Cars

„Most successful  
premium  
manufacturer“



Daimler  
Trucks

„No 1 in the global  
Truck business“



Mercedes-Benz  
Vans

„Most successful  
company in global  
Vans business“



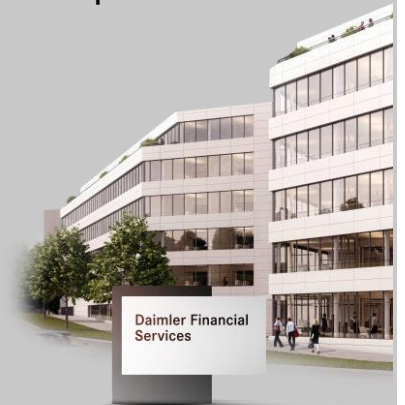
Daimler  
Buses

„No 1 in the global  
Bus business“



Daimler Financial  
Services

„Best financial and  
mobility services  
provider“



# Profit targets

Profit targets Return on sales / Return on Equity 1) in %



8-10

Mercedes-Benz  
Cars



8

Daimler  
Trucks



9

Mercedes-Benz  
Vans



6

Daimler  
Buses



17

Daimler Financial  
Services

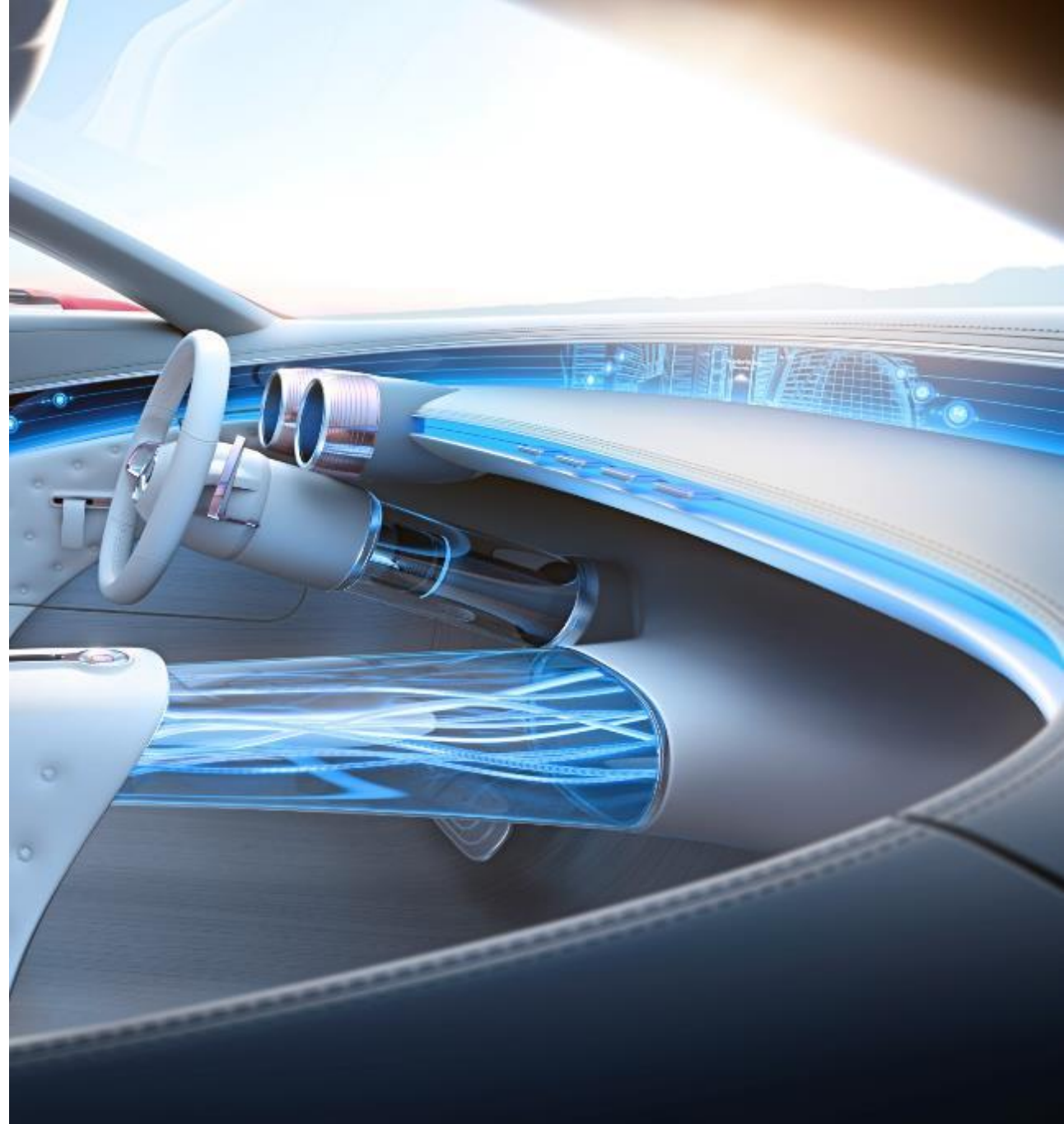
Return on sales target for the automotive business: 9 percent

1) Daimler Financial Services

# Daimler Group Strategy

Mercedes-Benz Cars

Core



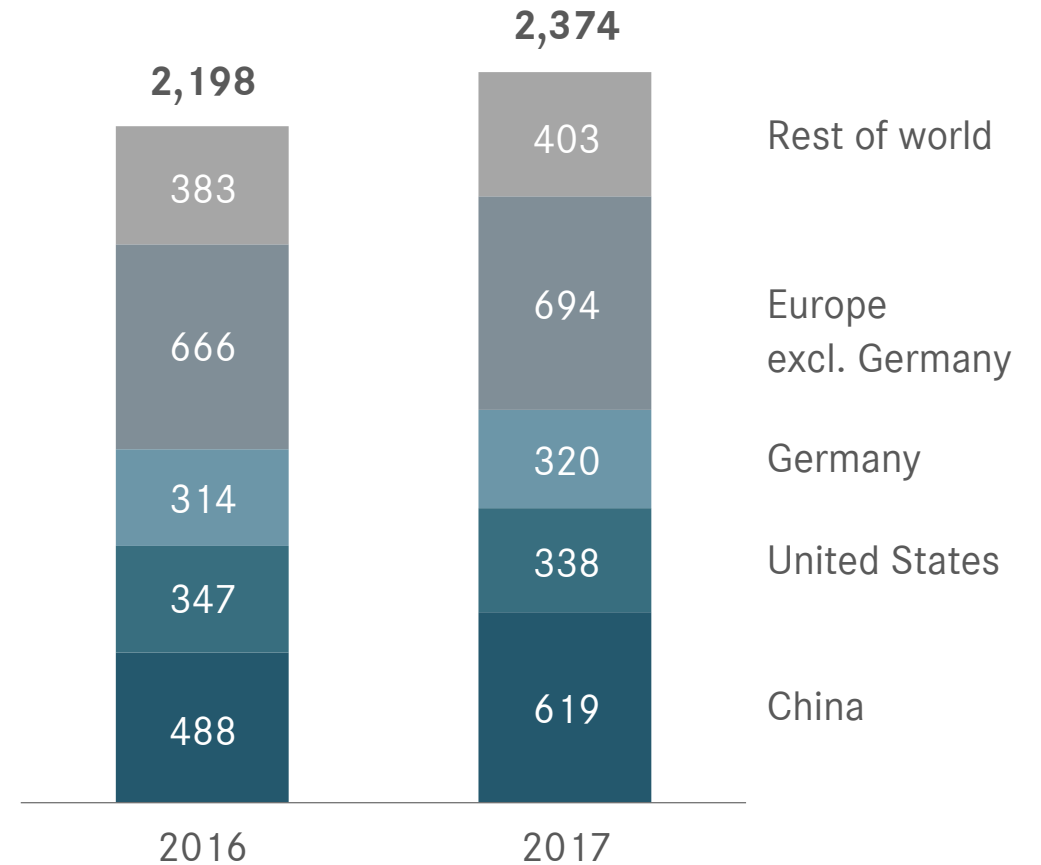




# Mercedes-Benz Cars

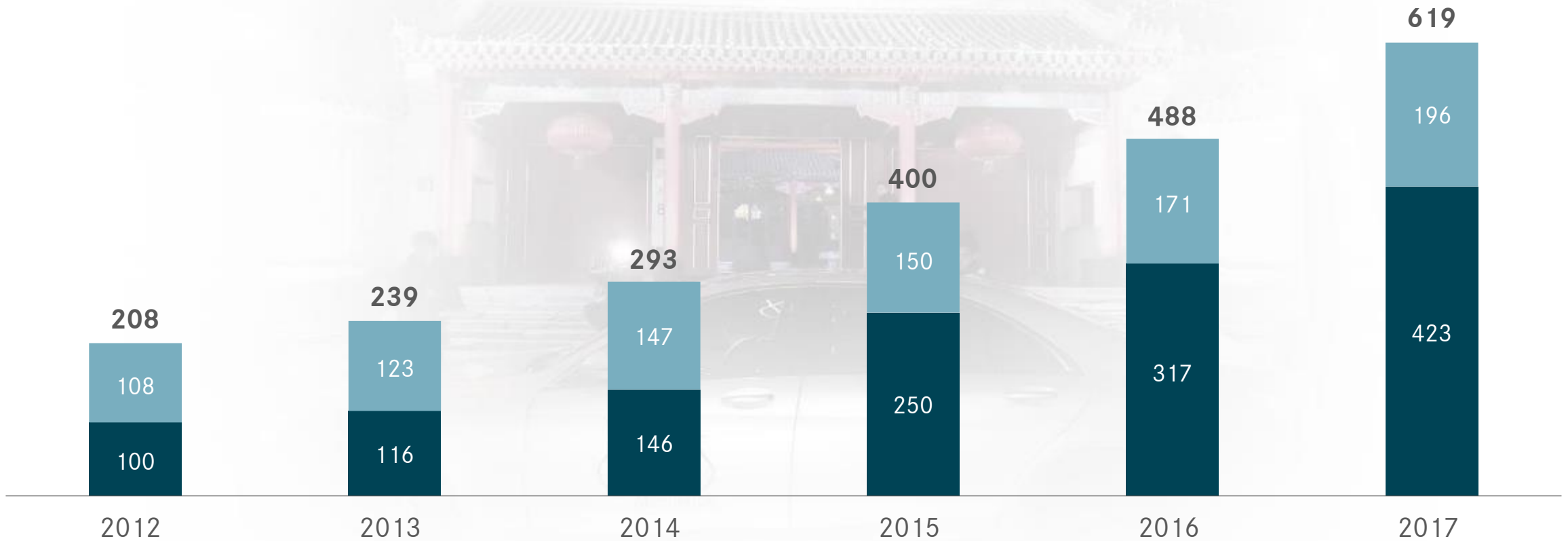
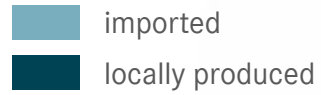
## Globally balanced sales structure

in thousand units



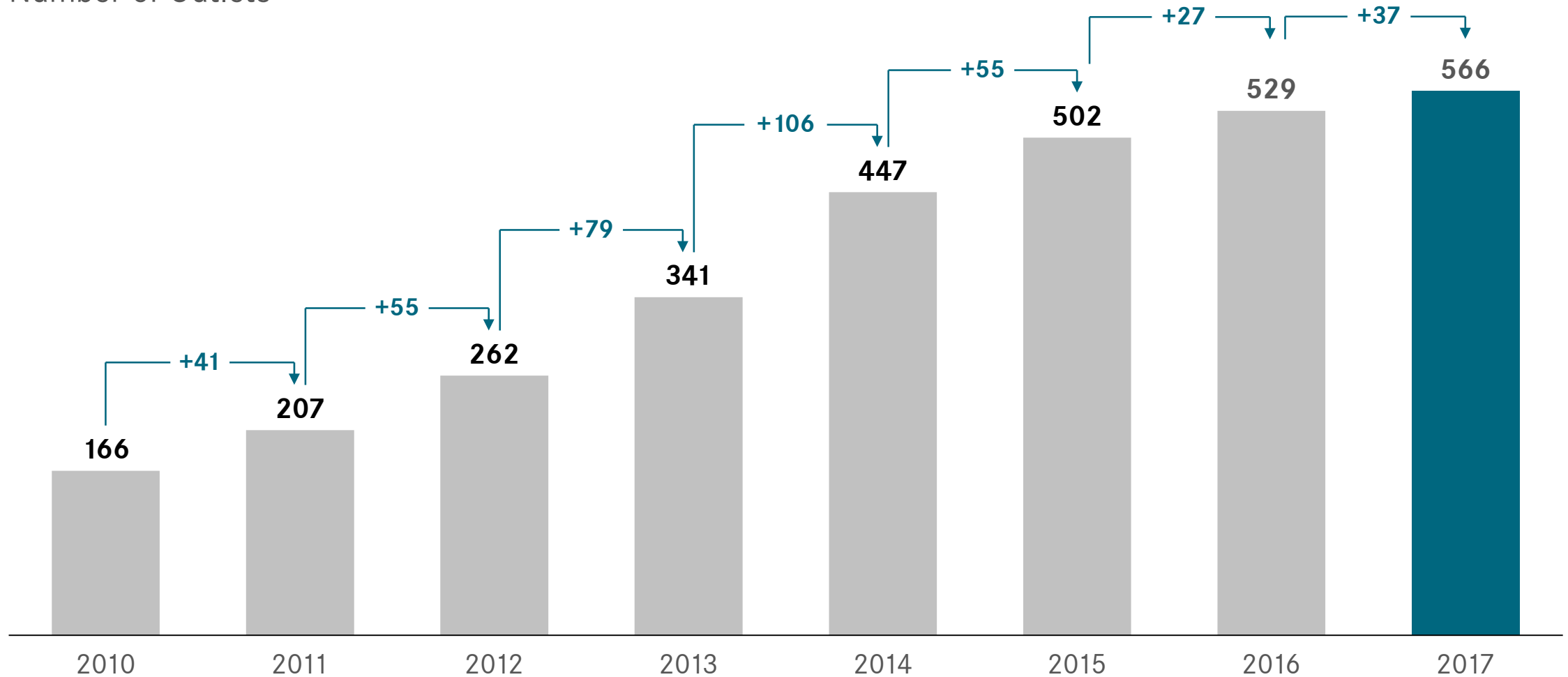
# Mercedes-Benz Cars in China: huge sales growth with higher share of locally produced vehicles

in thousand units

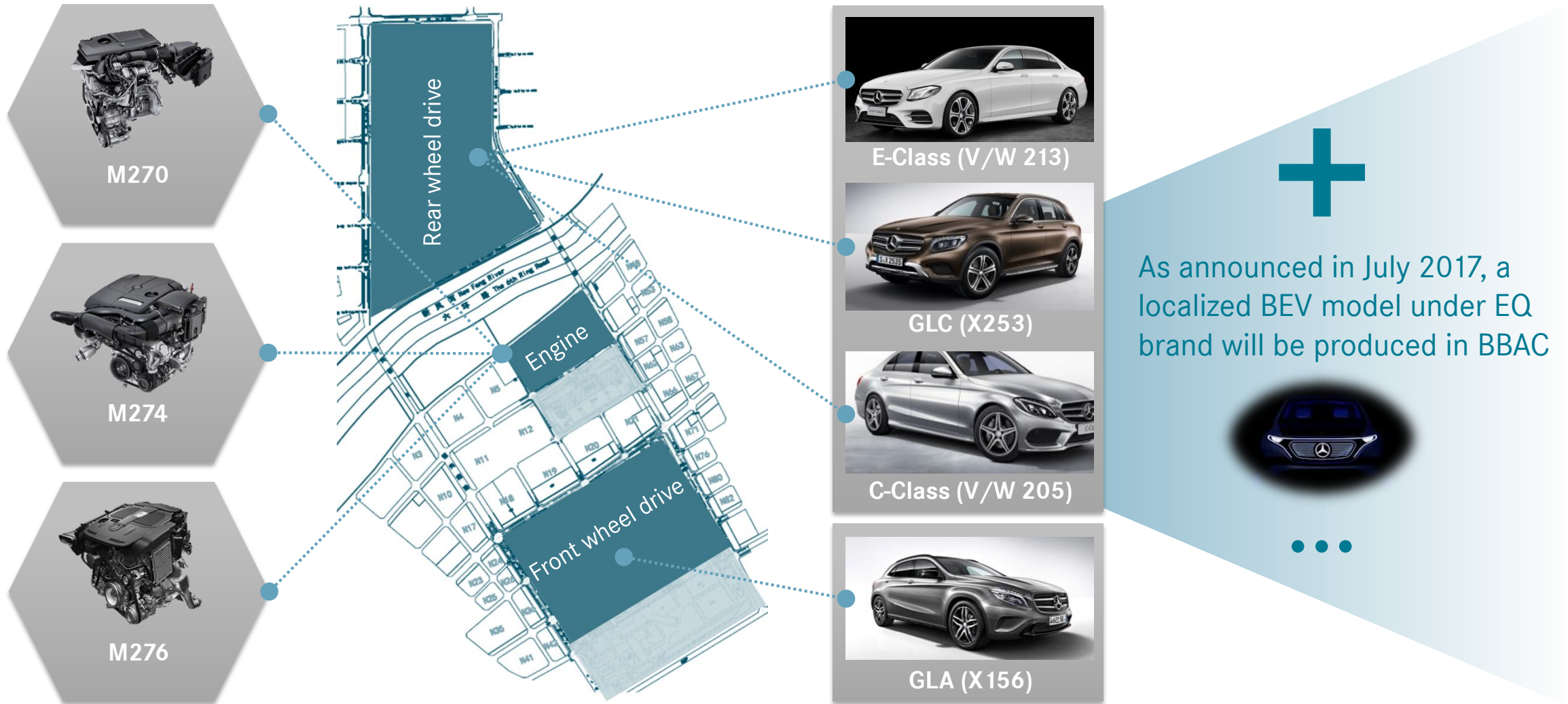


# Mercedes-Benz Network Development in China

Number of Outlets



# Made in China for China: we're producing four car models and three engine models at BBAC



# Mercedes-Benz Cars and Vans: continued product offensive



... and more to come

Cars state market introduction dates, long versions China and Mercedes-AMG not stated respectively among “more to come”

\*pre-production vehicle

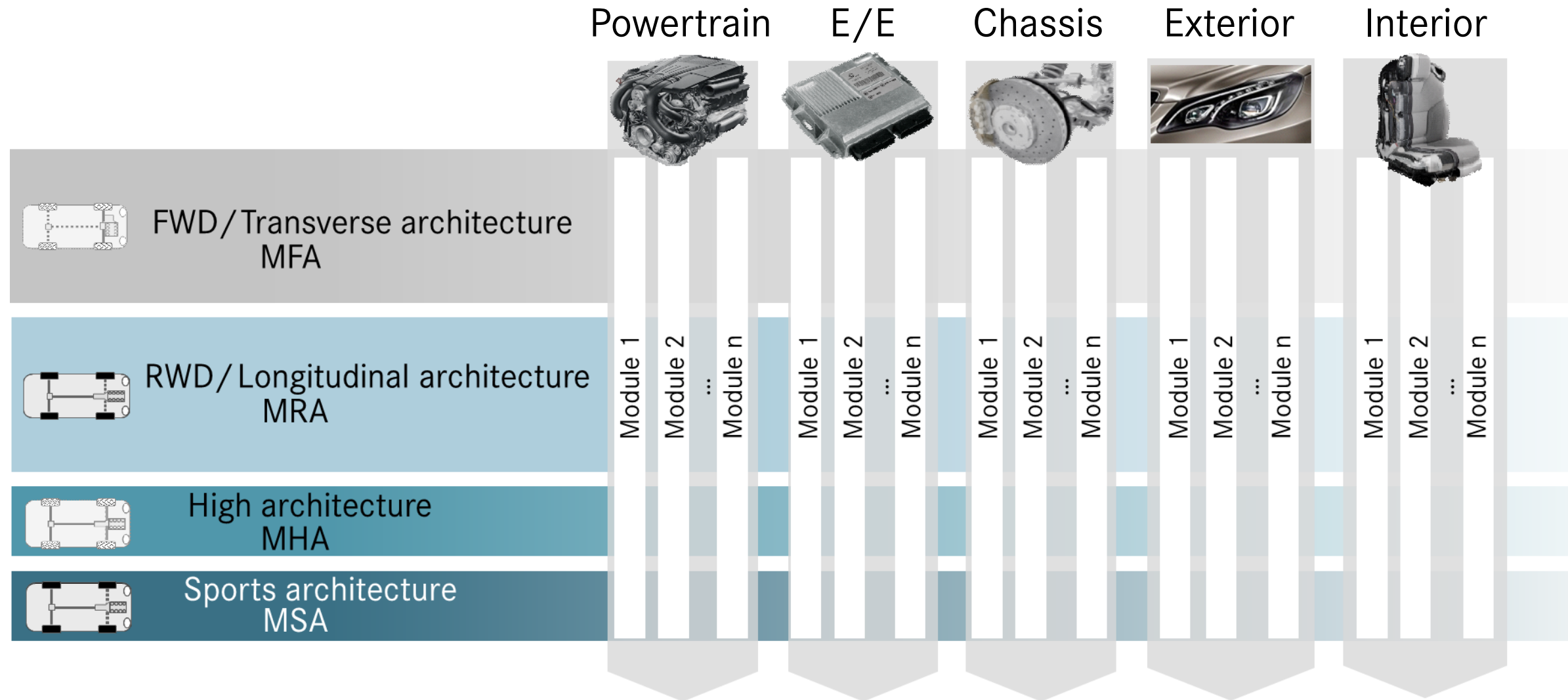
# The new Mercedes-Benz G-Class - luxury off-road vehicle and design icon



# The new Mercedes-Benz CLS - unique design combined with luxurious interior



# With vehicle architecture and modular strategy, we will be more cost efficient, faster and more flexible





# High degree of modularity of the entire drive train

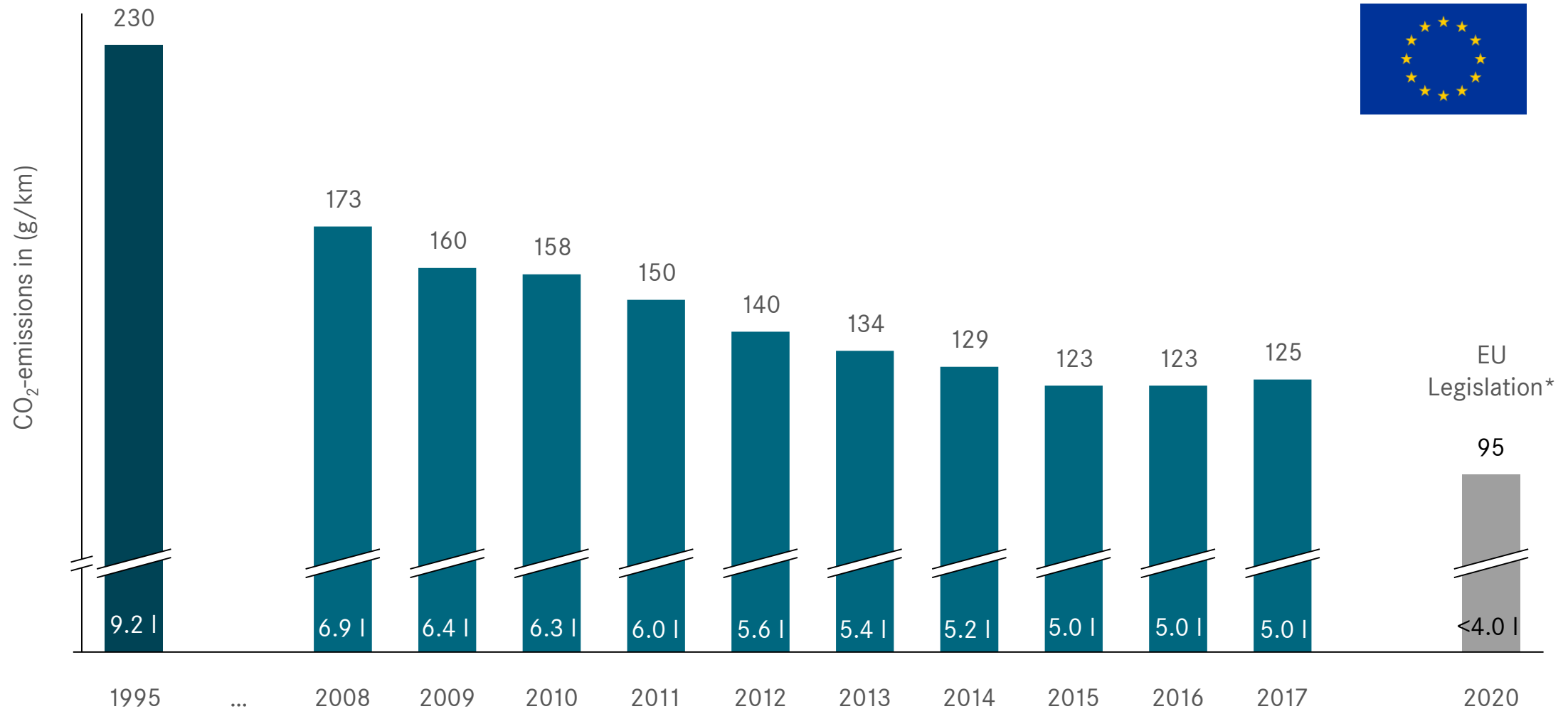


# Our roadmap for sustainable mobility



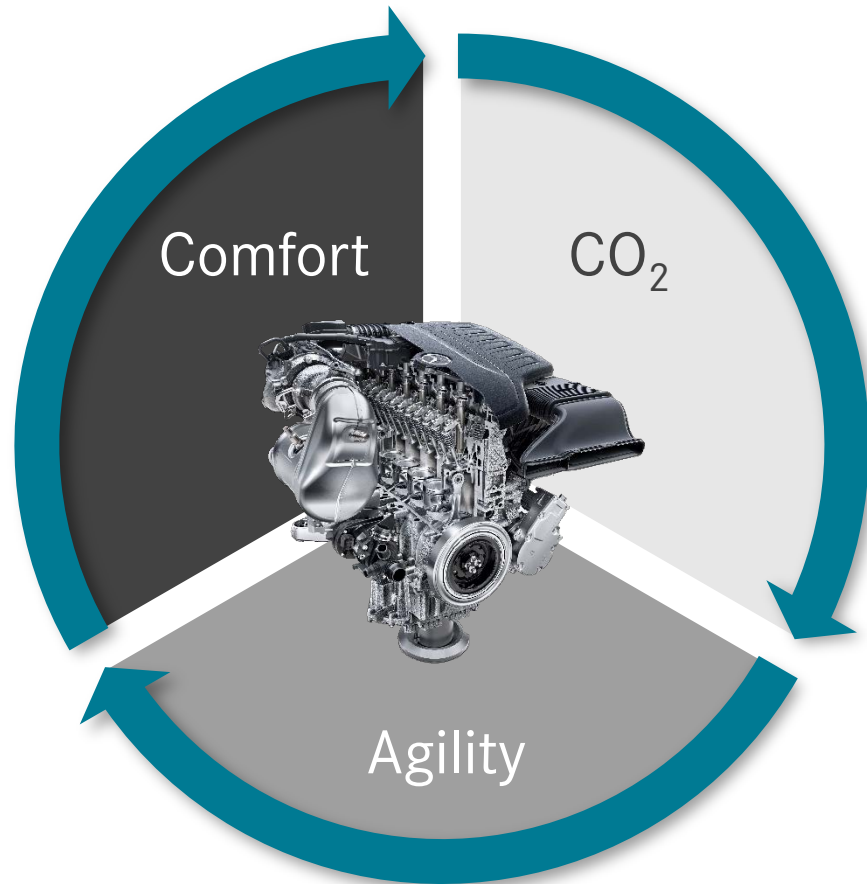
# Development of CO<sub>2</sub> emissions

Average CO<sub>2</sub>-emissions in g/km Mercedes-Benz Cars fleet in Europe



\* Target value for average weight of European fleet.

# 48 Volt electrification: Several advantages regarding CO<sub>2</sub> and comfort

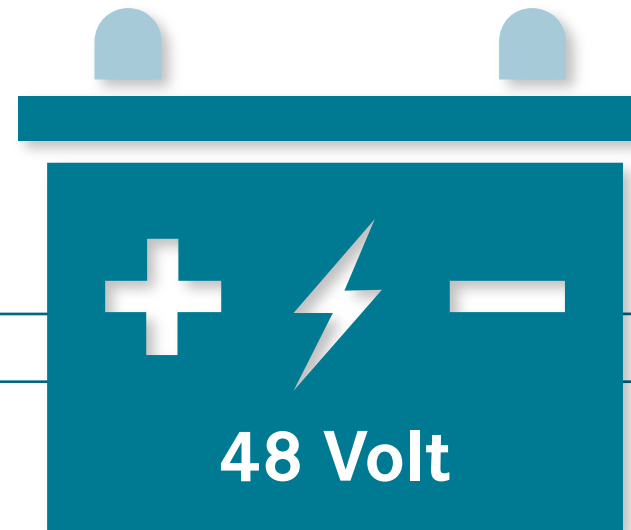


## NVH

Calm starting of autoamtic start-stop function

## Integrated starter-generator

Combined performance with CO<sub>2</sub>-reduced hybrid functions



## Turbocharger

Innovative boost concept with two-stage turbocharger and electric supercharger

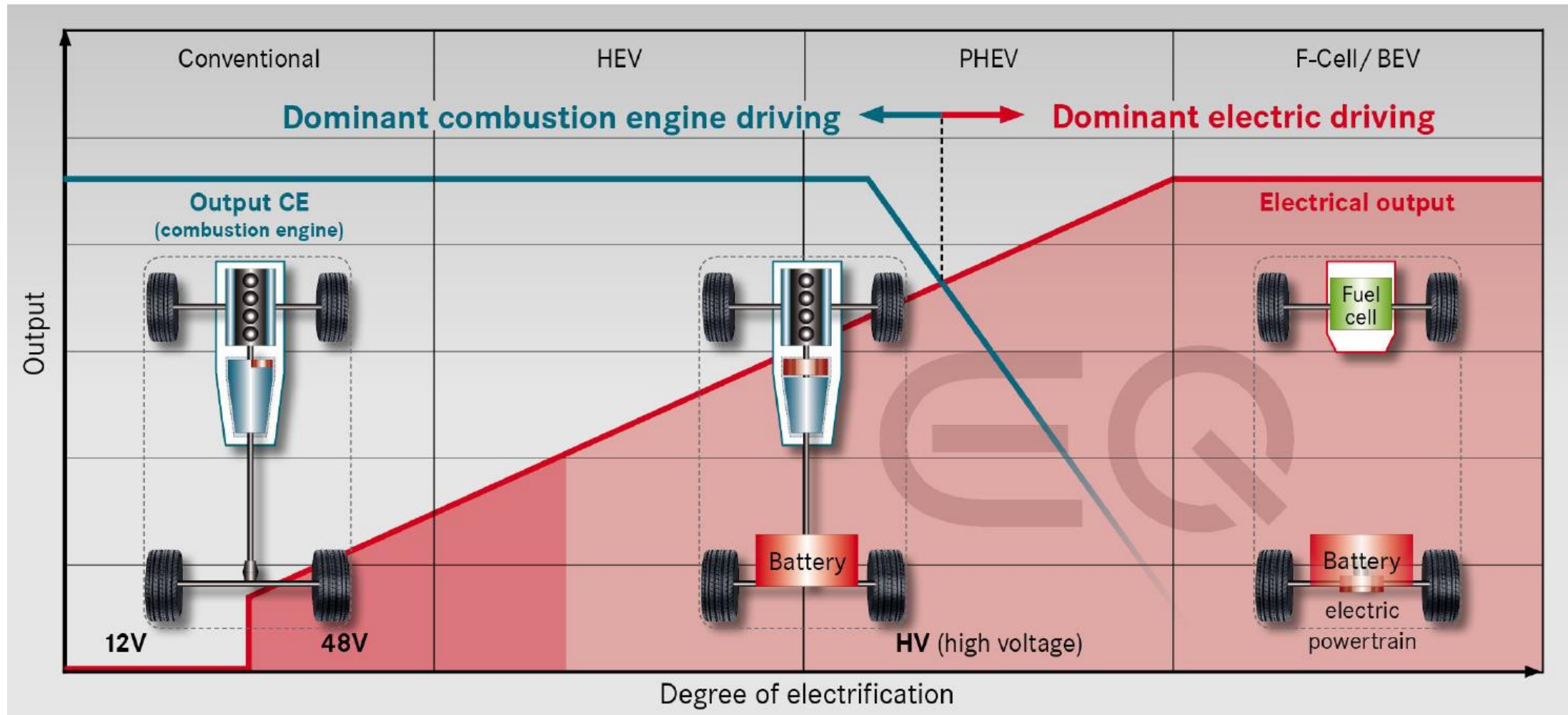
## Air conditioning

AC works without running engine

# Hybrid offensive as further step to reach CO<sub>2</sub> targets



# All-new powertrain setup guarantees flexibility with a wide range of concepts from ICE to xEV



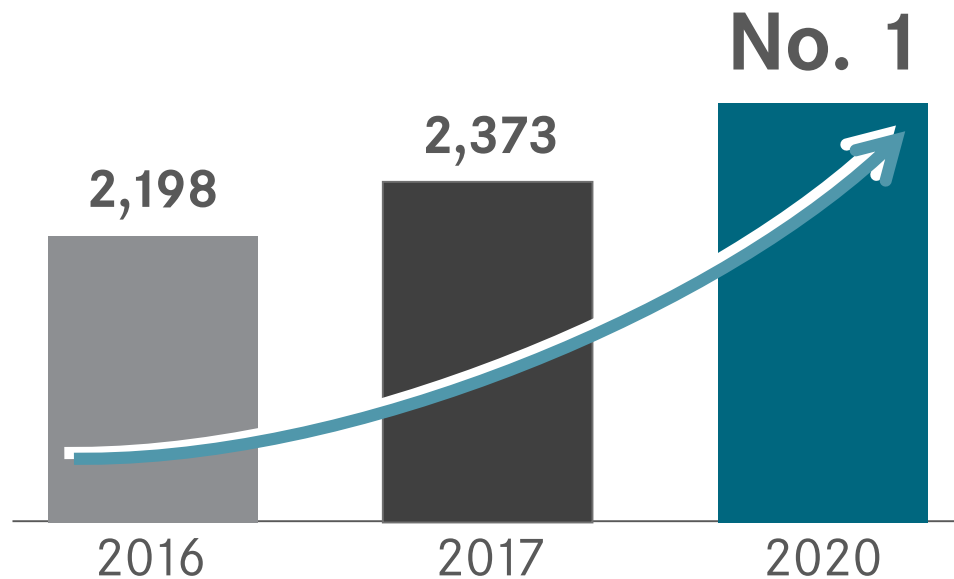
HEV = Hybrid Electric Vehicle; PHEV = Plug-in Hybrid Electric Vehicle; BEV = Battery Electric Vehicle; F-Cell = Fuel Cell Drive

# Our target: remain No.1 premium car manufacturer

achieved already in 2016!

## Sales target

In thousand units

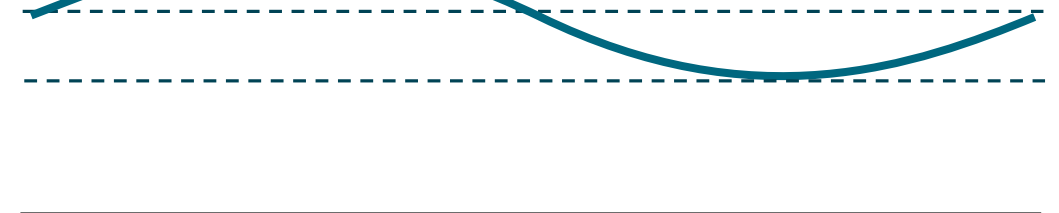


## Profitability target

Return on Sales in %

# 8-10%

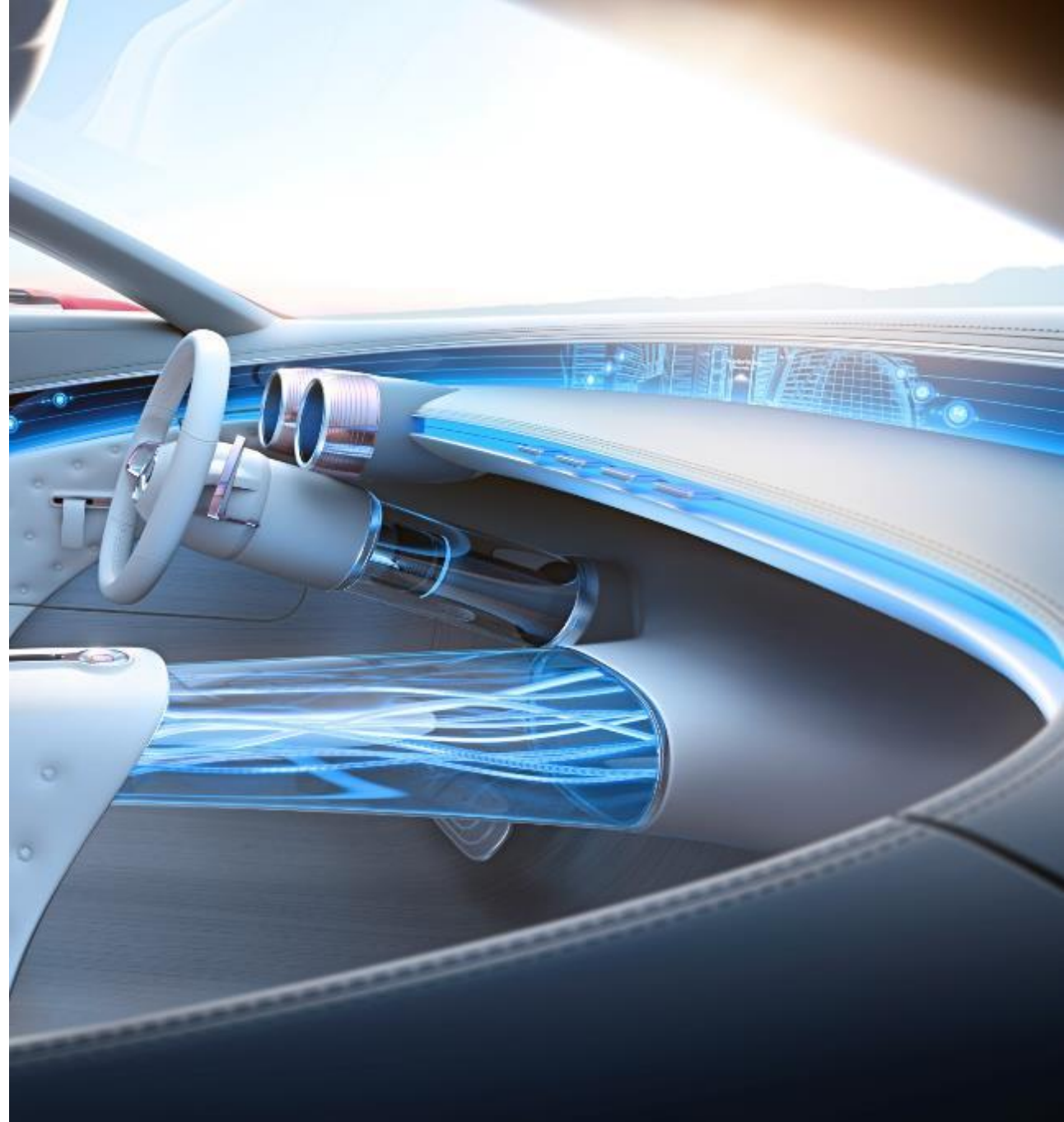
Corridor during transition phase



# Daimler Group Strategy

Mercedes-Benz Cars

CASE





CONNECTED

C



AUTONOMOUS

A



SHARED &  
SERVICES

S



ELECTRIC

E





# Revolution in the cockpit: Mercedes-Benz User Experience



Touchpads



Touchscreen

Hey  
Mercedes



Speech Control

# Development steps towards fully autonomous driving

- Currently offered by MB  
& legally permissible -

## Level 1 Driver Assistance



Single control functions such as speed selection, braking or lane keeping are automated.

Driver in charge.

## Level 2 Partial Automation



More than one control function is automated.

Driver expected to take care of all remaining aspects of the dynamic driving task.

## Level 3 Conditional Automation



Vehicle can perform the dynamic driving task in **certain modes**.

Driver expected to respond to requests to take control.

## Level 4 High Automation



Vehicle can perform the dynamic driving task in **certain modes**.

Driver **not** expected to respond to requests to take control.

## Level 5 Full Automation



Vehicle can perform the dynamic driving task in **all modes** that can also be managed by a human driver.

No driver needed.

Autonomous Driving

+ enabler for new & complementary mobility services

# The S-Class - On the way to autonomous and accident-free driving

## Car-to-X-Communication

### Active Distance Assist DISTRONIC

Route based speed adjustment  
Active Speed Limit Assist

### PRE-SAFE® PLUS

Beltbag

### ATTENTION ASSIST

PRE-SAFE®  
Sound

### Active Steering Assist

Active Lane Changing Assist  
Active Emergency Stop Assist



Active Blind Spot Assist

### Active Lane Keeping Assist

Remote  
Parking Assist

### Active Braking Assist

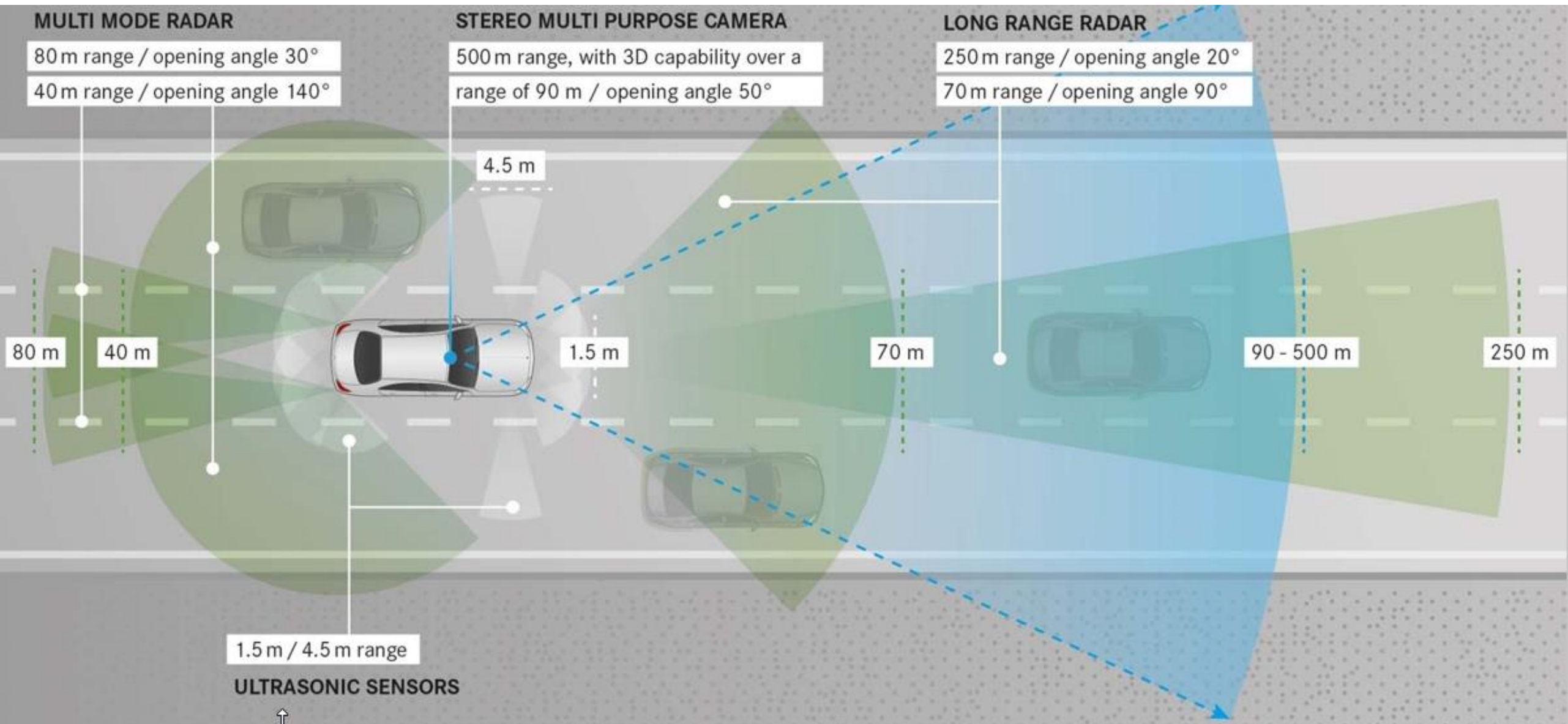
standard with Pedestrian Detection, in combination with Driver Assistance Package with Cross-Traffic Function and Congestion Emergency Braking Function

Evasive Steering Assist

### MULTIBEAM LED

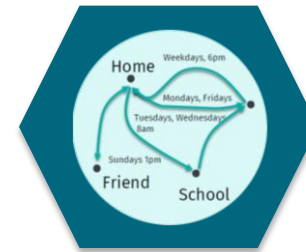
ULTRA RANGE high beam

# Sensors for Driver Assistance Package



# HD MAP for highly automated driving and HERE cooperation

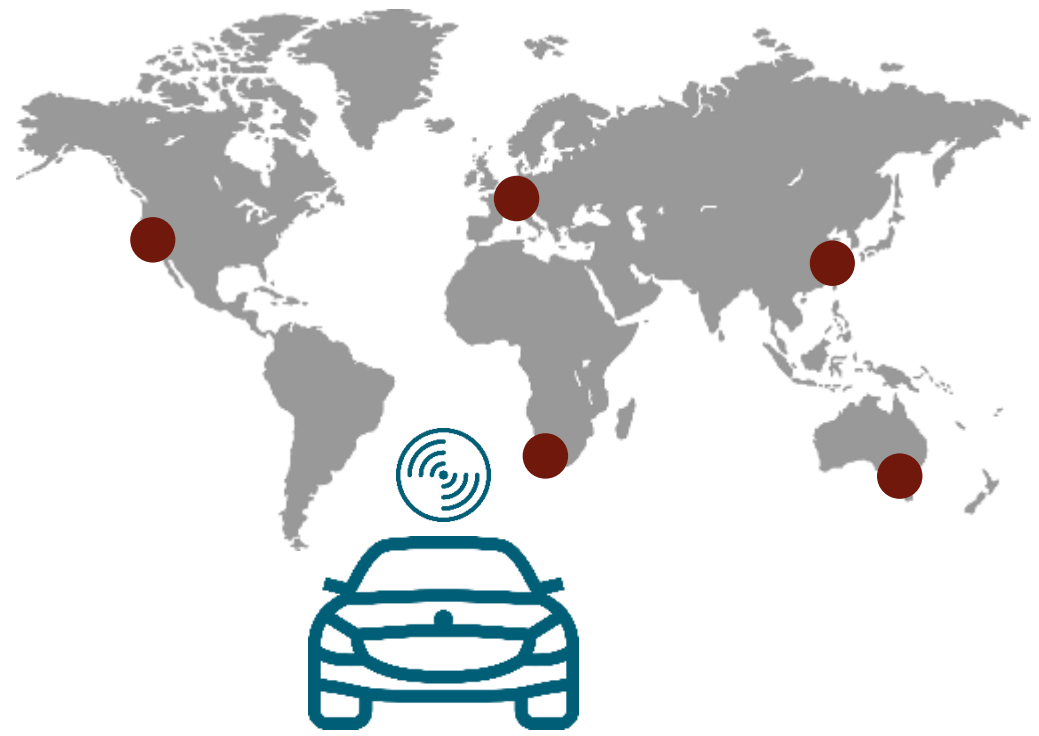
- The HD Live Map is a mandatory part for the HAD\* system for planning and positioning
- The HD Map is the only sensor that delivers context information and a long road horizon
- Close strategic cooperation with HERE for:
  - map content, format, accuracy, coverage,
  - quality assurance, maintenance and
  - update concept



\*highly automated driving

- illustrative examples -

# Intelligent World Drive: On our road to autonomy



# In the future - driver controlled and system controlled

## Driver controlled



Automated systems, which are situational activated by the driver

## System controlled

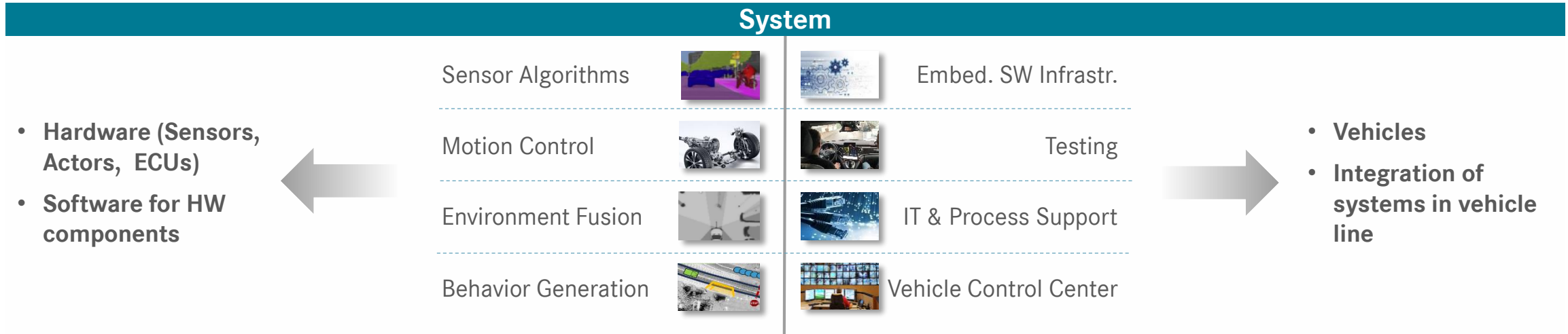


Automated systems, which drive the vehicle from the starting point to the destination



# Bundling of our forces with Bosch

**Aim: To put fully automated driving and driverless cars on the road in urban environments by early in the next decade.**



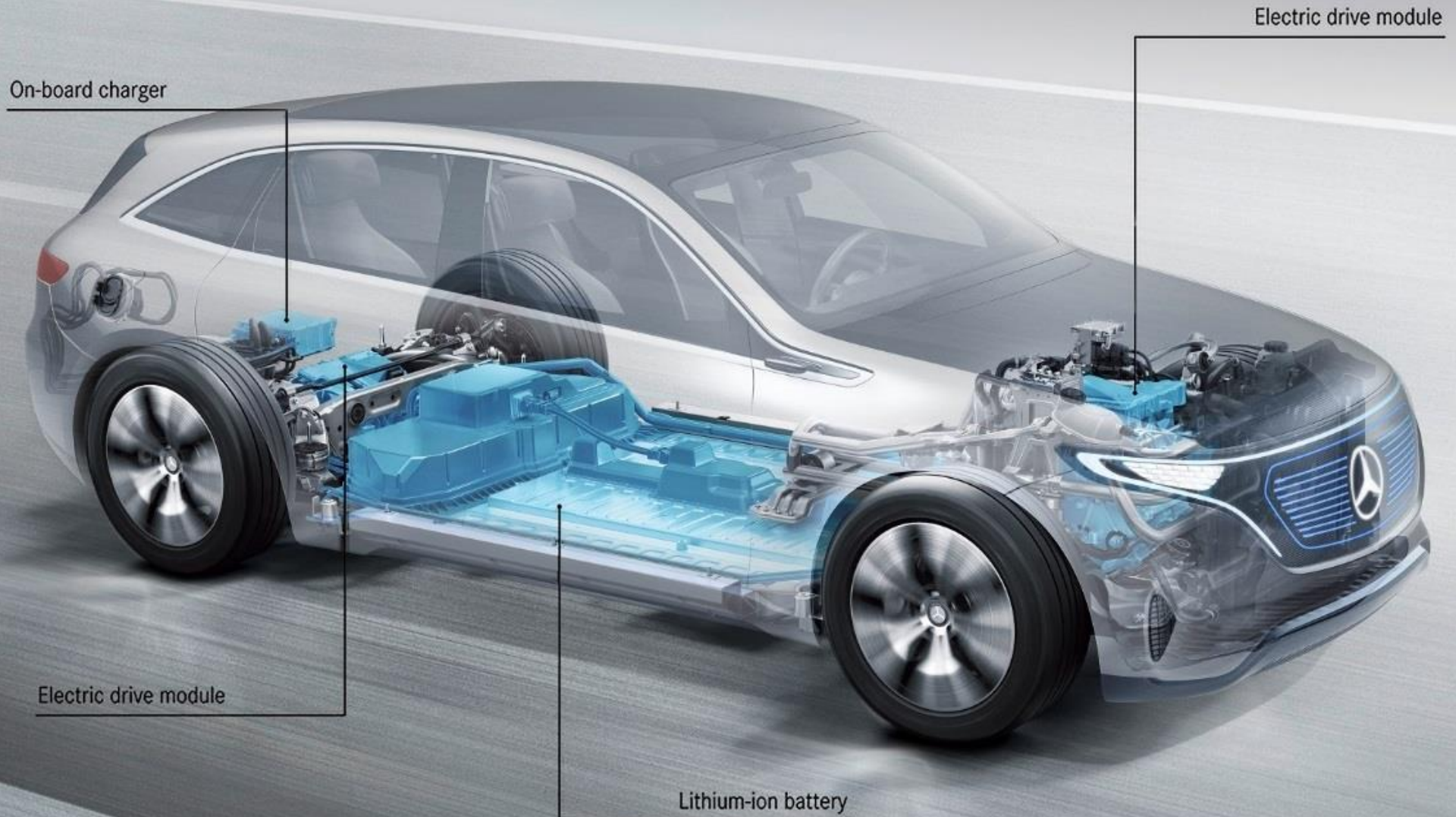
# New brand EQ – Electric mobility @Mercedes-Benz Cars



# EQ concept vehicle with battery-electric drive



# Foundation of new Mercedes-Benz electric vehicle strategy



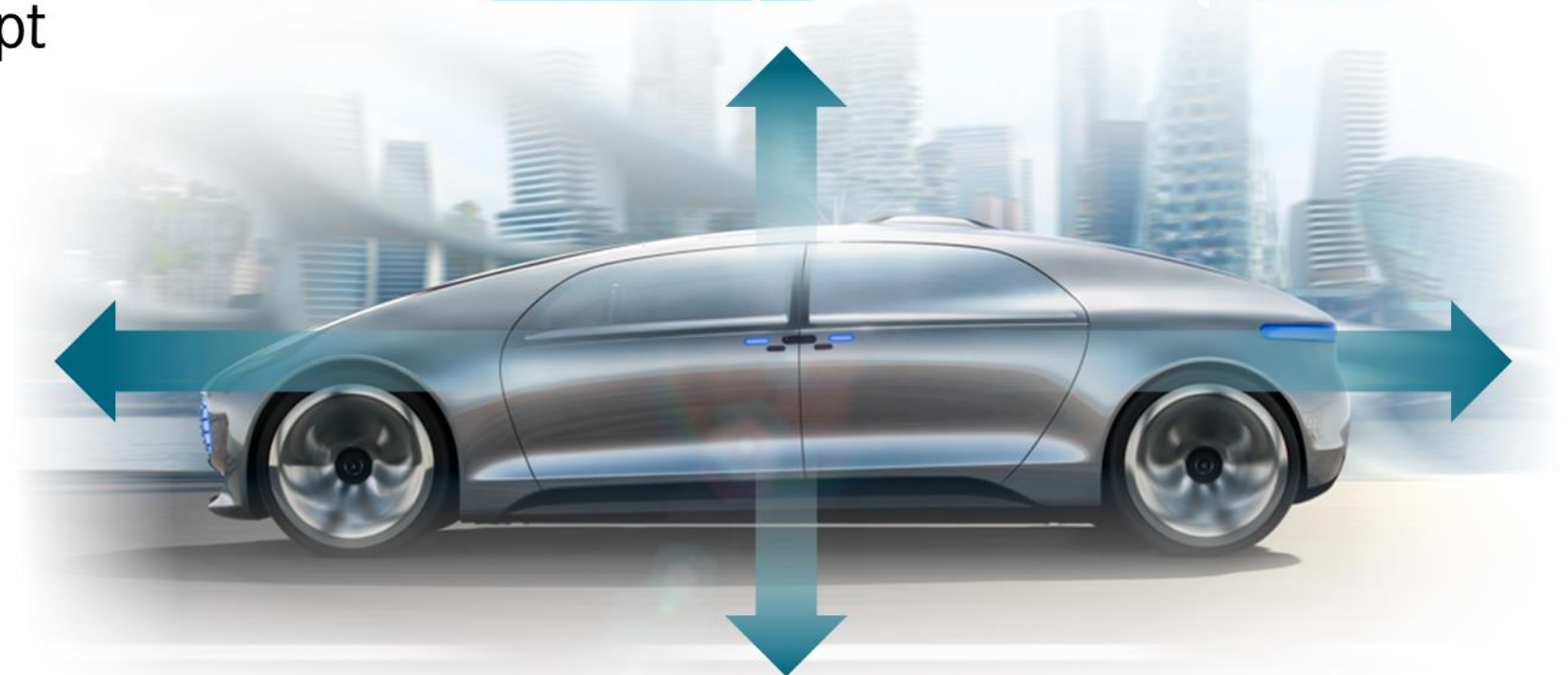
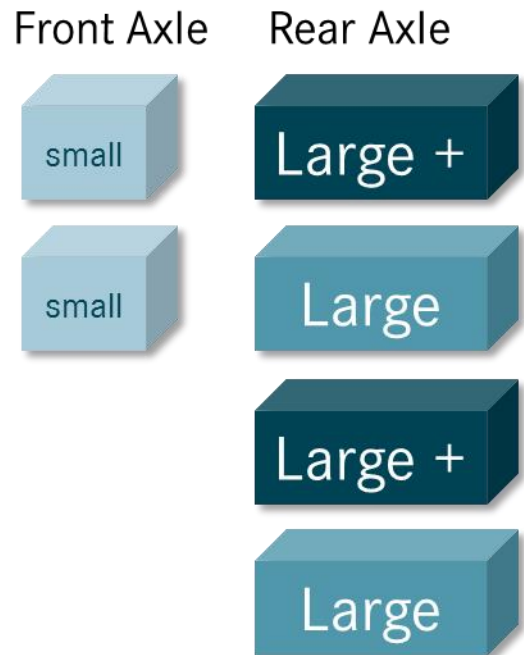
# New e-mobility platform: modular set up of drive train technologies will allow a variety of derivatives

Illustrative

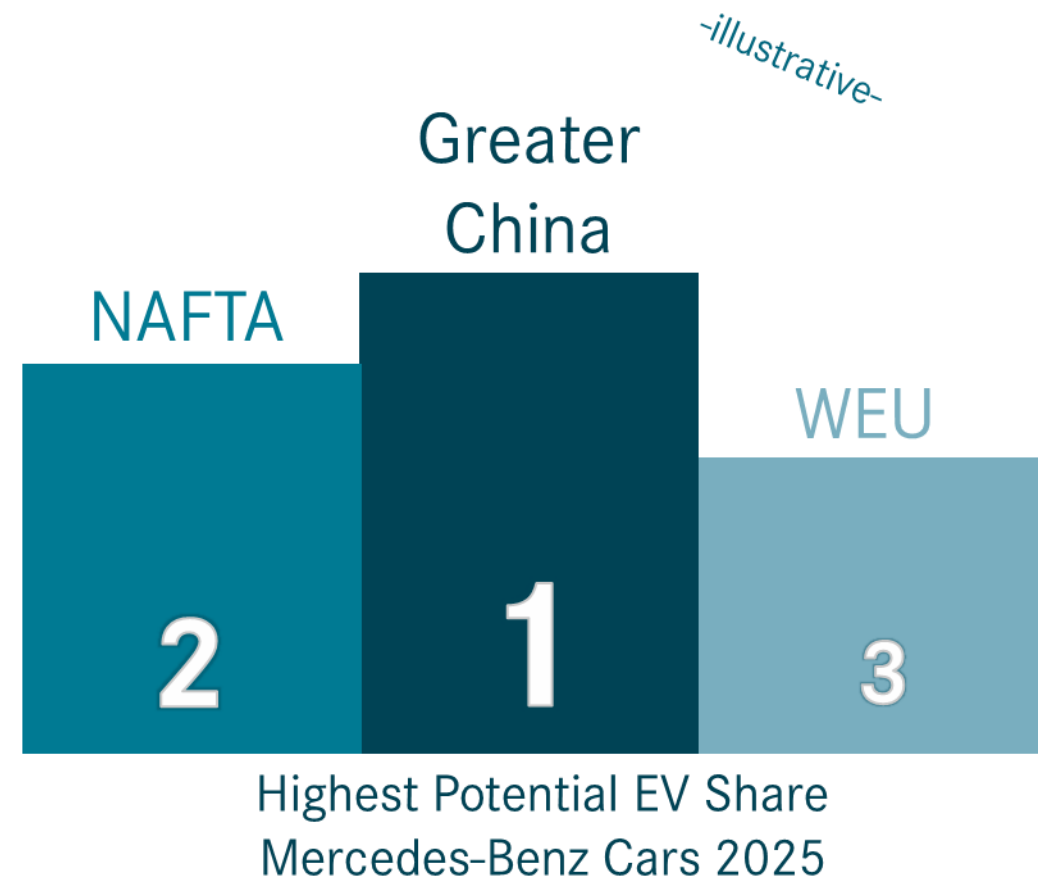
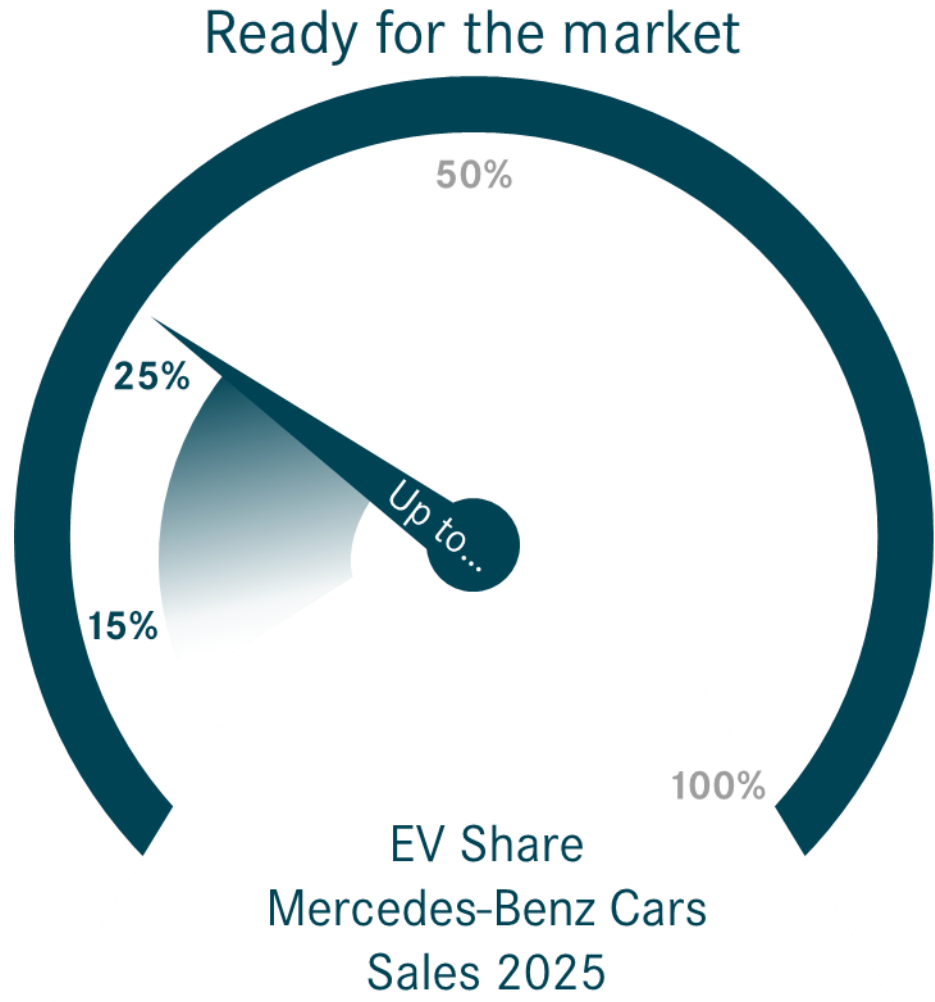
## Modular Battery Concept



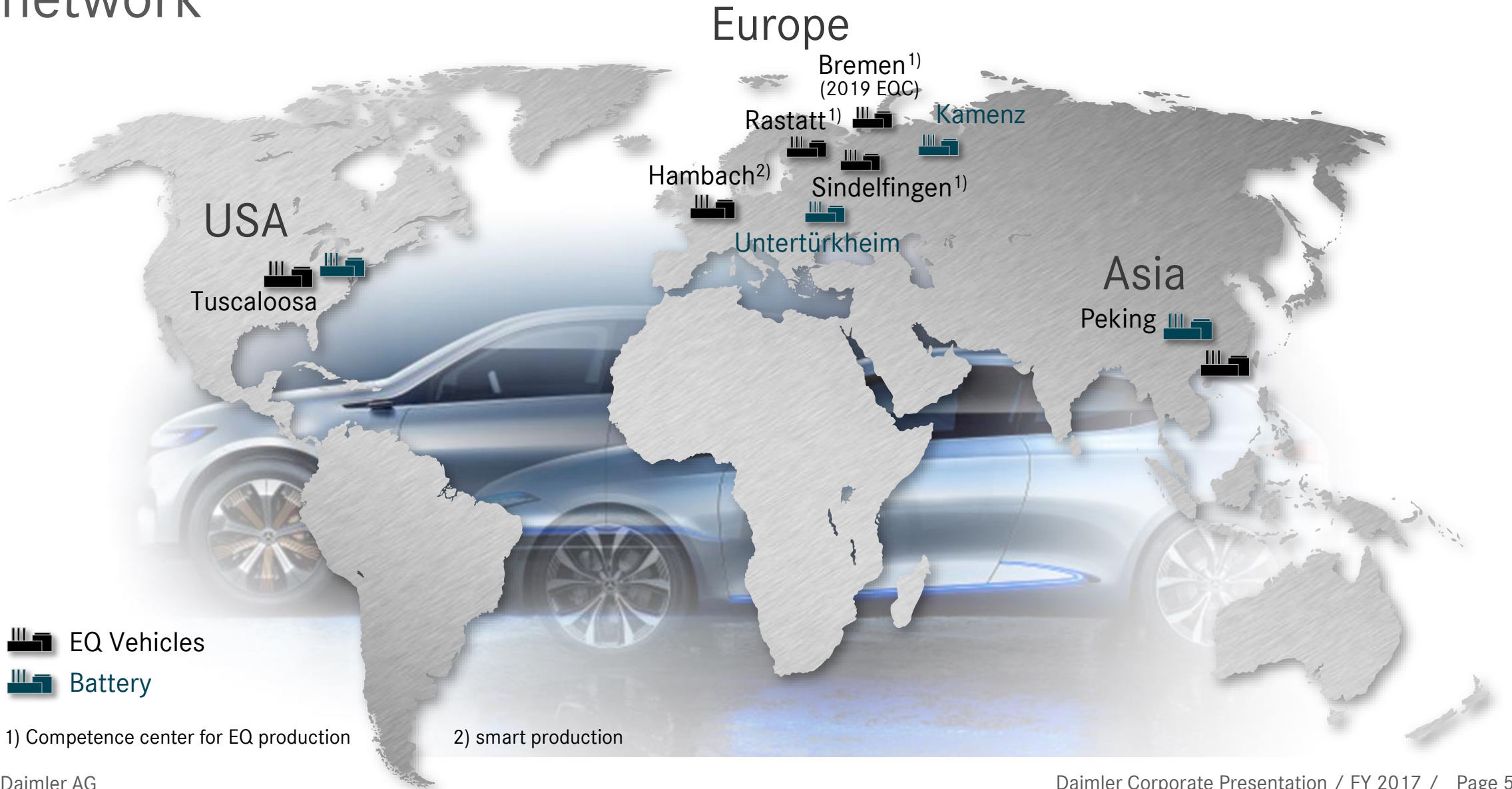
## Modular eDrive Concept



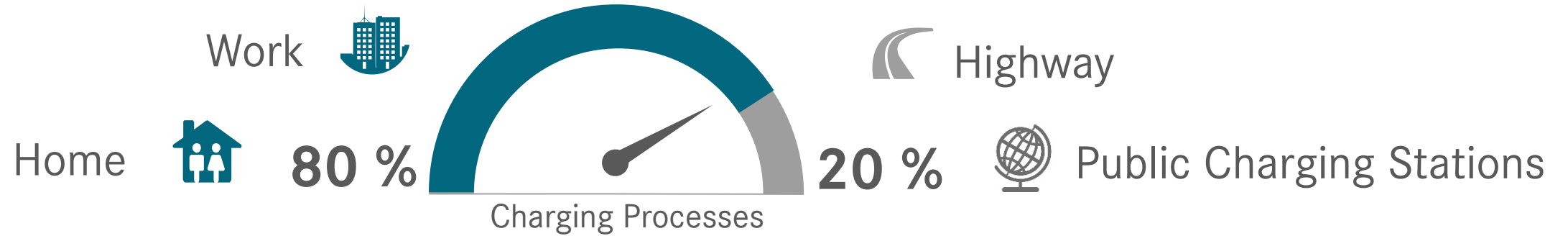
# Ambitious definition of our EV market targets



# Flexible integration of e-mobility in global production network



# Taking electric mobility further: Setup of eRoaming and loading infrastructure together with strong partners



**HUBJECT**<sup>1)</sup>



Founding shareholder of the eRoaming platform Hubject

**IONITY**<sup>2)</sup>



JV for high-power charging network for BEVs in Europe

**-chargepoint+**<sup>3)</sup>



Partnership with ChargePoint: Support of market entry in Europe



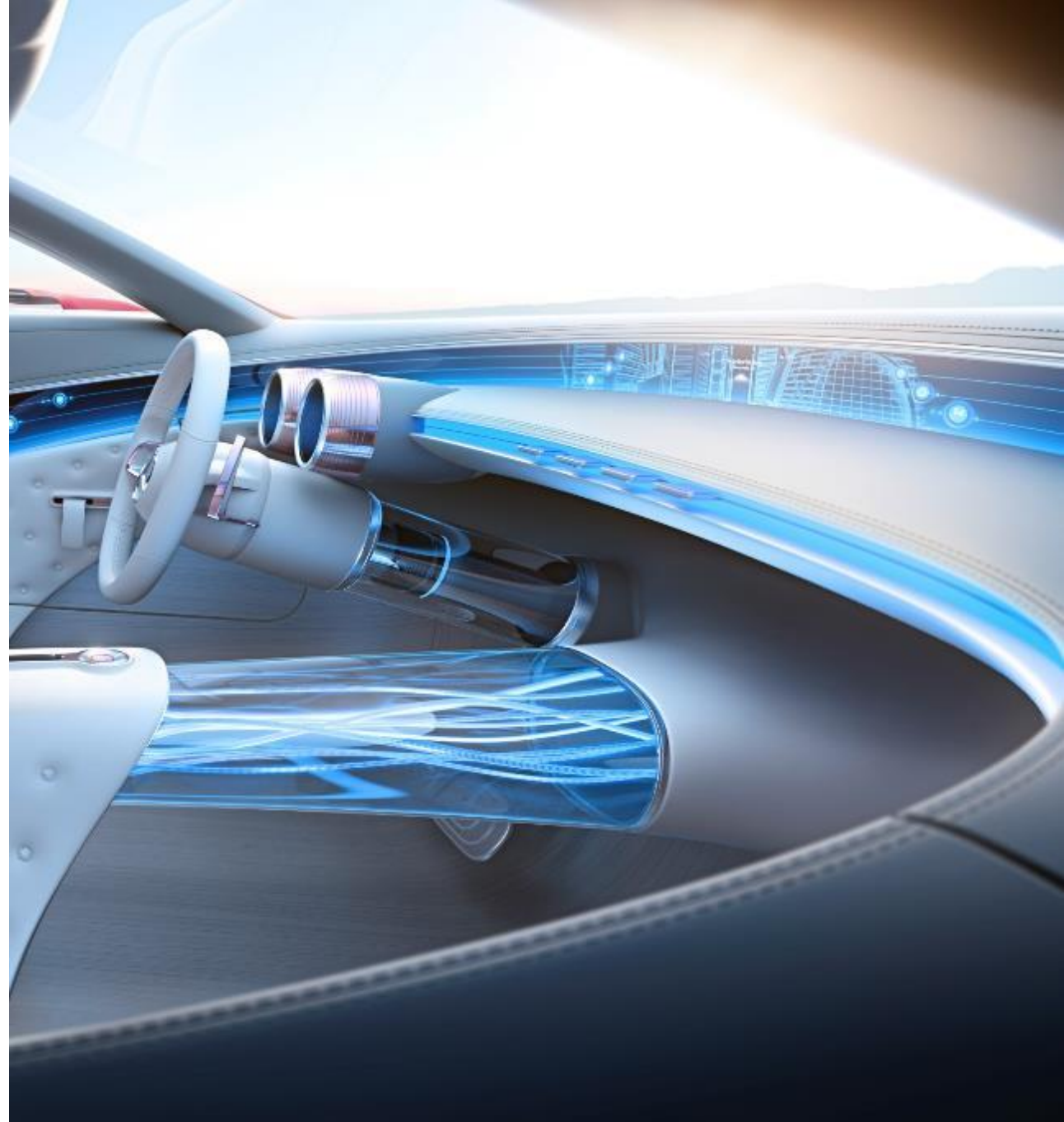
# Creating synergies for electrification across the group



# Daimler Group Strategy

Daimler Trucks

Core

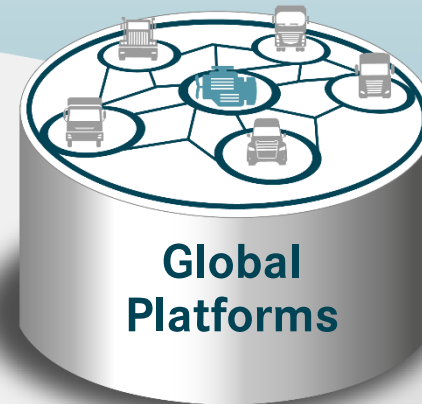


# Our strategy @ Daimler Trucks

## CUSTOMER FOCUS

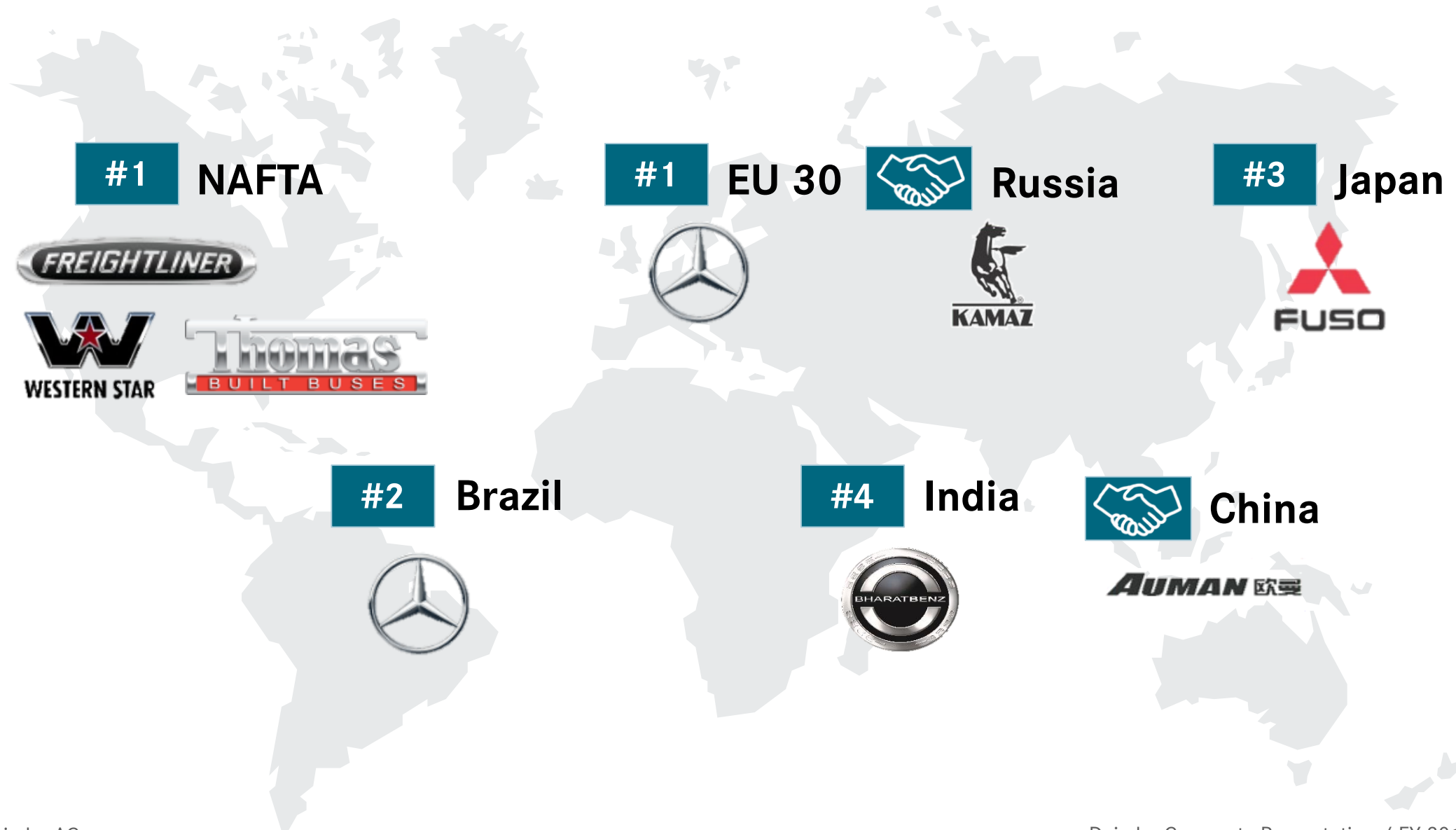


efficient & electric  
safe & automated  
connected

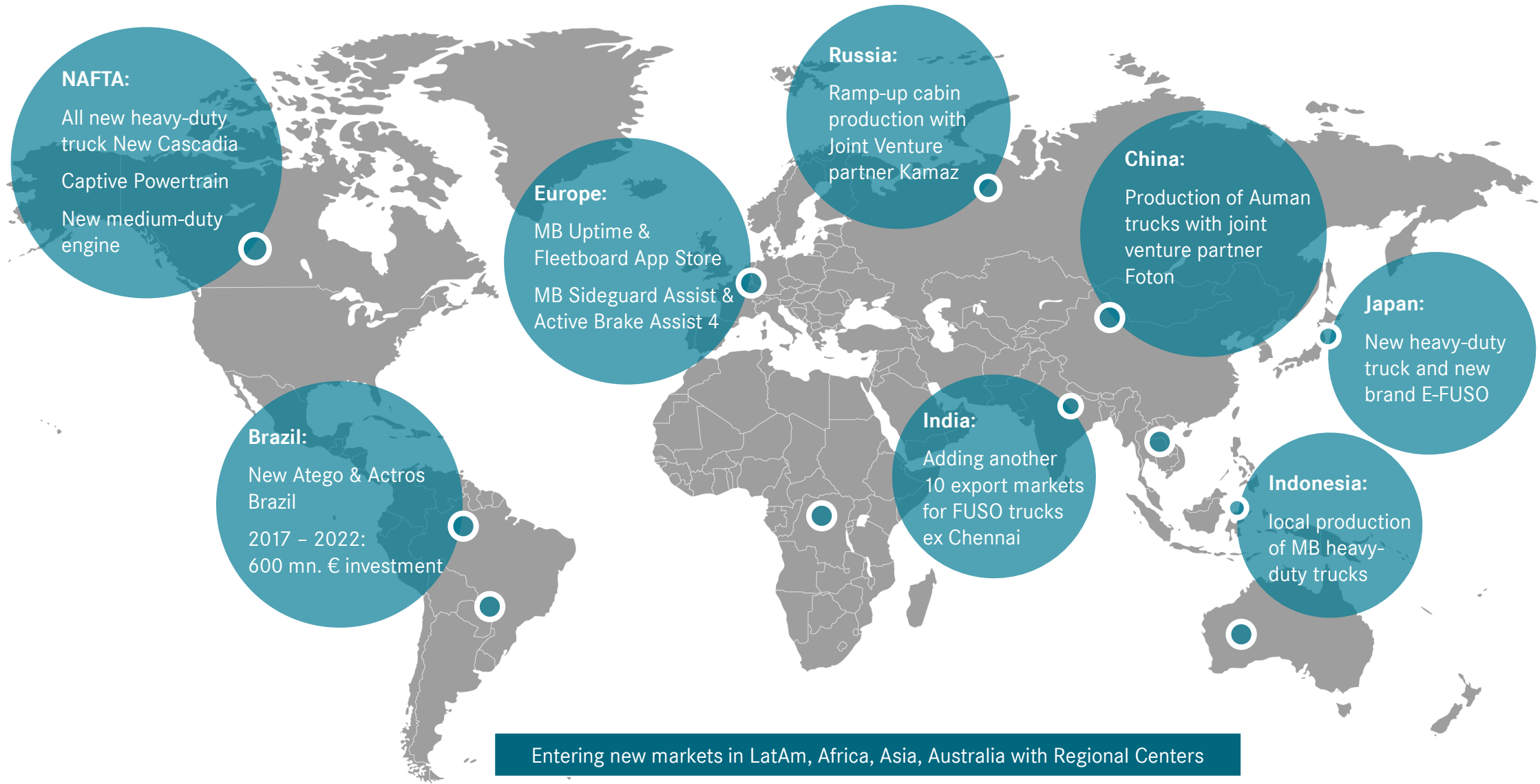


## COMPANY CULTURE

# A true global player with strong brands in all key markets



# Daimler Trucks further strengthens its global footprint



# Efficiency: improving our customers' bottom line

**Europe:** Mercedes-Benz Actros

**NAFTA:** Freightliner New Cascadia

**Japan:** FUSO Super Great



Fuel reduction **up to -15%**  
Next efficiency step **by 2018**



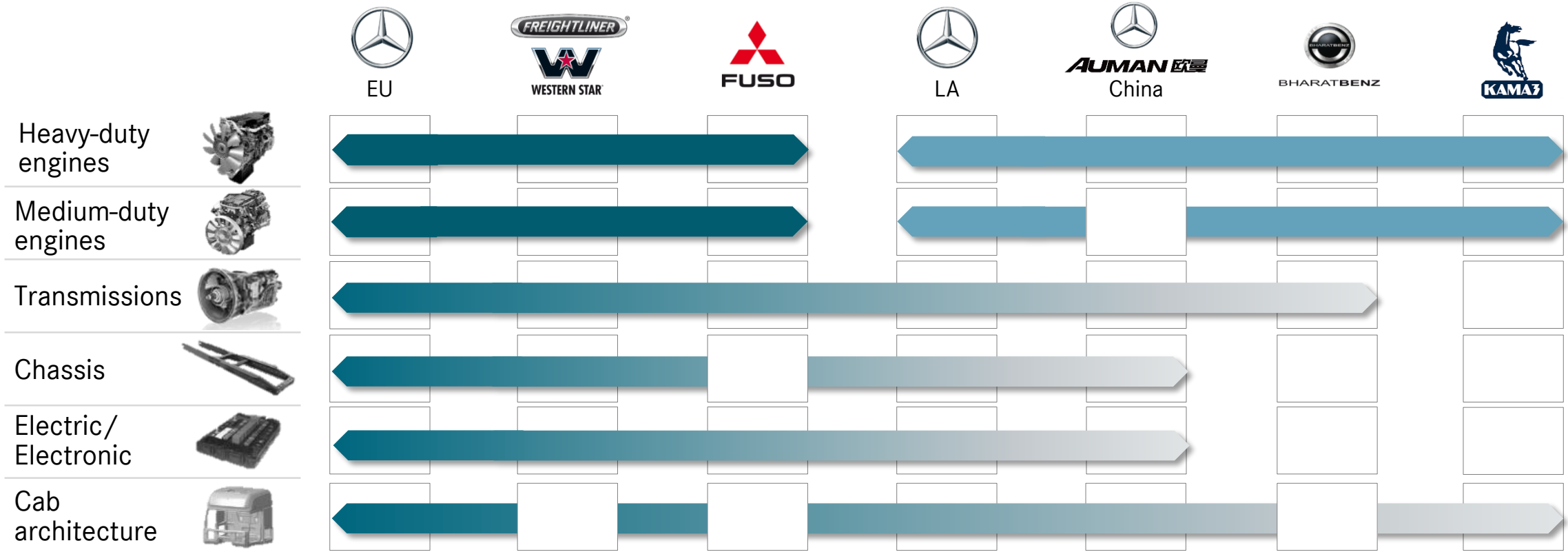
Fuel reduction **up to -8%**  
Next efficiency step **by 2019**



Fuel reduction **up to -15%**  
Complete efficiency **makeover**

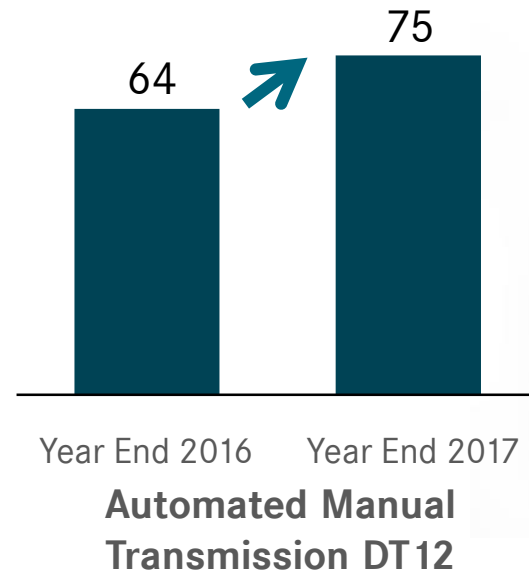
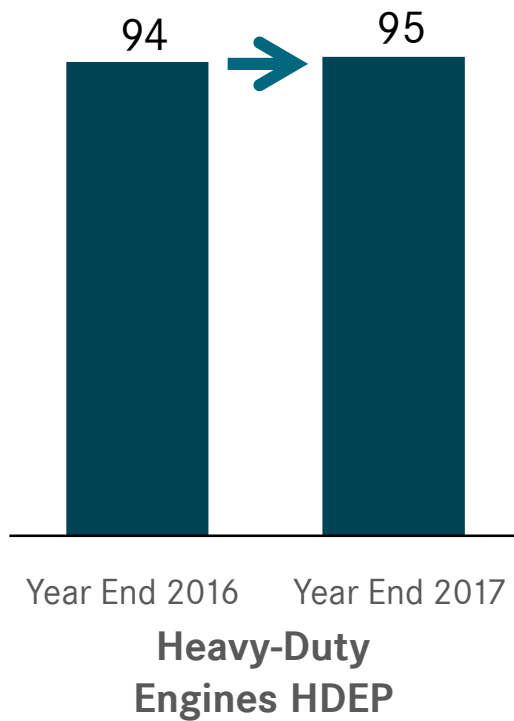
Fuel reductions compared to previous model

# Intelligent Platform Management: leveraging our global scale in technology & cost



# Captive component strategy to strengthen market leadership in NAFTA

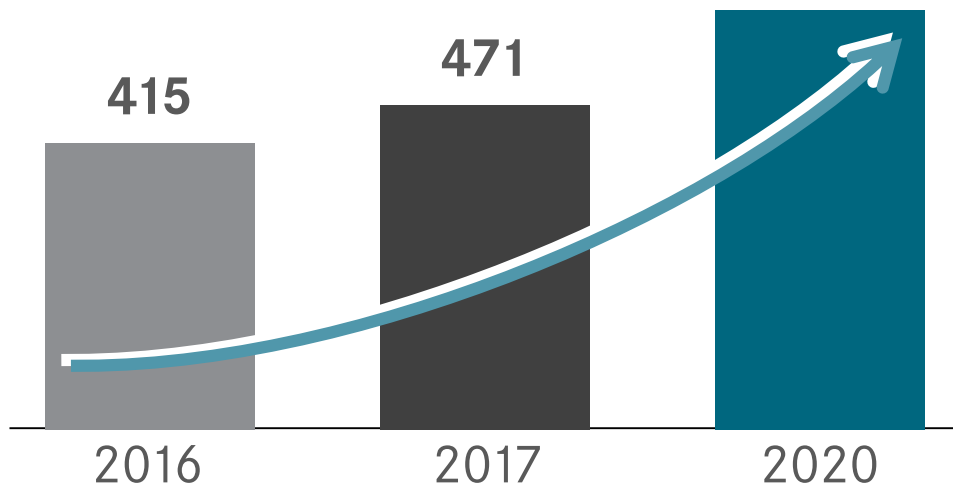
Penetration rate integrated powertrain in %



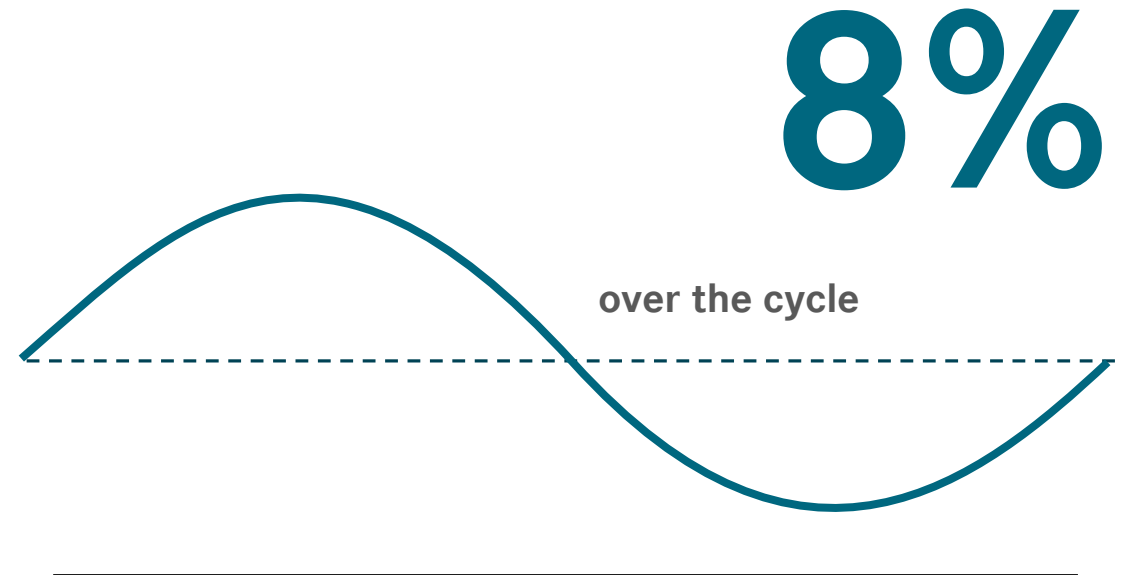


# Sticking to our target: leader in the truck industry

**Sales target**  
In thousand units



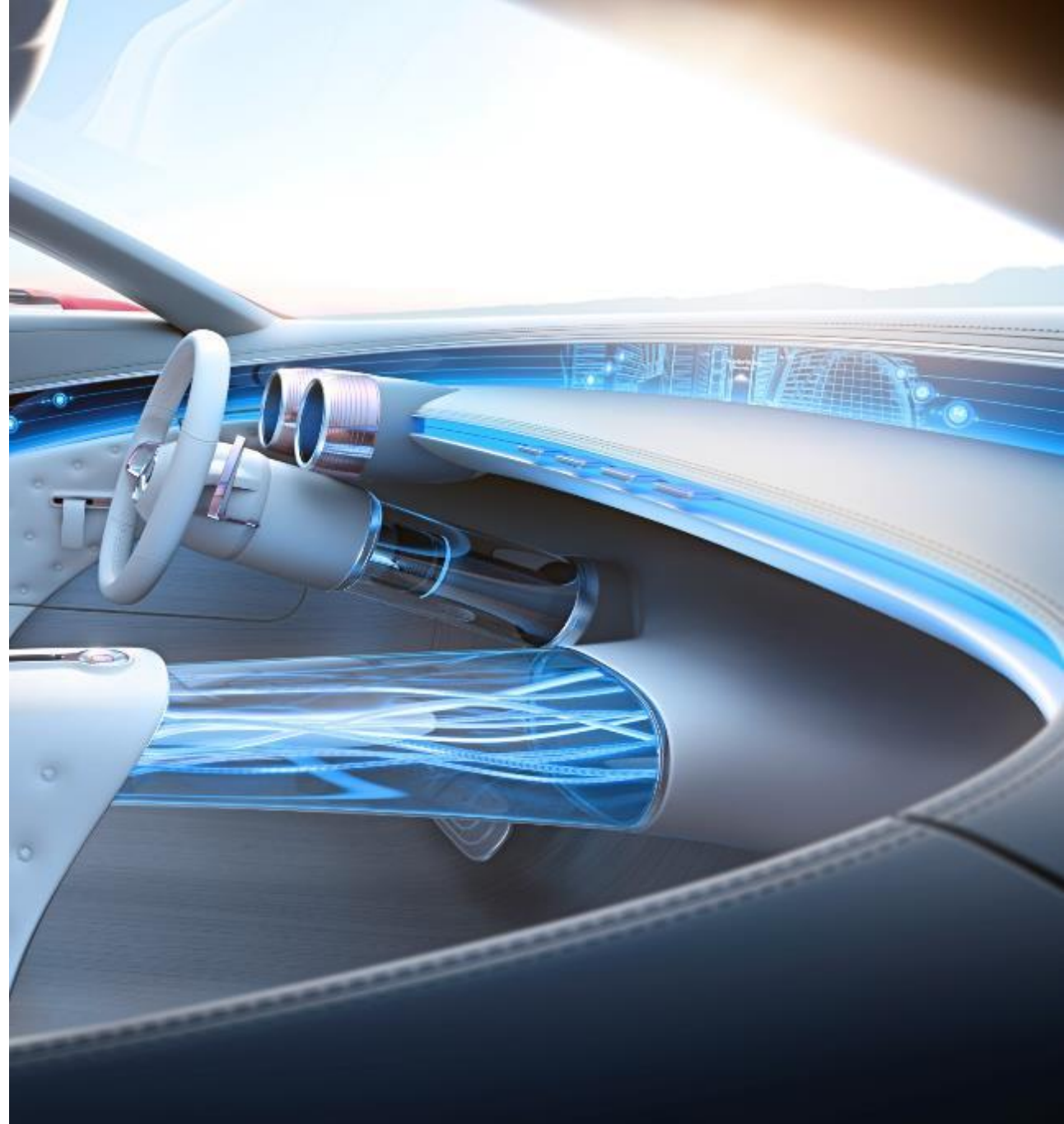
**Profitability target**  
Return on Sales in %



# Daimler Group Strategy

Daimler Trucks

CASE



# Daimler trucks are online in every region

with the Mercedes-Benz Actros, Freightliner New Cascadia and FUSO Super Great



# Connectivity: boosting logistics performance

## Mercedes-Benz Uptime



**Improves uptime by analyzing real-time data**

Detects potential breakdown situations

Organizes “pit-stop” in case of emergency

Optimizes regular workshop stops

## Fleetboard Store



**„One-stop-shop“ for apps on transport & logistics**  
Open to **all industry partners**

# Connectivity: boosting logistics performance

## Detroit Connect Analytics



**Improves fuel and safety performance by**

- detecting changes in fuel consumption & recommending
- safety event reporting (hard braking, lane departures)

Analysis on **trip, vehicle and fleet basis**

## Detroit Connect Remote Updates



**“Flash Over the Air”** service for engine, transmission & aftertreatment firmware

**Remote access** on the truck (max vehicle speed, idle shut down) from customer office

# Safety: semi-autonomous trucks customer-ready by 2020

## Highway Pilot

**Proof of concept** 2014

**Serial tests** in 9 European countries and USA,  
over 100,000km on the road

**Market introduction** by the end of 2020

### **Highway Pilot Connect:**

Proof of concept for Europe in 2015;  
checking out new opportunities in other regions



# Testing Truck Platooning in Europe, North America & Asia

 2016



 2017



 2018



# Light and heavy all-electric trucks for urban distribution



## FUSO eCanter

2017: our first all-electric,  
series-produced light-duty truck  
2019: larger scale production



## Mercedes-Benz Electric Truck

2016: world premiere  
2018: innovation fleet  
Beg. of next decade: series production



## E-FUSO Vision One

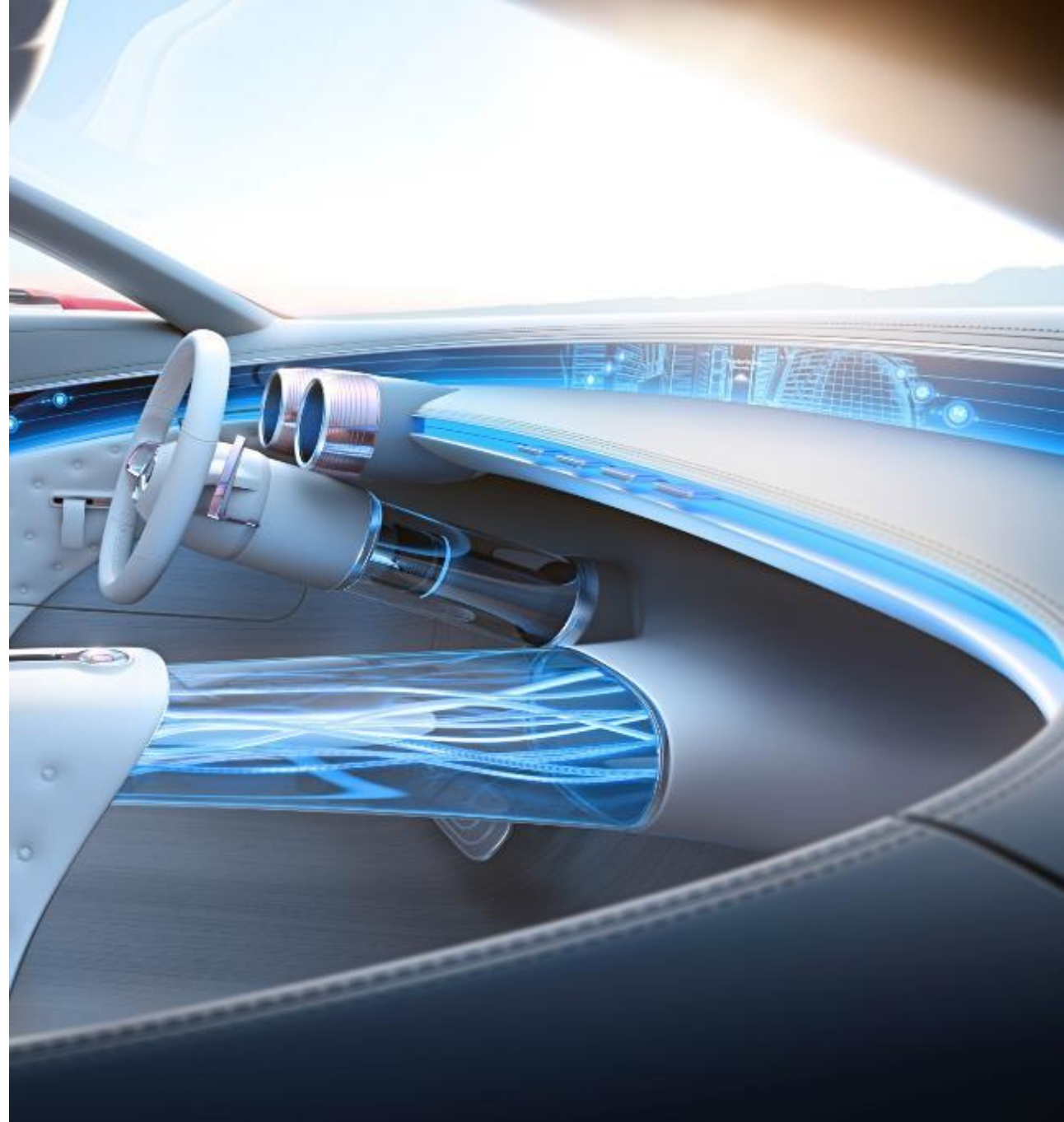
2017: world premiere  
~2021 market introduction



# Daimler Group Strategy

Mercedes-Benz Vans

Core & CASE

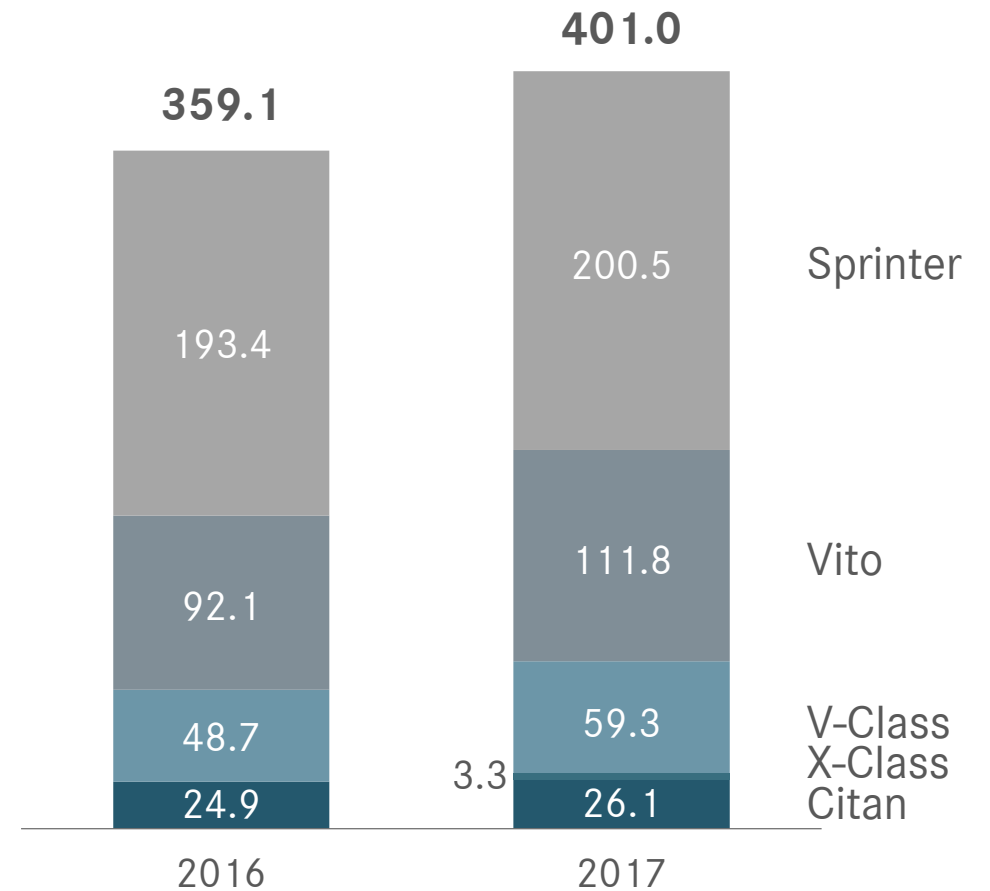




# Mercedes-Benz Vans

Sales increase by 12% due to market success of attractive product portfolio

in thousand units



# Turning the van into a data center on wheels



## The future of logistics:

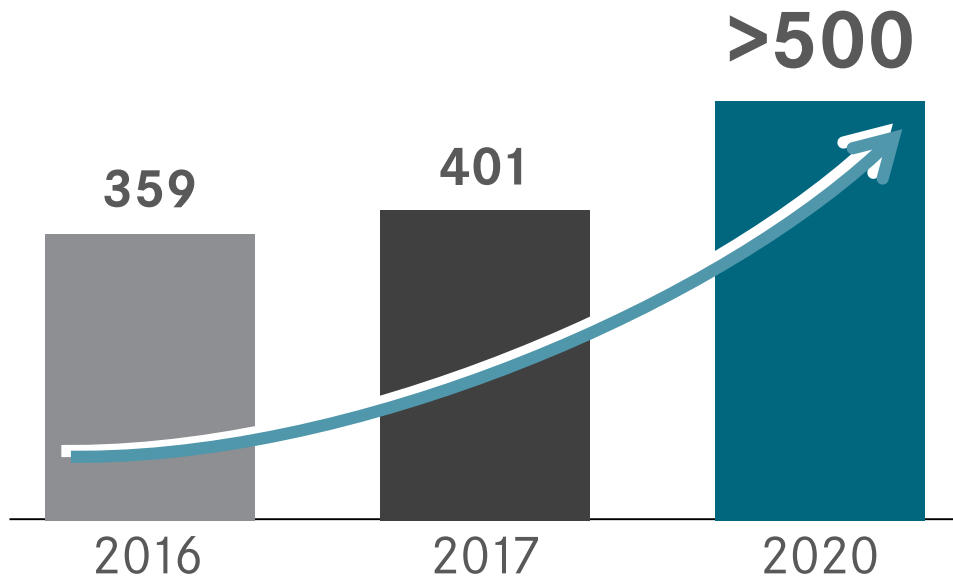
- range of up to 270km
- fully automated cargo space
- integrated drones

Mercedes-Benz  
Vision **VAN**

# Our target: Most successful company in global Van business

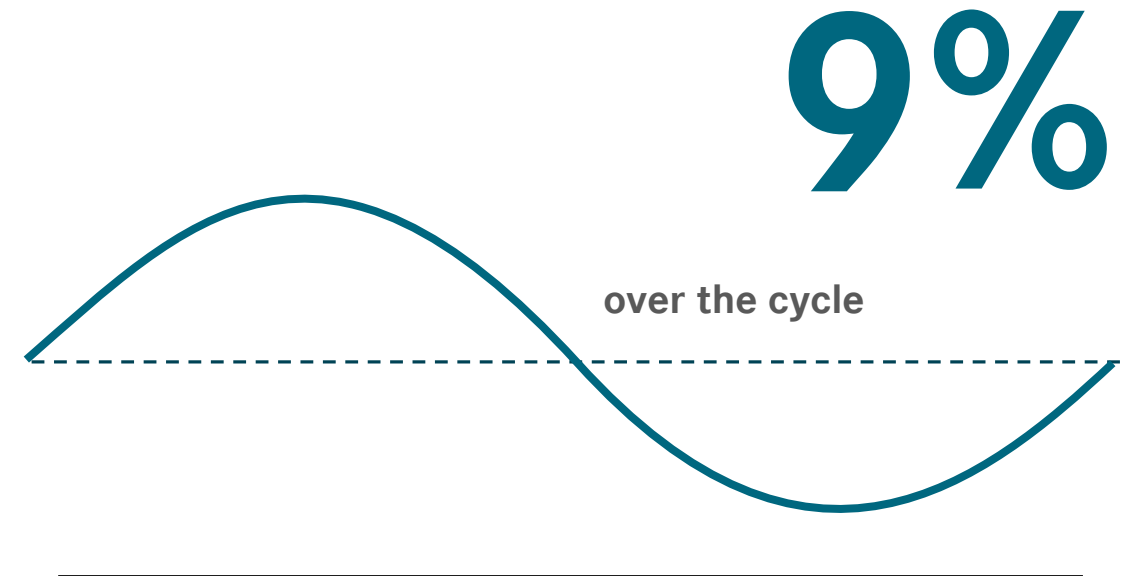
## Sales target

In thousand units



## Profitability target

Return on Sales in %



# Daimler Group Strategy

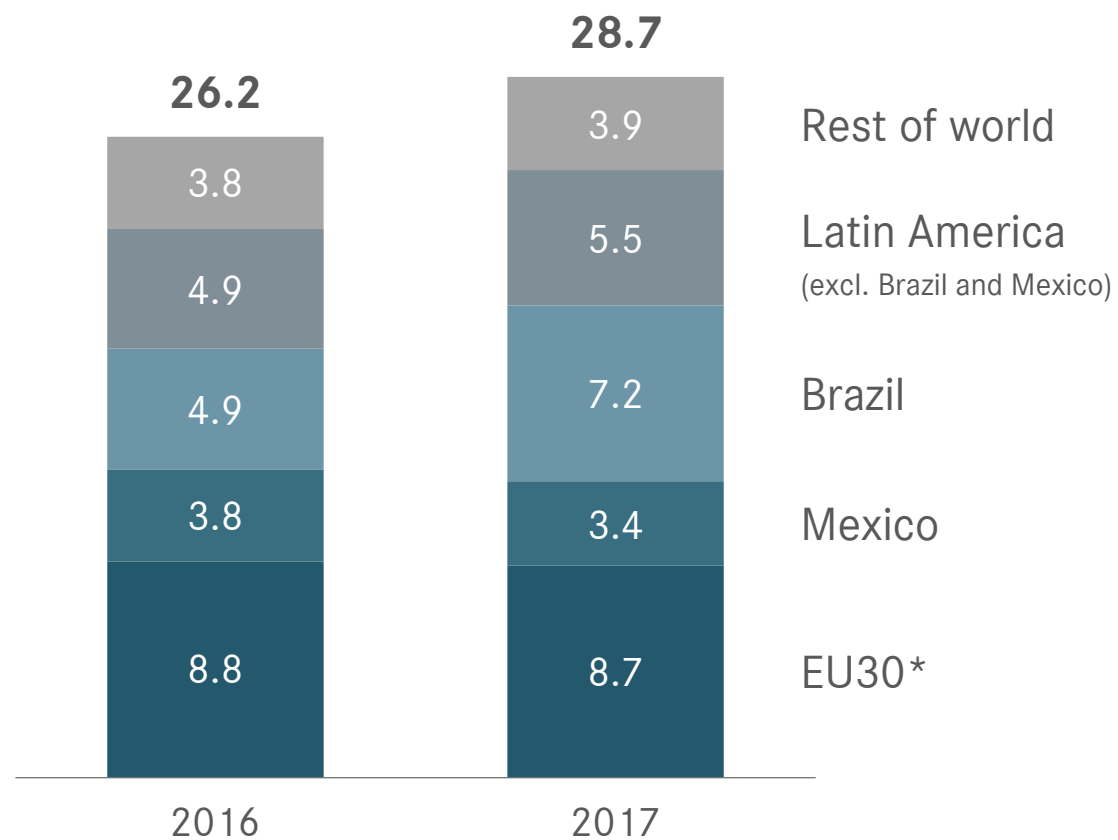
Daimler Buses  
Core & CASE



# Daimler Buses

Sales increase by 9% mainly driven by Latin America

in thousand units



\* European Union, Switzerland and Norway



# The future of public transport

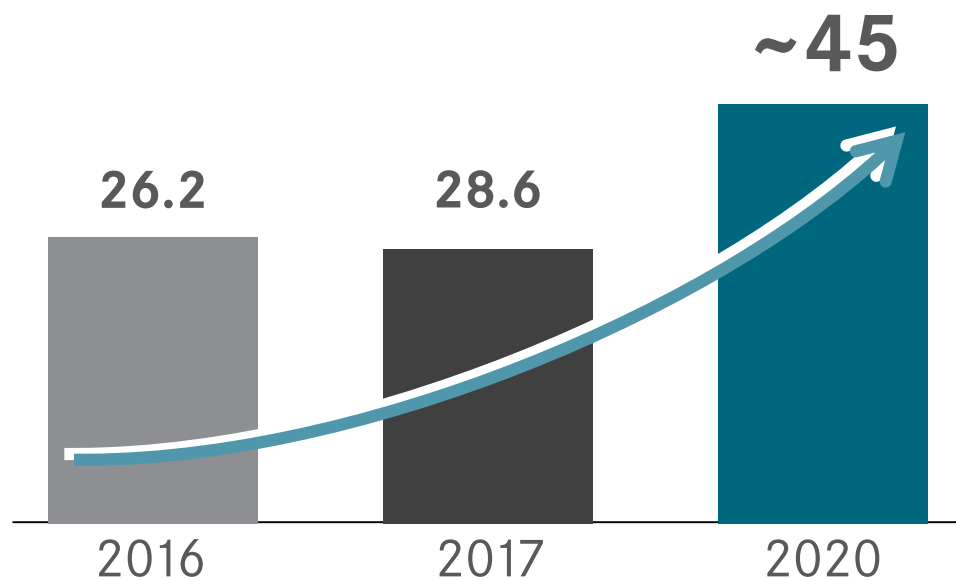
Mercedes-Benz  
Future **BUS**



# Our target: Undisputed leader in the bus industry

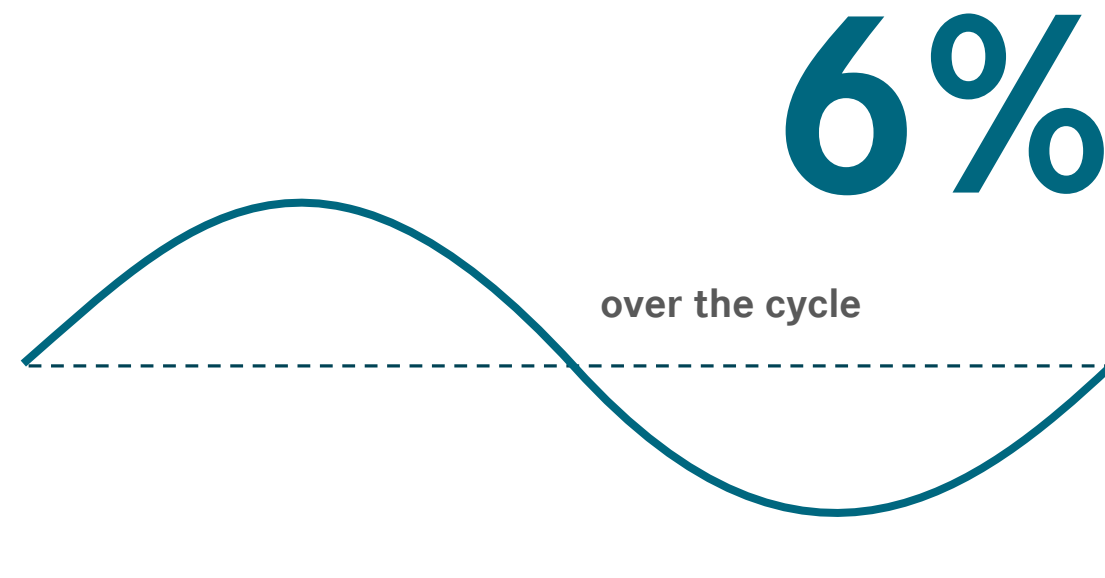
## Sales target

In thousand units



## Profitability target

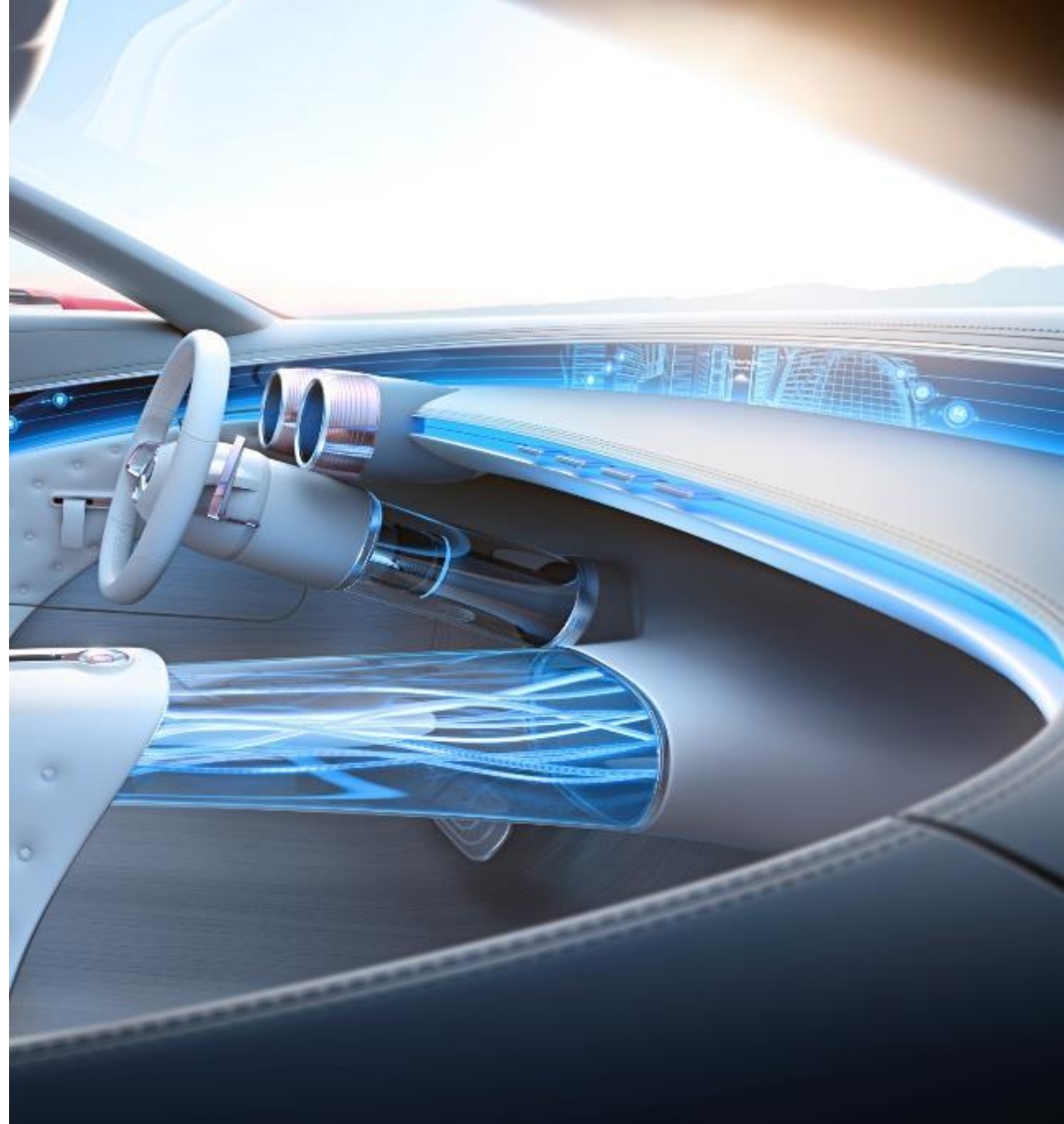
Return on Sales in %





# Daimler Group Strategy

Daimler Financial Services  
Core



# We offer a broad variety of financial and mobility services



**0.4 mn**  
vehicles in fleet management



**0.4 mn**  
banking customers



**3.0mn**  
car2go customers



**4.6 mn**  
insurance policies



**11.1mn**  
mytaxi customers



**4.8 mn**  
financed or  
leased vehicles



**3.7mn**  
moovel customers

WE FINANCE NEARLY  
EVERY SECOND VEHICLE  
SOLD BY DAIMLER



Penetration rates  
per vehicle segment

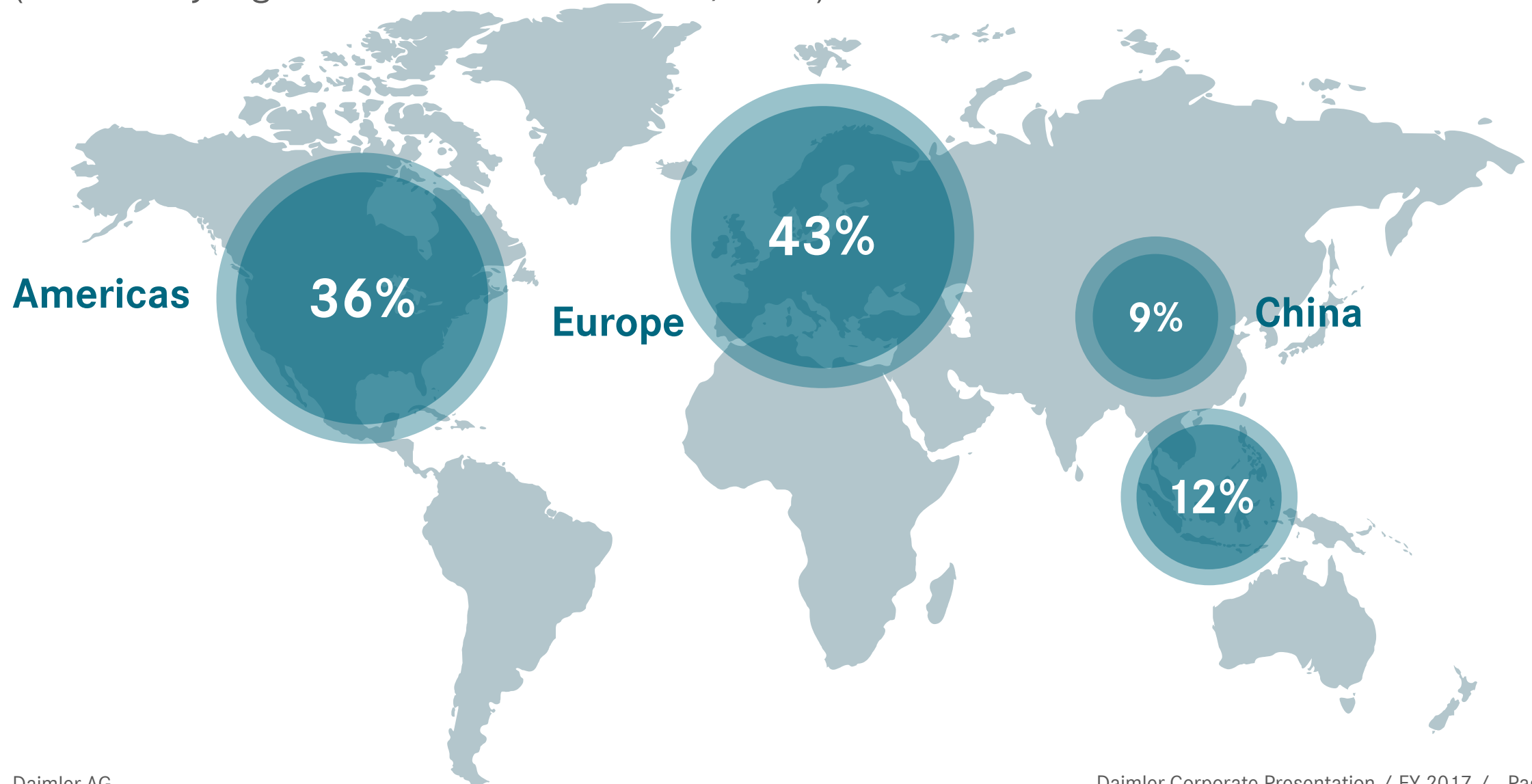


Global penetration rate DFS in 2017

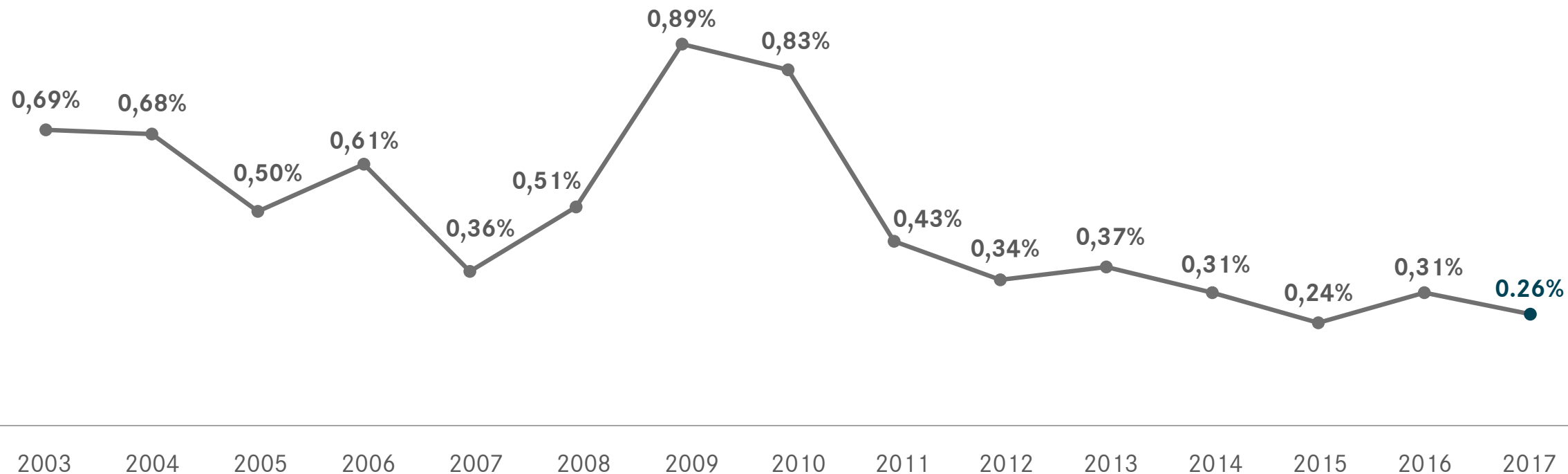
~51%

# Managing a portfolio of 140 billion € in 40 countries

(Portfolio by region in % as of December 31, 2017)



# Daimler Financial Services: net credit losses\* at low level due to disciplined risk approach

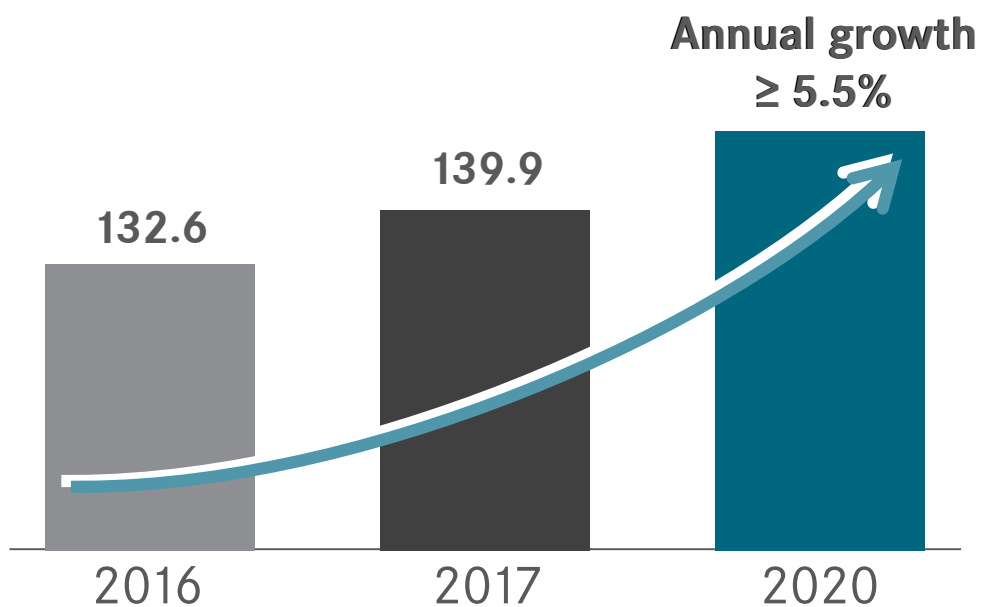


\* as a percentage of portfolio, subject to credit risk

# Our target: first-choice provider of financial and mobility services

## Portfolio target

In EUR bn



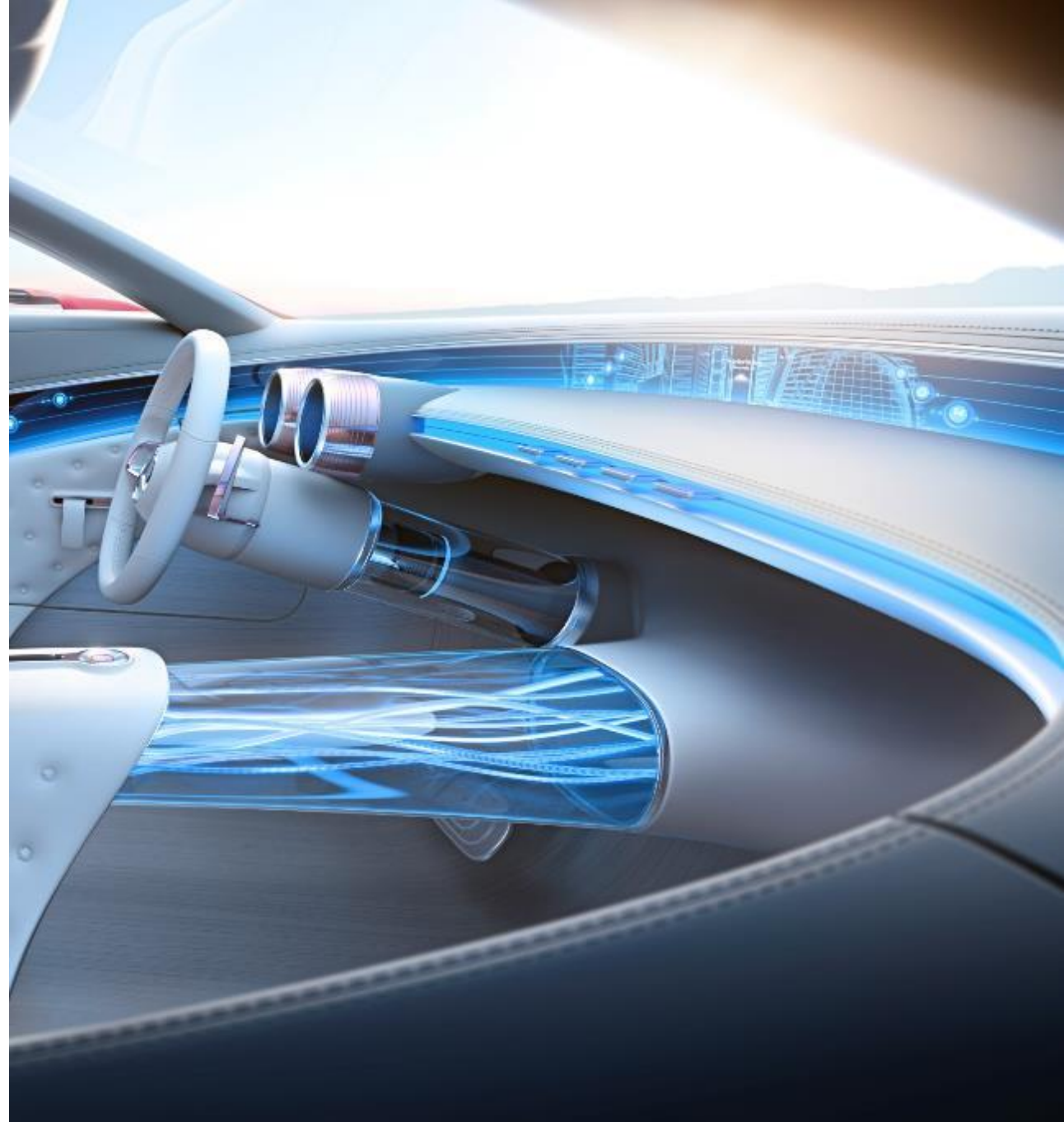
## Profitability target

Return on Equity in %

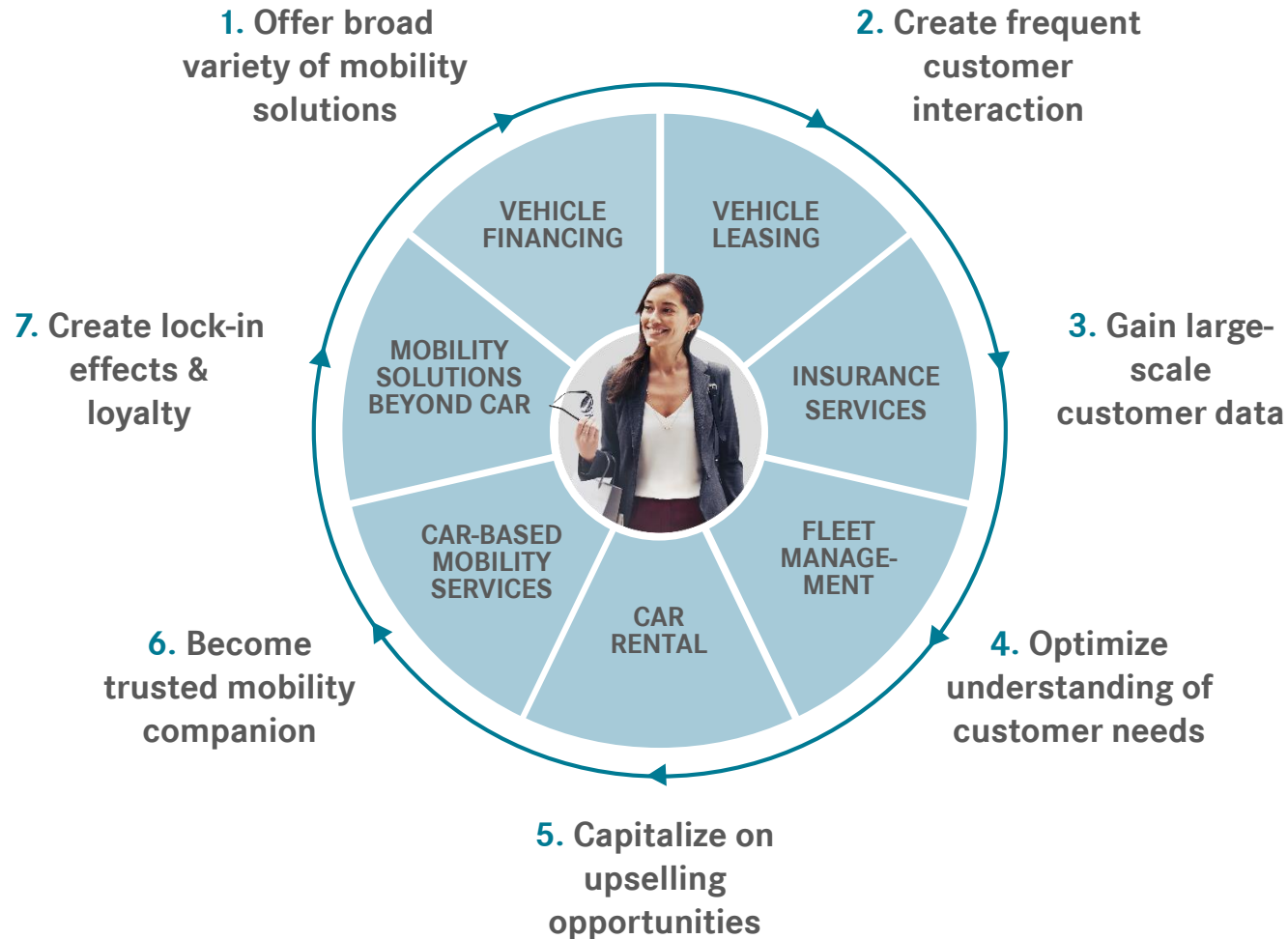
**> 17%**

# Daimler Group Strategy

Daimler Financial Services  
CASE



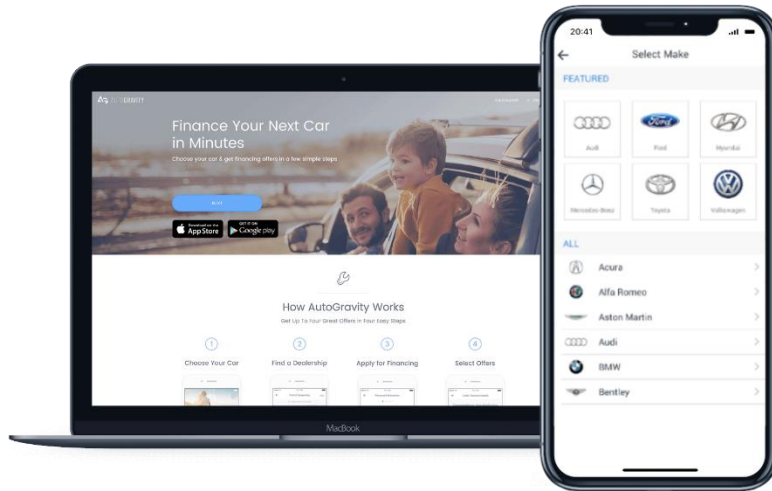
# We aim to build a holistic mobility ecosystem



“DFS’ AMBITION IS TO BECOME AN ENTIRELY **CUSTOMER-CENTRIC**, FULLY **DIGITIZED**, INTEGRATED **FINANCIAL & MOBILITY** SERVICES PROVIDER, OPERATING IN THE MOST **EFFICIENT** WAY.”



# AUTOGRAVITY is a showcase example for digital financing



## TOP FACTS AUTOGRAVITY 2017

- 1.4+ million users
- Top-ranked Android & Apple app
- \$ 2 bn in finance requests

## Daimler investment rationale behind AutoGravity engagement

**LEAD THE DIGITIZATION OF THE INDUSTRY**  
BY LAUNCHING DISRUPTIVE APPROACH TOWARDS AUTOMOTIVE FINANCING

**PROVIDE OUTSTANDING CUSTOMER EXPERIENCES**  
BY OFFERING FIRST-OF-ITS-KIND COMPARISON APP FOR VEHICLE SHOPPING AND FINANCING

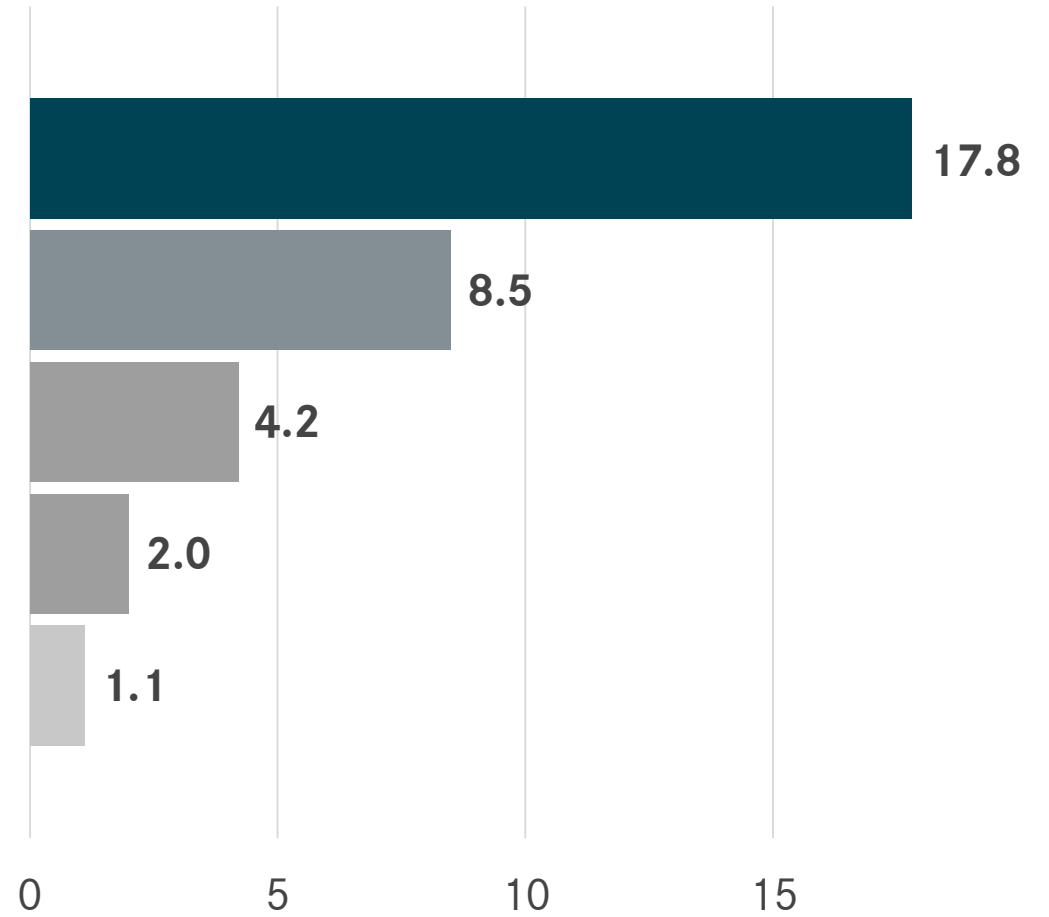
**BUILD ADDITIONAL ASSET-LIGHT REVENUE SOURCES**  
BY BUILDING COMMISSION-BASED PLATFORM BUSINESS

**MAINTAIN CUSTOMER CONTACT AND ENABLE GROWTH**  
WHILE RELIEVING DAIMLER BALANCE SHEET VIA THIRD PARTY FINANCING



# Daimler Mobility Services

Total customers in m



# Three main pillars of our mobility business



The **world's first taxi app** and the **leading e-hailing app** in Europe, available in over **80 cities within 13 countries**. In Europe, a mytaxi hail is accepted **every second** by one of mytaxi's **120,000+ drivers**.



The **worldwide leading** free floating carsharing concept. The car2go service is used by **3.0m customers** with more than **14,000 vehicles** at numerous locations in Europe, North America and Asia.














moovel **radically simplifies individual mobility** by combining & offering innovative mobility services to more than **3.7m users** worldwide via our services: ticketing apps, on-demand shuttle service, fare connect



# Daimler Mobility Services: our current portfolio is a strong starting point to conquer the customer interface

## DAIMLER MOBILITY SERVICES BUSINESS PORTFOLIO\*

| CAR SHARING   | RIDE-HAILING   | MULTI-MODAL  |
|---|--|--|
| <br>car2go<br><br><br>Turo shareholding | <br>mytaxi<br><br>CleverTaxi<br><br><br>Beat<br><br>Chauffeur Privé<br><br><br>Flixbus shareholding<br><br>Blacklane shareholding<br><br><br>Via shareholding<br><br>Careem shareholding | <br>moovel |

**17.8**<sub>mn</sub>  
CUSTOMERS

**116**<sub>mn</sub>  
INTERACTIONS

**>100**  
CITIES

## STRATEGIC TARGETS



**GENERATE NEW REVENUE**

BY ENTERING A THREE-DIGIT BILLION USD MARKET

**EXTEND DAIMLER ECOSYSTEM**

BY OFFERING ONE-STOP SHOPPING

**PREPARE FOR THE FUTURE**

BY BUILDING CUSTOMER BASE AND SKILLS

**GROW CUSTOMER BASE**

BY ADRESSING THEIR FINANCE & MOBILITY NEEDS

\* YTD December 2017; numbers for car2go, moovel, mytaxi, Taxibeat and CleverTaxi.

# Daimler Mobility Services: ongoing business expansion

YTD 12/17



Transactions in millions



24.9

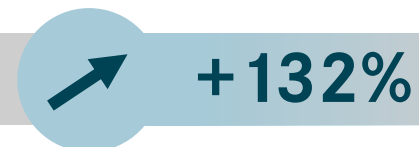


22.3



68.9

Combined change\*



Cities

26

16\*\*

>70

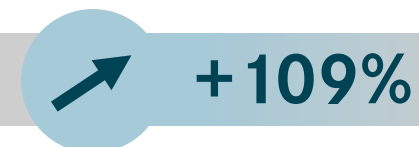


Members in millions

3.0

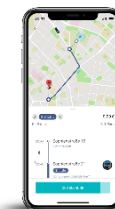
3.7

11.1



\* car2go, moovel and mytaxi (incl. Taxibeat since 02/17 and Clevertaxi since 06/17) combined, 12/17 (YTD) vs. 12/16 (YTD) \*\* Number of cities with ticketing capability of public transit

# Building an integrated mobility ecosystem



## VEHICLE MANUFACTURER

“Somebody needs to **develop, produce** and **sell** the vehicle”



Mercedes-Benz

## ASSET PROVIDER

“Somebody needs to **pay for** and **own** the vehicle”



Mercedes-Benz Financial

Daimler Truck Financial

Mercedes-Benz Insurance



## FLEET OPERATOR

“Somebody needs to **take care** of the vehicles”



Mercedes-Benz Rent

## SERVICE PLATFORM

“Somebody needs to **offer** the individual **mobility service** to customers”



chauffeur prive  
BLACKLANE \*

FLIXBUS \*



## MULTI-MODAL PLATFORM

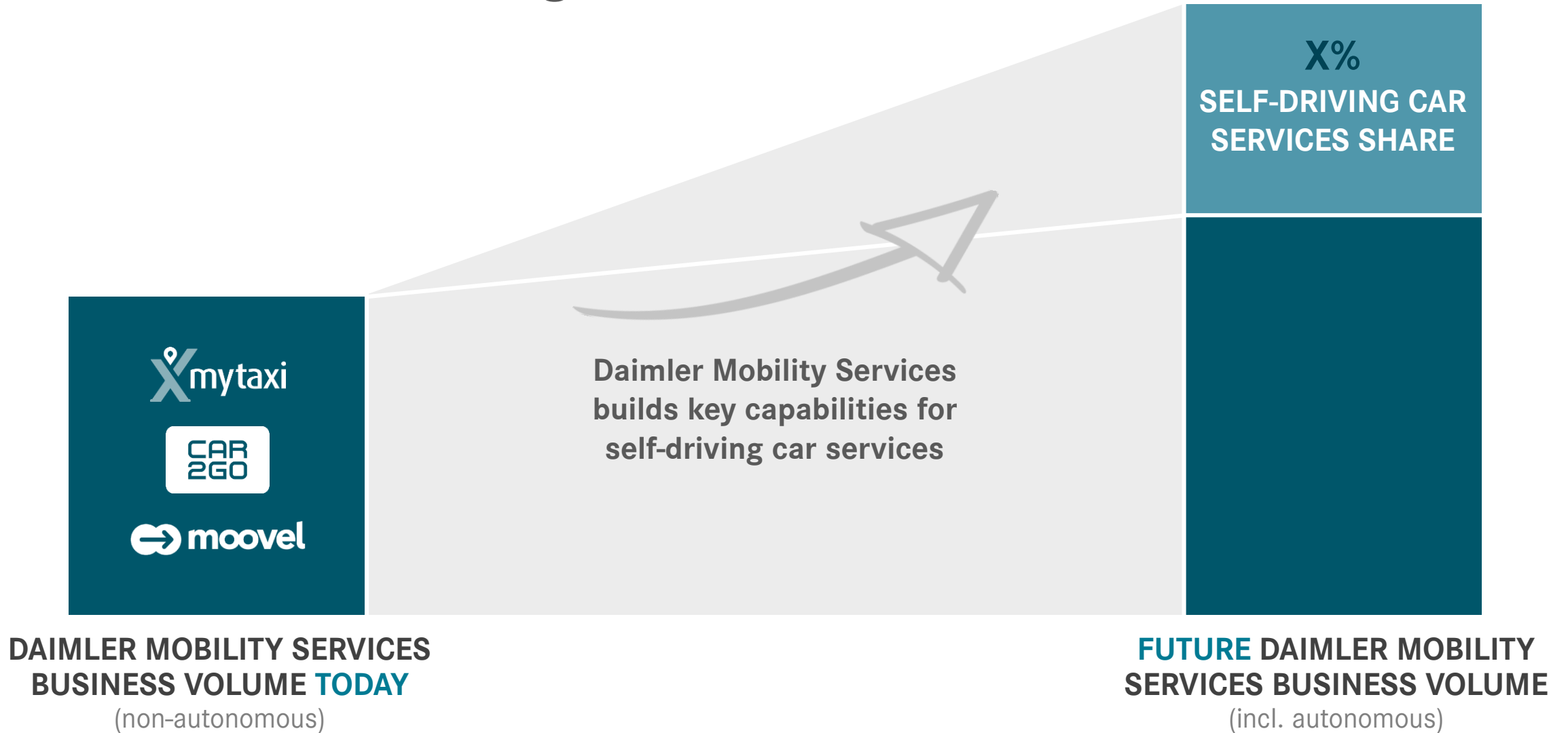
“Somebody needs to turn various mobility options into **one-stop shopping solutions** and ensure integration into **smart city transportation solutions**”



## FUTURE MOBILITY CUSTOMER

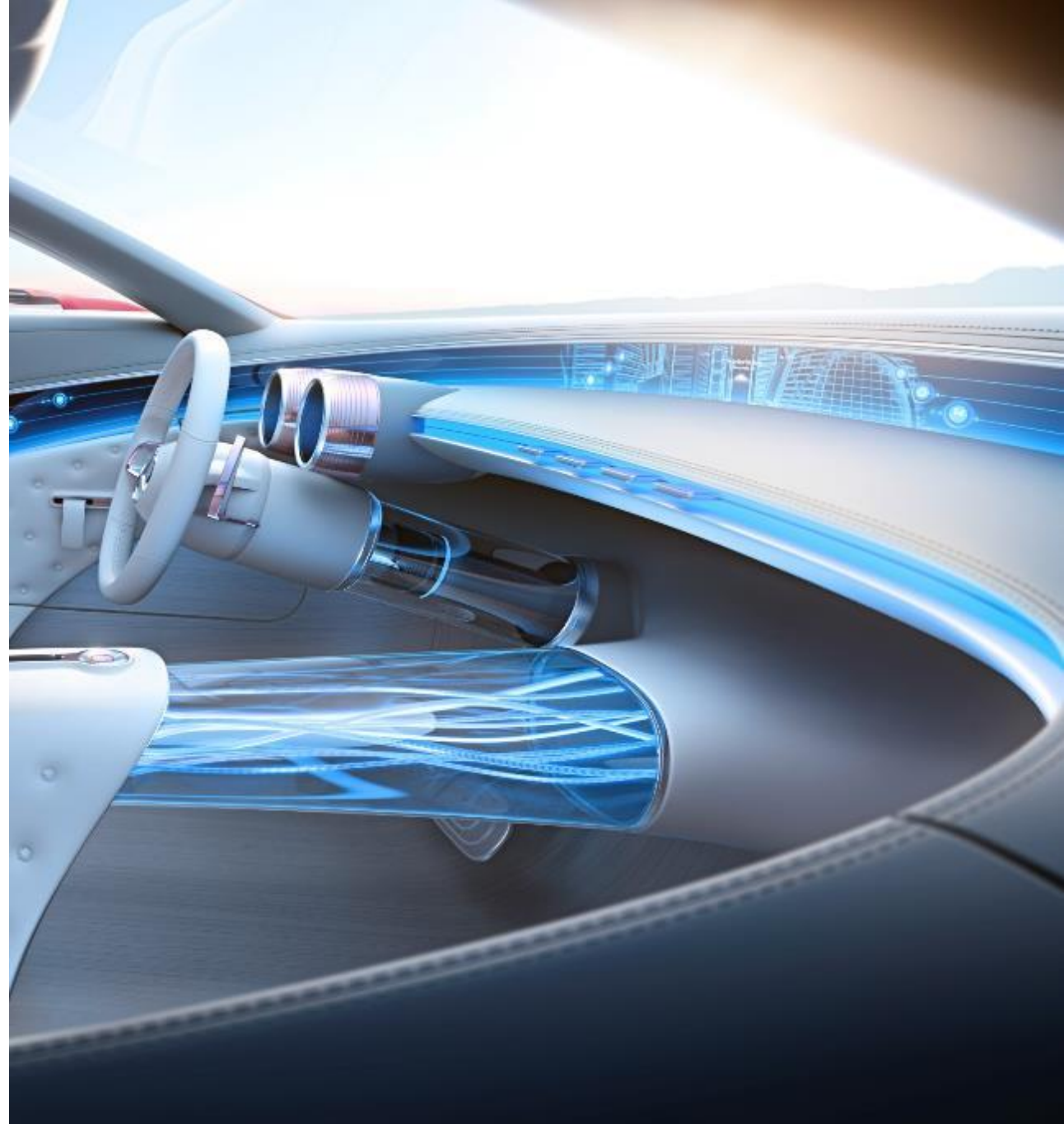
Consuming „mobility-as-a-service/ **self-driving car services**“

Our current mobility services will be the entry point for tomorrow's self-driving car services



# Daimler Group Strategy

## Culture

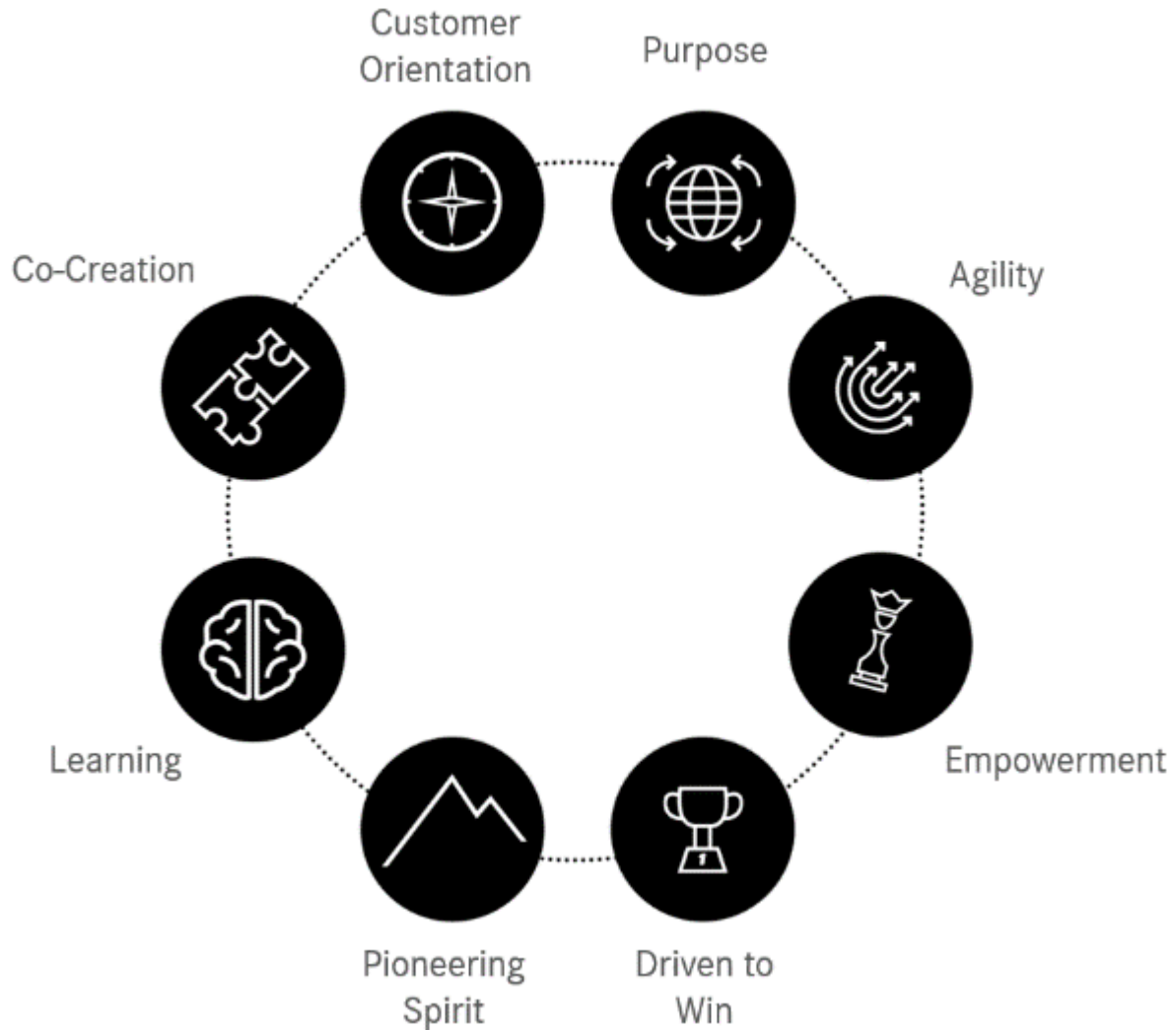




# CULTURE: Redefining our way of collaboration



# Transforming the Mindset



# The future of our corporate culture



LEAD

2020



Silicon Valley

Stuttgart

Beijing

Mobility

Future of Mobility

Digital Lifestyle China

OUR  
**Global  
Partner  
Network**



Austin, TX

Mobility

LIGA  
AutoTech

Brazil

Sales Trucks

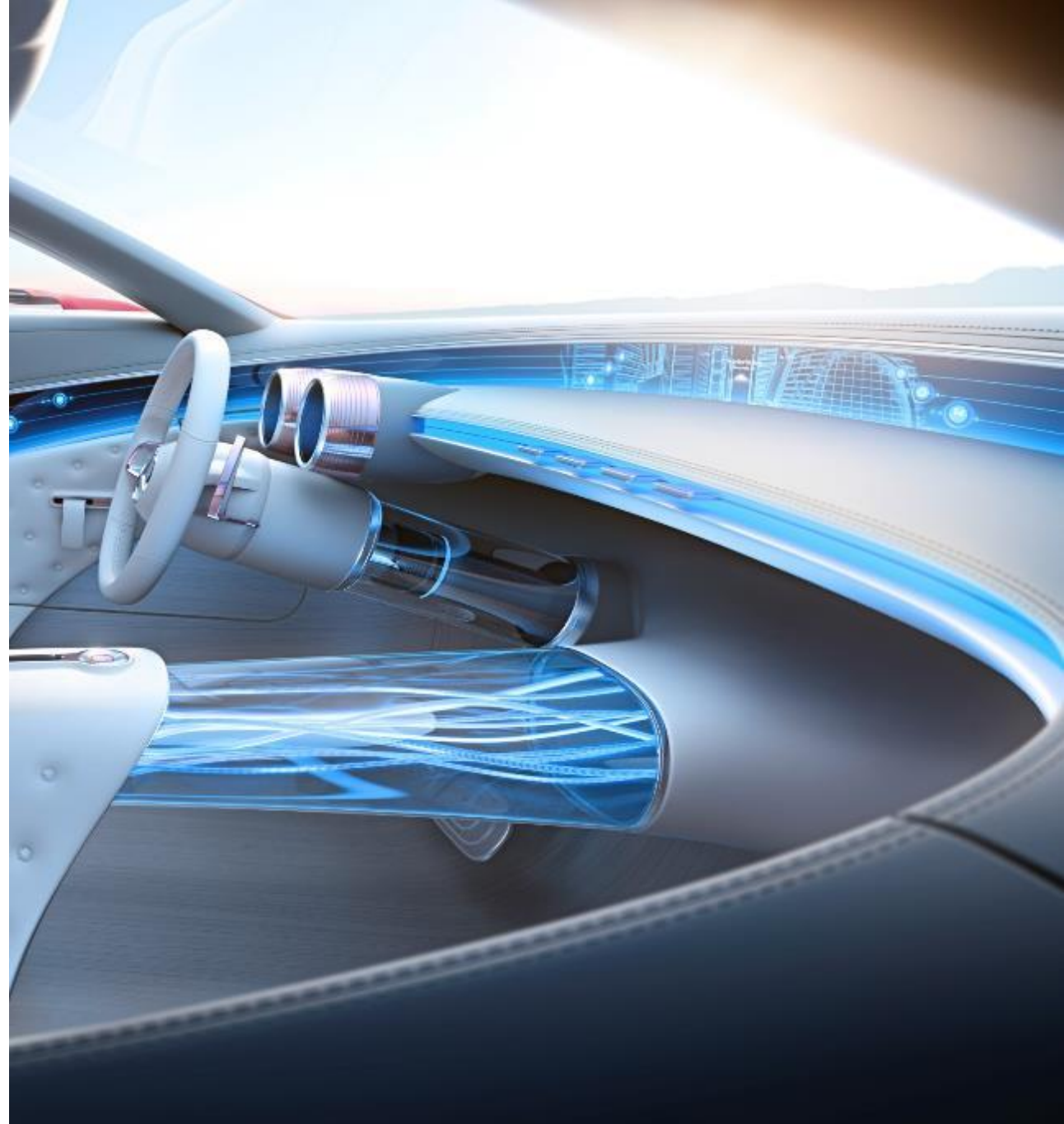
Singapore

IT Sales / DFS Overseas

- DAIMLER NETWORK
- STARTUP AUTOBAHN NETWORK

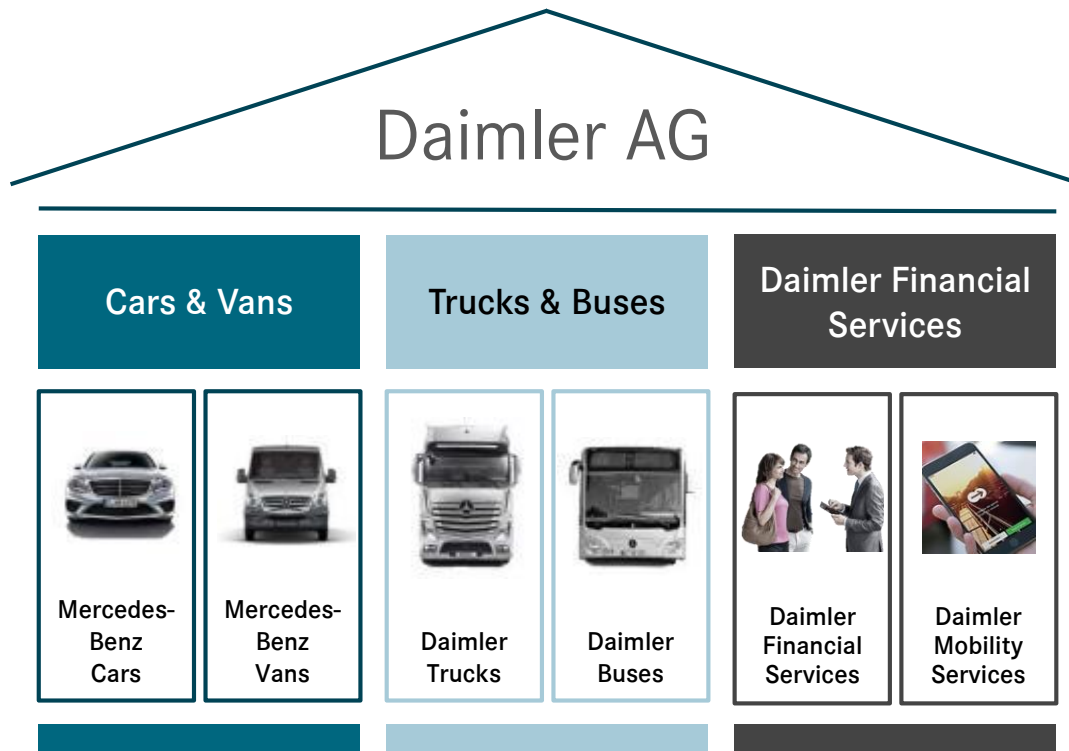
# Daimler Group Strategy

Company



# Project Future: plans for new divisional structure

## Project Future



## Cornerstones

- Plans for three legally independent entities under the roof and lead of Daimler AG
- Targeted new structure will help to better focus on changing requirements of markets and customers
- Strengthening of the corporate structure will serve future success of Daimler
- Agreement with employee representatives on balance of interests will secure the future of Daimler employees
- No final decision yet by Board of Management or Supervisory Board to implement the new divisional structure
- Aim to seek approval for implementing possible new structure at the shareholders' meeting in 2019

# Project Future: current activities

- Based on positive results of a first feasibility study, the Board of Management and the Supervisory Board decided in October 2017 to pursue the Project “Future“.
- Agreement with employee representatives on a comprehensive balance of interests including job guarantees until the end of 2029 and an extraordinary pension contribution of €3 billion.
- Current activities include an extensive and thorough due diligence of all economic, tax-related and organizational issues of the projected structure.
- Analyses comprise more than 700 subsidiaries in more than 60 countries.
- In the case of a positive result of the current feasibility study, the Board of Management and Supervisory Board would give the go-ahead for the new company structure in the course of the year 2018.
- Finally, the new structure would need approval from at least 75% of the Daimler shareholders at the Annual General Meeting in 2019.
- Given the size and complexity of the project, we are well on track.



# Contents

Divisional information

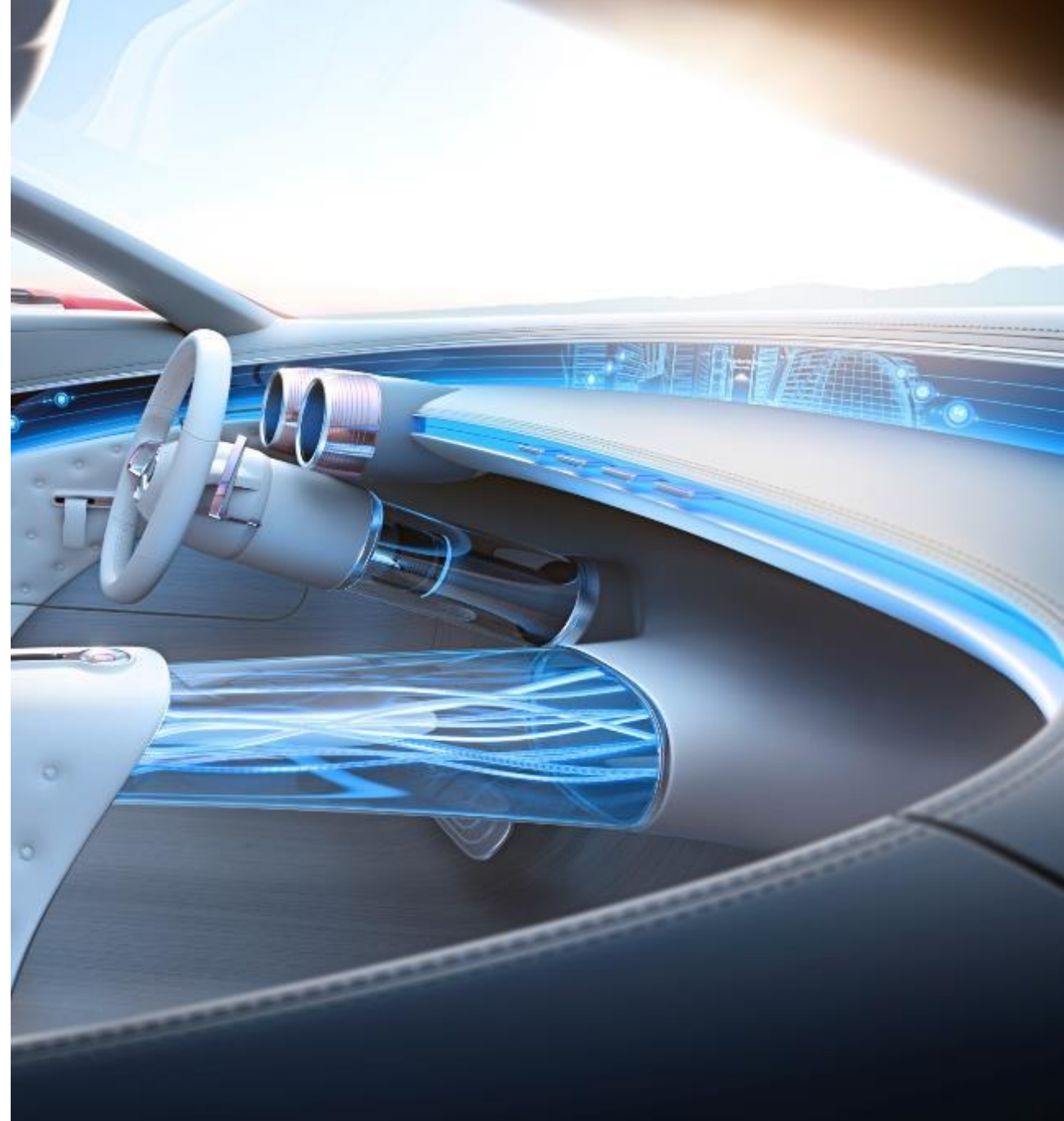
Group financials

Daimler Group Strategy














**Outlook**

Funding

Appendix



# Assumptions for automotive markets in 2018

|                                      |              |   |
|--------------------------------------|--------------|---|
| Car markets                          | Global       |  around +2%                        |
|                                      | Europe       |  slight growth                     |
|                                      | USA          |  around the prior-year level       |
|                                      | China        |  slight growth                     |
| Medium- and heavy-duty truck markets | NAFTA region |  significant growth                |
|                                      | EU30         |  around the prior-year level       |
|                                      | Japan*       |  slight decrease                   |
|                                      | Brazil       |  significant growth from low level |
|                                      | Indonesia*   |  positive development              |
| Van markets                          | EU30         |  slight growth                    |
|                                      | USA          |  slight growth                   |
| Bus markets                          | EU30         |  around the prior-year level     |
|                                      | Brazil       |  significant growth              |

\* including light-duty trucks

# 2018 sales outlook



Mercedes-Benz Cars



## **Slightly higher unit sales**

Further growth particularly in China

Strong momentum from the wide range of attractive and innovative vehicles



Daimler Trucks



## **Significantly higher unit sales**

Significant growth in NAFTA region, Brazil, Indonesia and India

Unit sales around the prior-year level in EU30 region and Japan



Mercedes-Benz Vans



## **Significantly higher unit sales**

Significant growth in EU30 region, China and the United States

Additional momentum from new X-Class and new Sprinter



Daimler Buses



## **Significantly higher unit sales**

Maintain market leadership in core markets

Significant sales increase in EU30 region and Latin America

# 2018 outlook for EBIT

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## DAIMLER



**We expect Group EBIT for FY 2018 to be around the prior-year level based on the following expectations for divisional EBIT:**

---



Mercedes-Benz Cars



Around the prior-year level

---



Daimler Trucks



Significantly above the prior-year level

---



Mercedes-Benz Vans



Slightly below the prior-year level

---



Daimler Buses



Significantly above the prior-year level

---



Daimler Financial Services



Around the prior-year level

---

# Contents

Divisional information

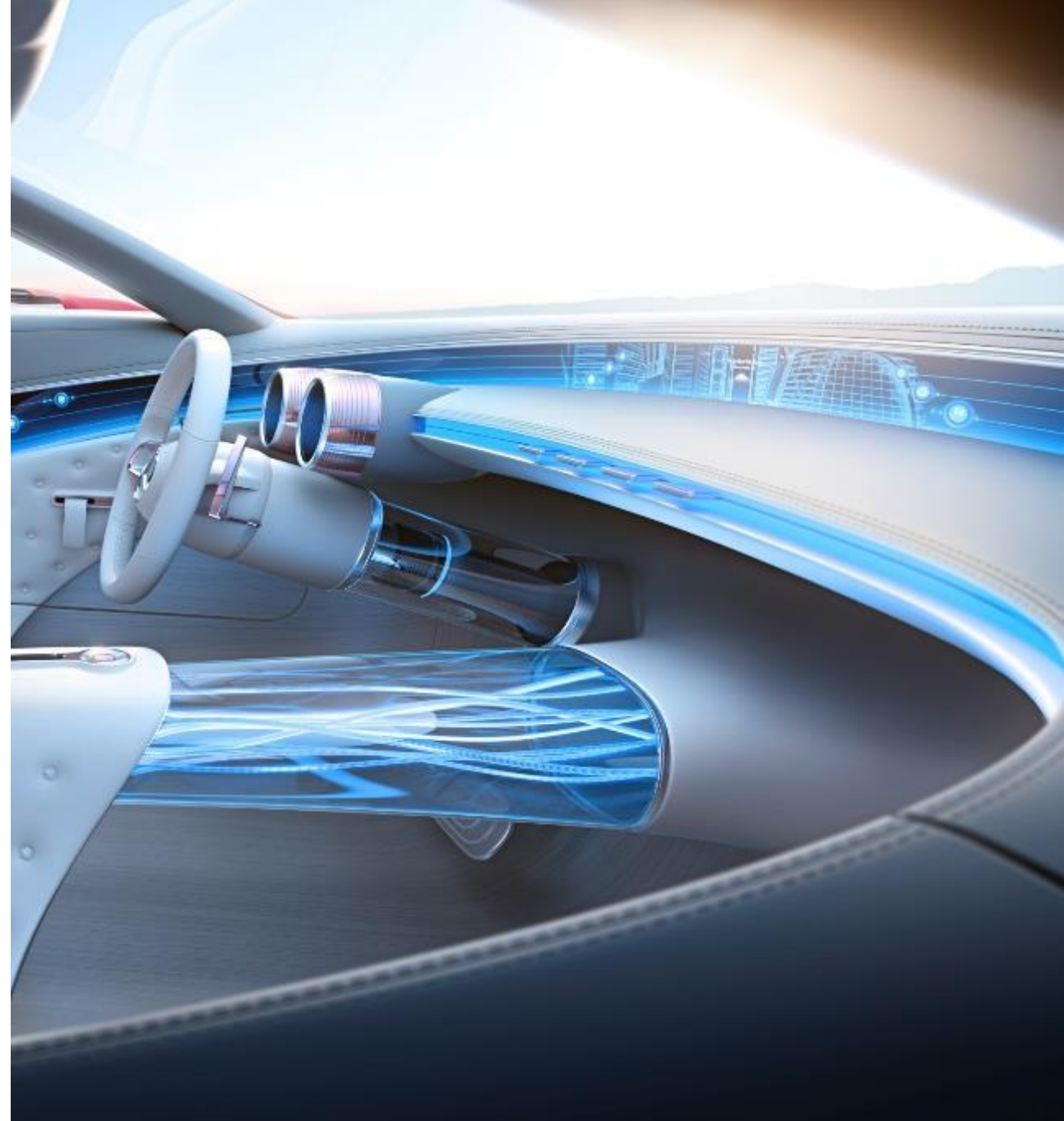
Group financials

Daimler Group Strategy

Outlook

**Funding**

Appendix



# Daimler follows a conservative Financial Policy

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Clear commitment to a single A rating

---

Balanced approach between shareholder interest and credit providers

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Dividend policy on a sustainable basis (40% target pay-out ratio)

---

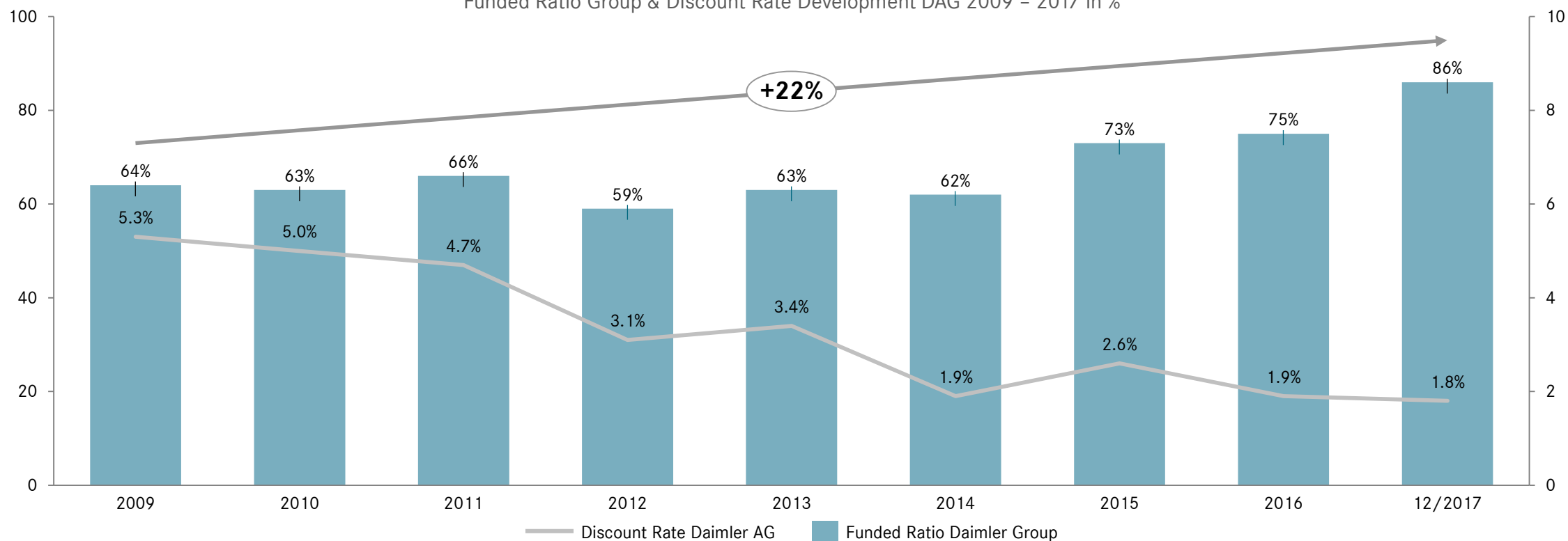
No share buybacks planned, further pension contributions will be evaluated

---

# Positive Asset Returns and Contributions led to a significantly improved Funded Ratio

## Daimler Group's Funded Ratio Development

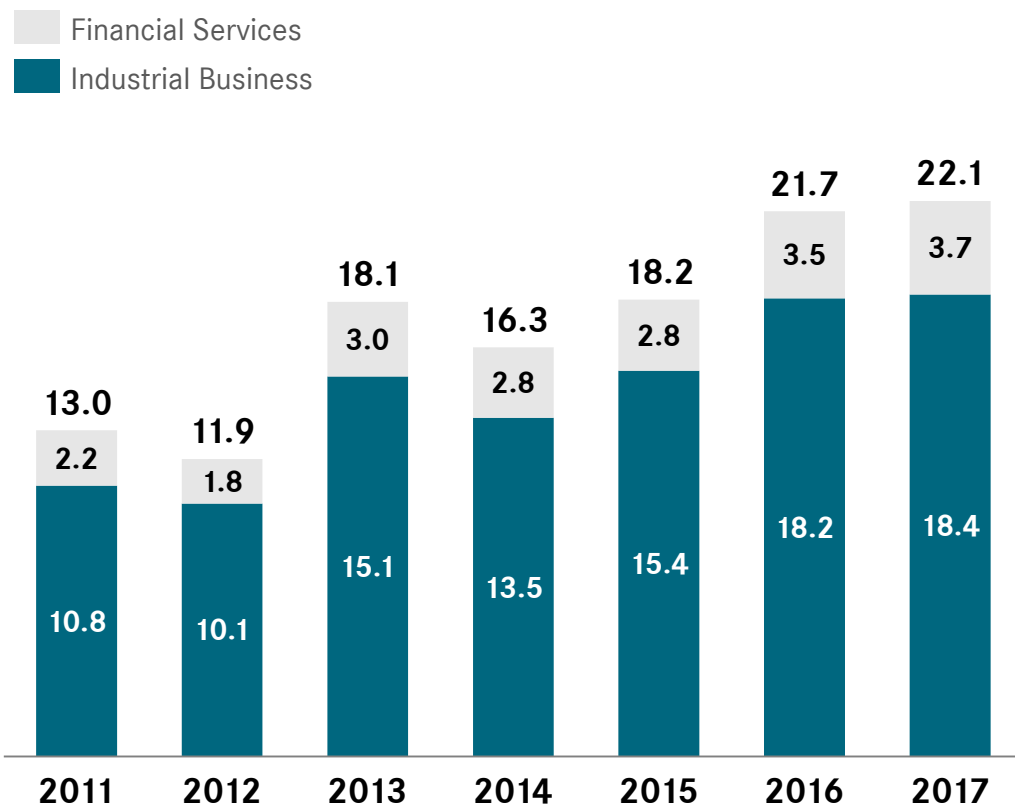
Funded Ratio Group & Discount Rate Development DAG 2009 - 2017 in %



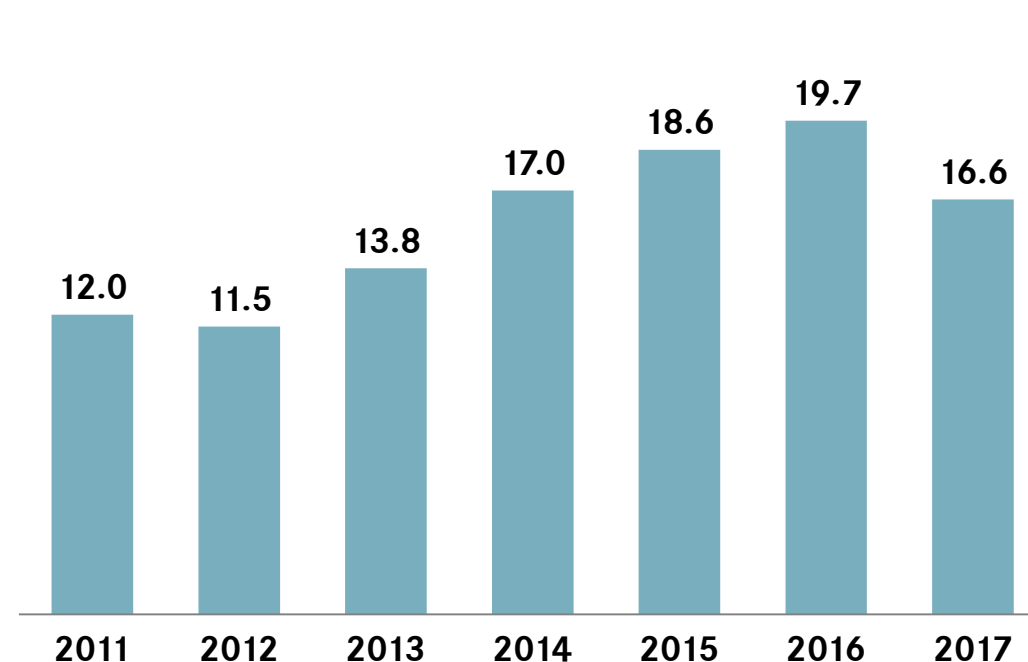
Extraordinary contribution of EUR 3.0 bn in cash to German pension plans and positive asset returns in 2017 lead to a funded ratio of 86%.

# Daimler follows a conservative financial management approach and further strengthened the balance sheet...

Gross Group Liquidity (in bn EUR)



Net Industrial Liquidity (in bn EUR)

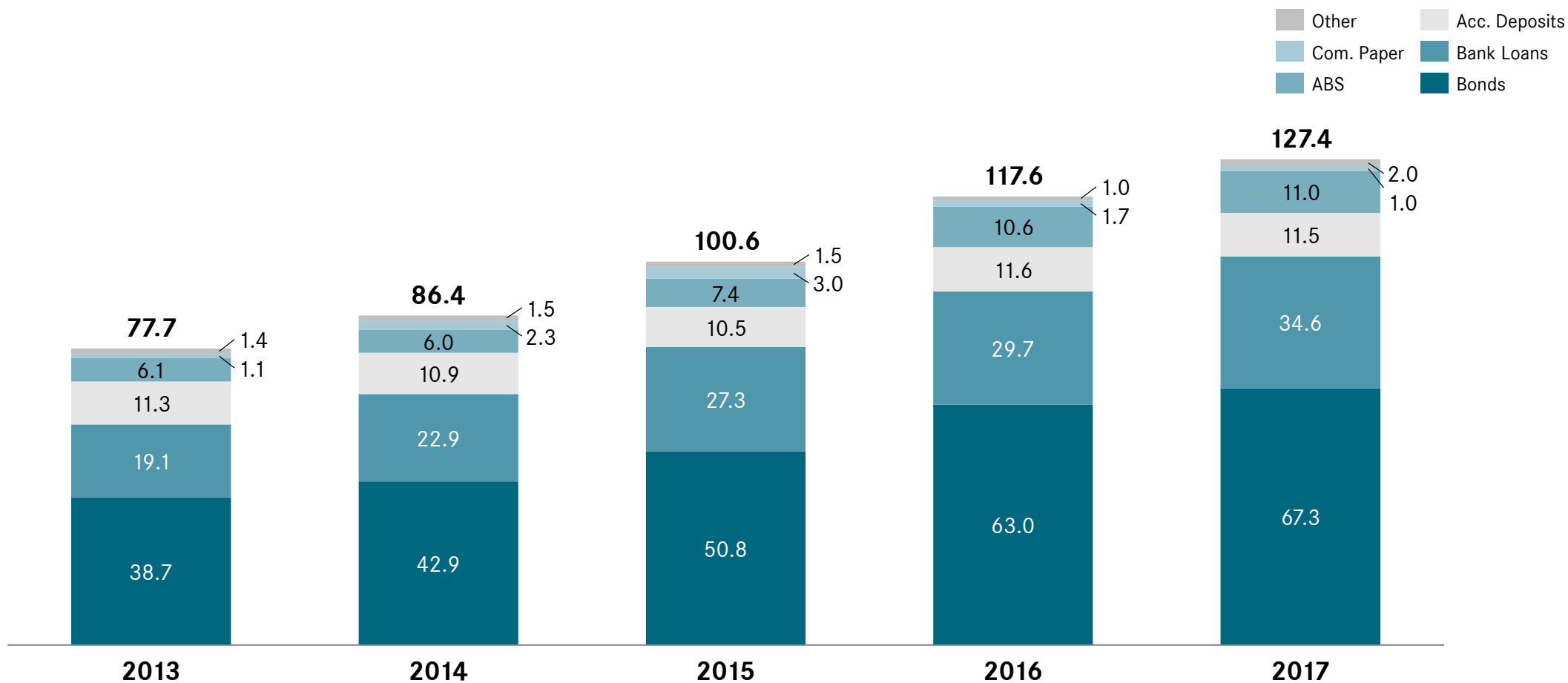


Note: Figures may not be additive due to rounding.



# Financing Liabilities Structure 2013 – 2017

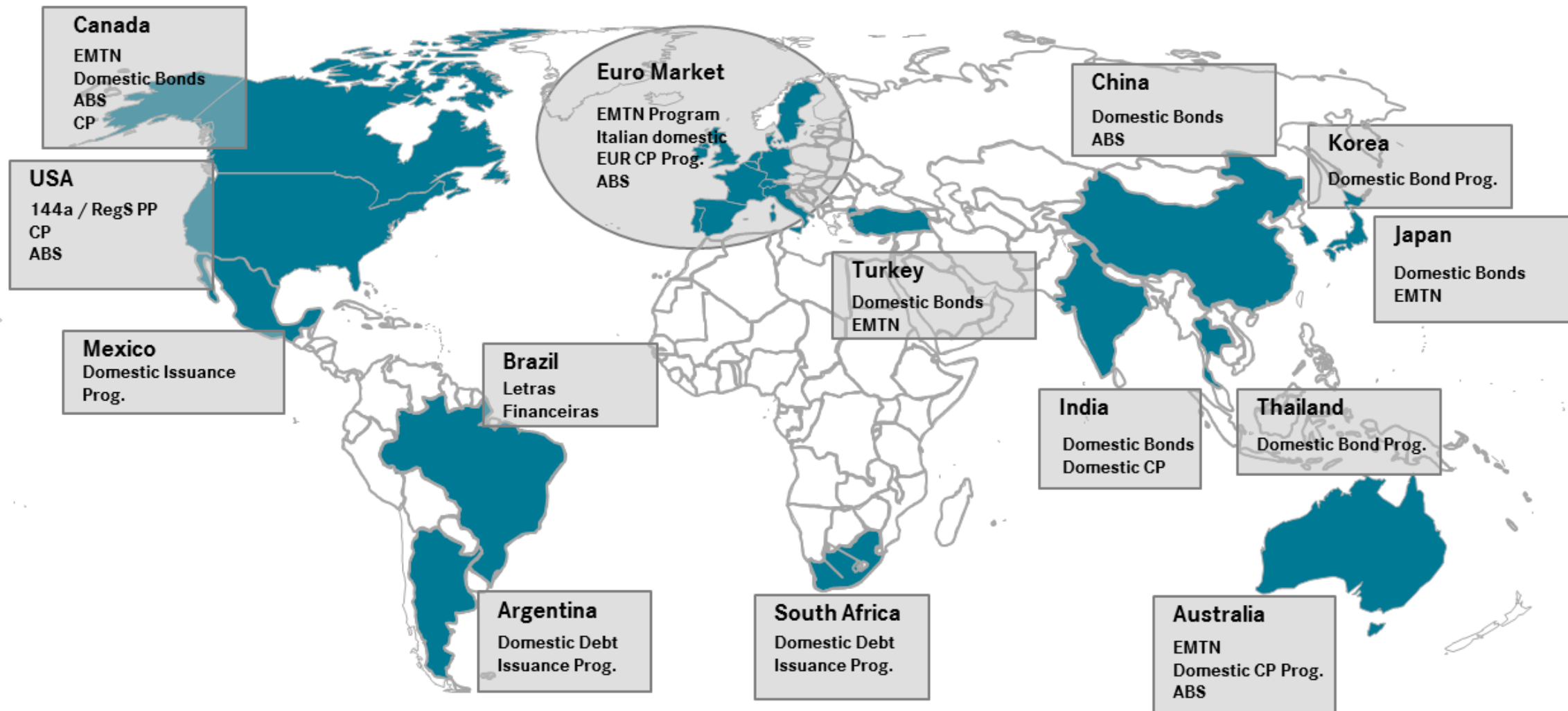
in billions of EUR



Note: Figures may not be additive due to rounding.

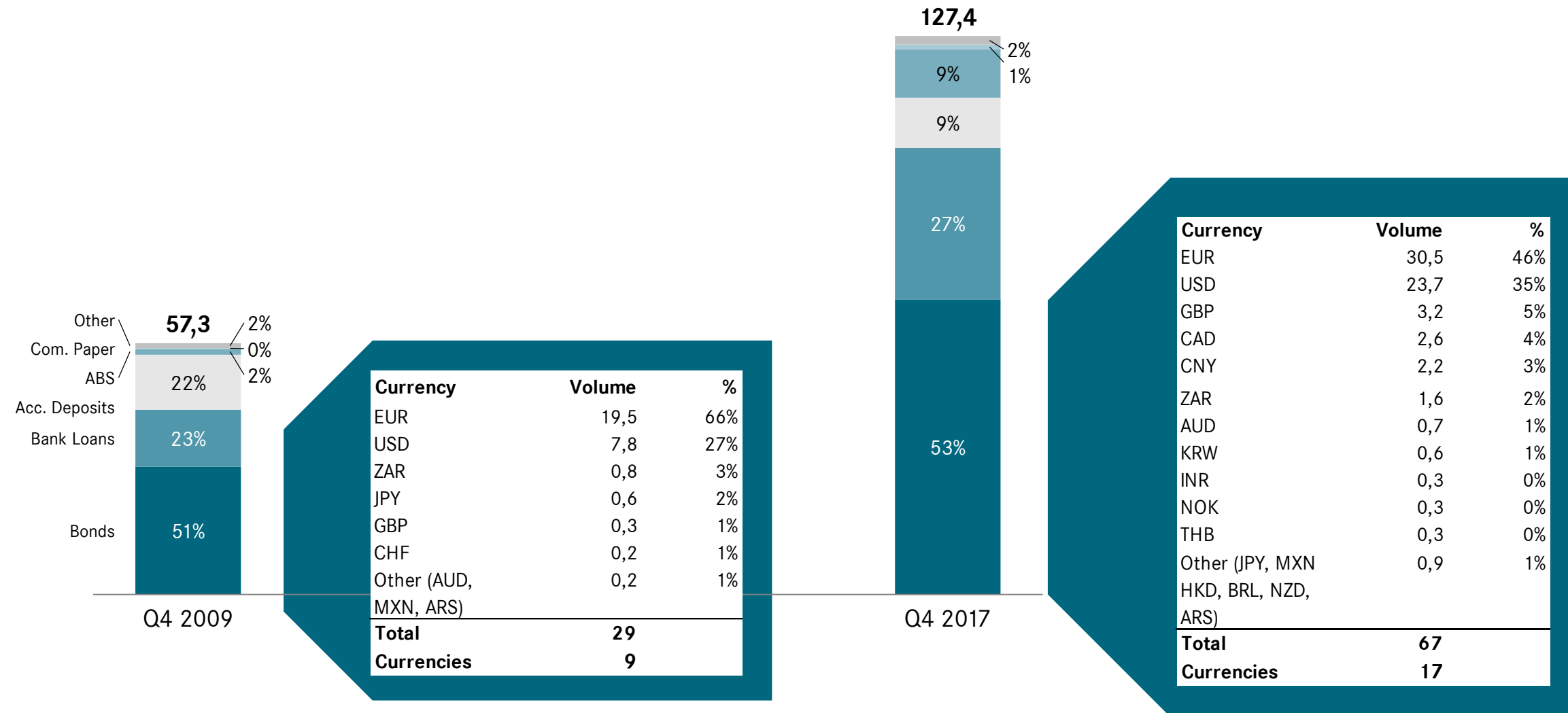
# Consequent development to global bond funding

## Diversification will continue



# Funding Base further diversified to a true Global Set-Up

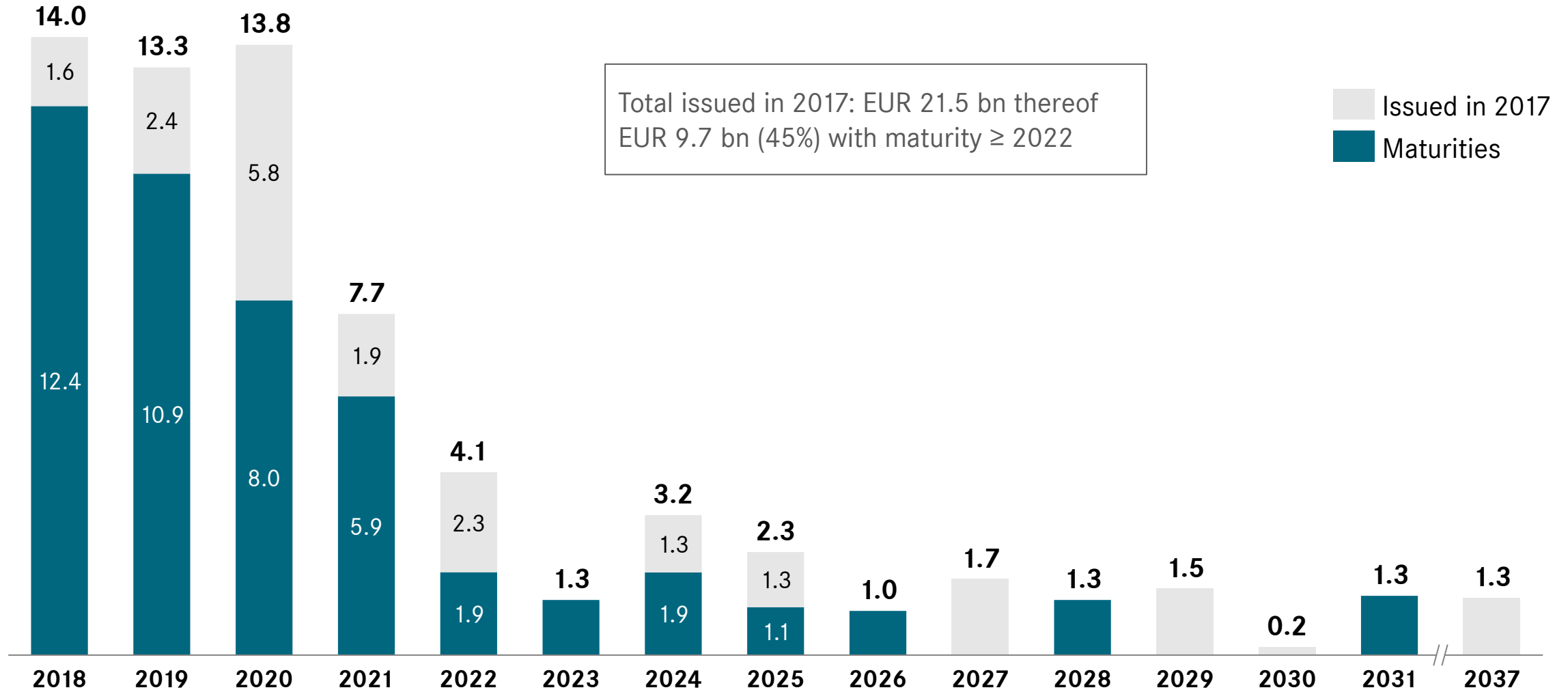
in billions of EUR



Note: Figures may not be additive due to rounding.

# Financial Flexibility increased by extending our maturity profile

in billions of EUR as of 15 November 2017



# Our funding strategy is built on prudent principles

## Targeting Financial Independence

No dependence from single markets, instruments, banks or investors

Diversification of funding sources and instruments:  
Bank Loans, Bonds, ABS, CP, Deposits

No Covenants, no MAC, no asset pledges, no CSAs

## Maximizing Financial Flexibility

Keeping prudent amount of Cash and Committed Credit Facility

New markets funded via global and local banks first

Early capital market funding to save credit capacity in growth regions

## Stringent Global Funding Policy

Liquidity matched funding

Interest rate matched funding

Currency matched funding

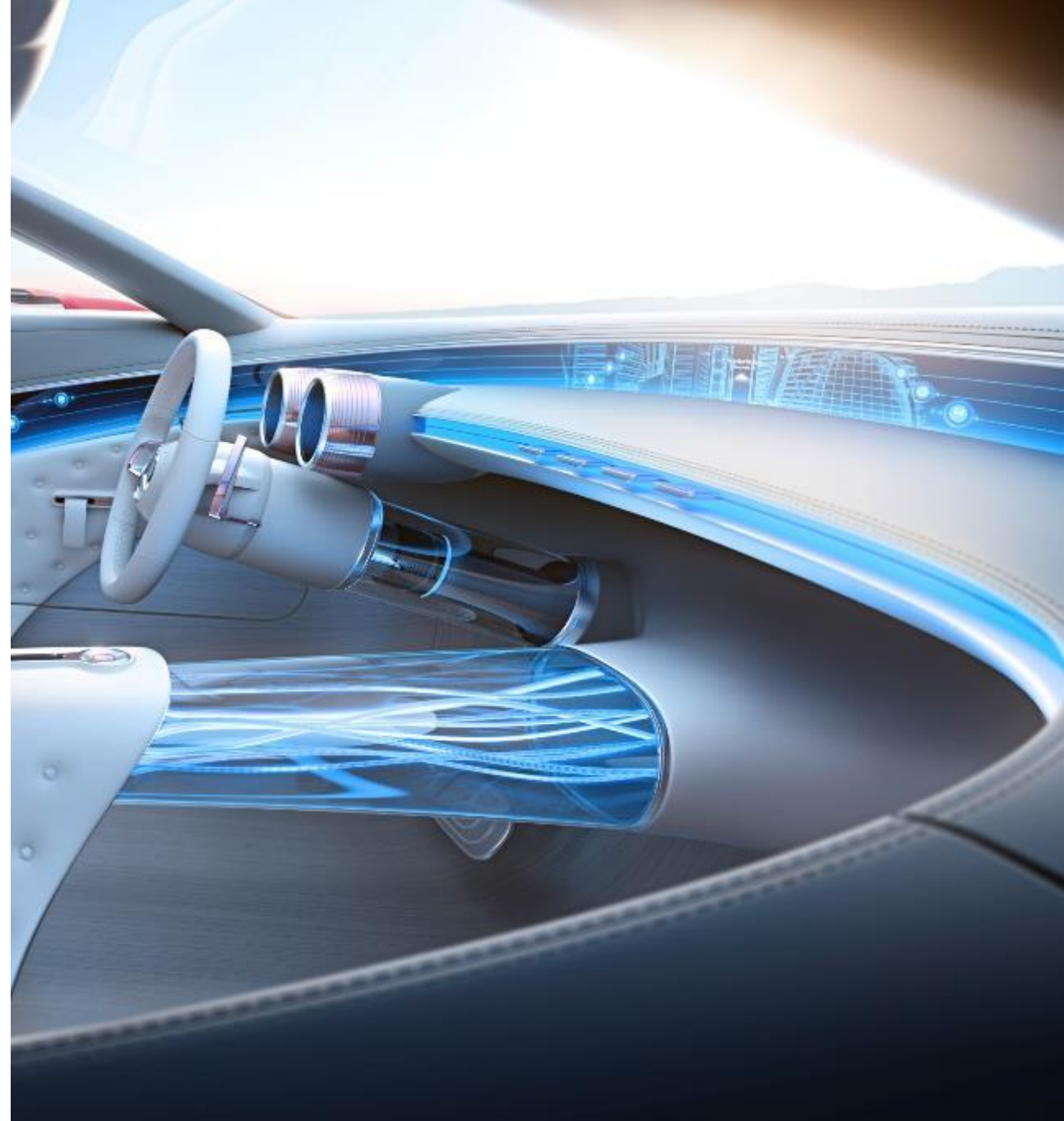
Country matched funding

# Solid rating supports Daimler's funding

|                  |  |           |           |
|------------------|--|-----------|-----------|
| Current ratings: | S&P:   | A stable  | A-1       |
|                  | Moody's:                                       | A2 stable | P-1       |
|                  | Fitch:   | A- stable | F2        |
|                  | DBRS:  | A stable  | R-1 (low) |
|                  | Scope:   | A stable  | S-1       |
| Daimler target:  | Sustaining the A rating at all rating agencies |           |           |

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- Divisional information
- Group financials
- Daimler Group Strategy
- Outlook
- Funding
- Appendix**



# Strong financial and balance sheet figures support our financial strength and A-rating

in billion euros

| <b>Daimler Group</b>                 | Dec. 31, 2016 | Dec. 31, 2017 |
|--------------------------------------|---------------|---------------|
| Equity ratio                         | 22.9%         | <b>24.0%</b>  |
| Gross liquidity                      | 21.7          | <b>22.1</b>   |
| Funded status of pension obligations | -7.8          | <b>-4.5</b>   |
| <i>Funding ratio</i>                 | 75%           | <b>86%</b>    |
| <b>Industrial business</b>           |               |               |
| Equity ratio                         | 44.7%         | <b>46.4%</b>  |
| Net liquidity                        | 19.7          | <b>16.6</b>   |
| Free cash flow                       | 3.9           | <b>2.0</b>    |



# Dynamic sales development of all automotive divisions

in thousand units

|                      | 2016    | 2017           | % change |
|----------------------|---------|----------------|----------|
| <b>Daimler Group</b> | 2,998.4 | <b>3,273.9</b> | +9       |
| of which             |         |                |          |
| Mercedes-Benz Cars   | 2,198.0 | <b>2,373.5</b> | +8       |
| Daimler Trucks       | 415.1   | <b>470.7</b>   | +13      |
| Mercedes-Benz Vans   | 359.1   | <b>401.0</b>   | +12      |
| Daimler Buses        | 26.2    | <b>28.7</b>    | +9       |

# Revenue by division

in billion euros

|  | 2016  | 2017         | % change |
|--|-------|--------------|----------|
| <b>Daimler Group</b>                           | 153.3 | <b>164.3</b> | +7       |
| of which                                       |       |              |          |
| Mercedes-Benz Cars                             | 89.3  | <b>94.7</b>  | +6       |
| Daimler Trucks                                 | 33.2  | <b>35.7</b>  | +8       |
| Mercedes-Benz Vans                             | 12.8  | <b>13.2</b>  | +3       |
| Daimler Buses                                  | 4.2   | <b>4.4</b>   | +4       |
| Daimler Financial Services                     | 20.7  | <b>23.8</b>  | +15      |
| Contract volume of Daimler Financial Services* | 132.6 | <b>139.9</b> | +6       |

\* figures as of December 31, 2016 and December 31, 2017

# Revenue by region

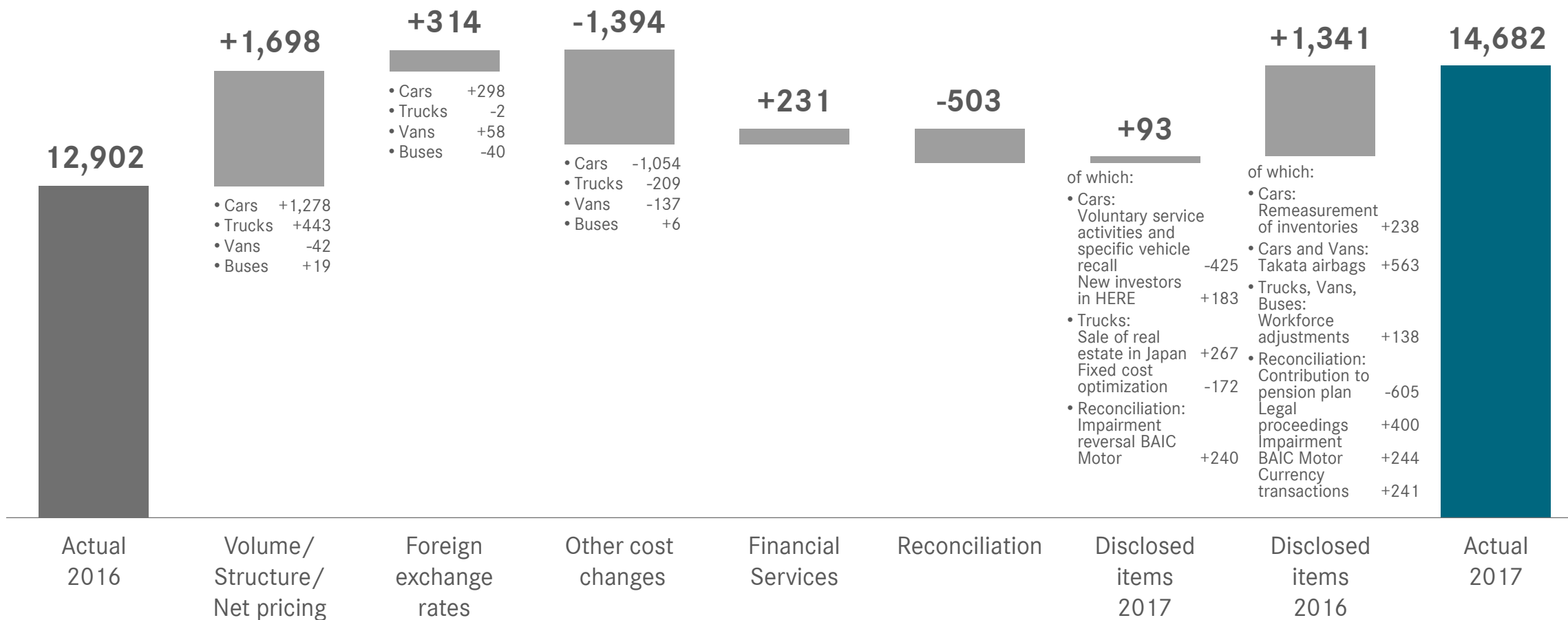
in billion euros

|                               | 2016  | 2017         | % change |
|-------------------------------|-------|--------------|----------|
| <b>Daimler Group</b>          | 153.3 | <b>164.3</b> | +7       |
| of which                      |       |              |          |
| Europe                        | 63.4  | <b>68.4</b>  | +8       |
| <i>of which Germany</i>       | 23.5  | <b>23.9</b>  | +2       |
| NAFTA                         | 45.0  | <b>46.9</b>  | +4       |
| <i>of which United States</i> | 39.2  | <b>40.5</b>  | +3       |
| Asia                          | 35.6  | <b>38.8</b>  | +9       |
| <i>of which China*</i>        | 16.0  | <b>18.3</b>  | +14      |
| Other markets                 | 9.3   | <b>10.2</b>  | +10      |

\* excluding revenue of not fully consolidated companies

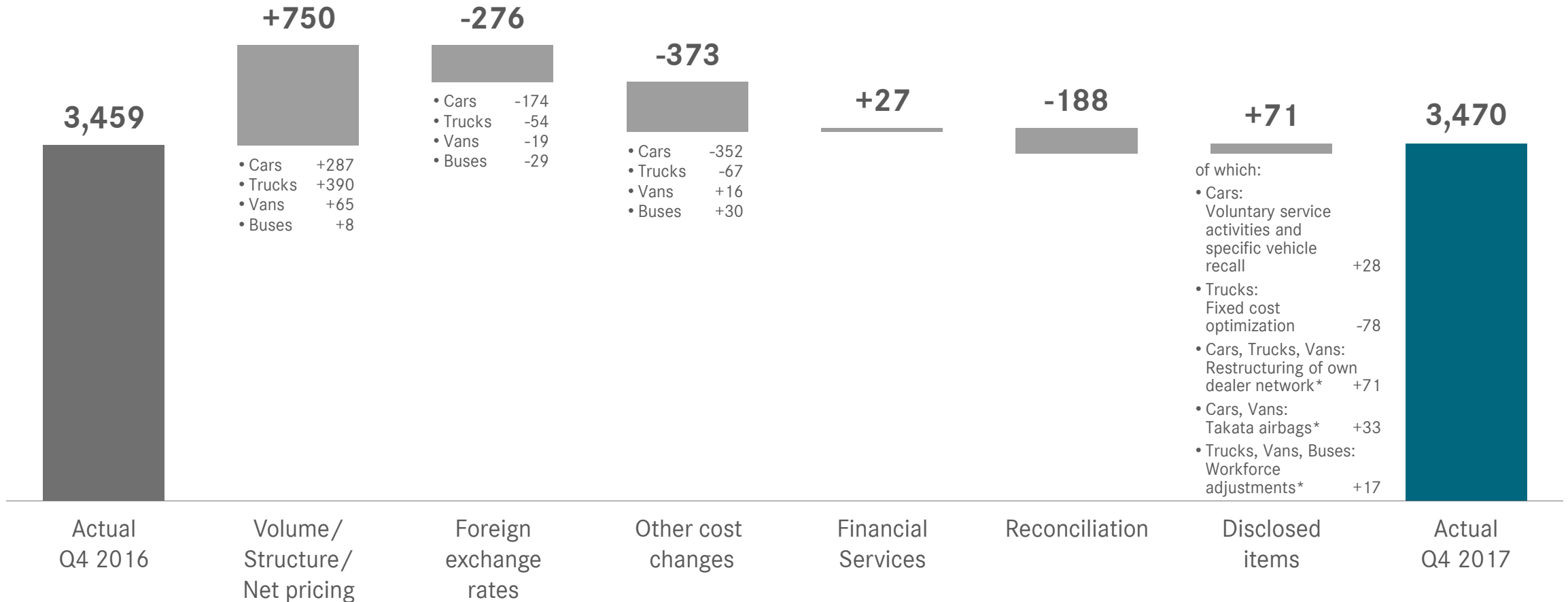
# Group EBIT in 2017

in million euros



# Group EBIT in Q4 2017

in million euros



\* in Q4 2016

# EBIT by division

| EBIT in million euros; RoS/RoE in % | 2016   |          | 2017          |             |
|-------------------------------------|--------|----------|---------------|-------------|
|                                     | EBIT   | RoS/RoE* | EBIT          | RoS/RoE*    |
| <b>Daimler Group</b>                | 12,902 | 8.4      | <b>14,682</b> | <b>9.0</b>  |
| of which                            |        |          |               |             |
| Mercedes-Benz Cars                  | 8,112  | 9.1      | <b>9,207</b>  | <b>9.7</b>  |
| Daimler Trucks                      | 1,948  | 5.9      | <b>2,380</b>  | <b>6.7</b>  |
| Mercedes-Benz Vans                  | 1,170  | 9.1      | <b>1,181</b>  | <b>9.0</b>  |
| Daimler Buses                       | 249    | 6.0      | <b>243</b>    | <b>5.6</b>  |
| Daimler Financial Services          | 1,739  | 17.4     | <b>1,970</b>  | <b>17.6</b> |
| Reconciliation                      | -316   | -        | <b>-299</b>   | -           |

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

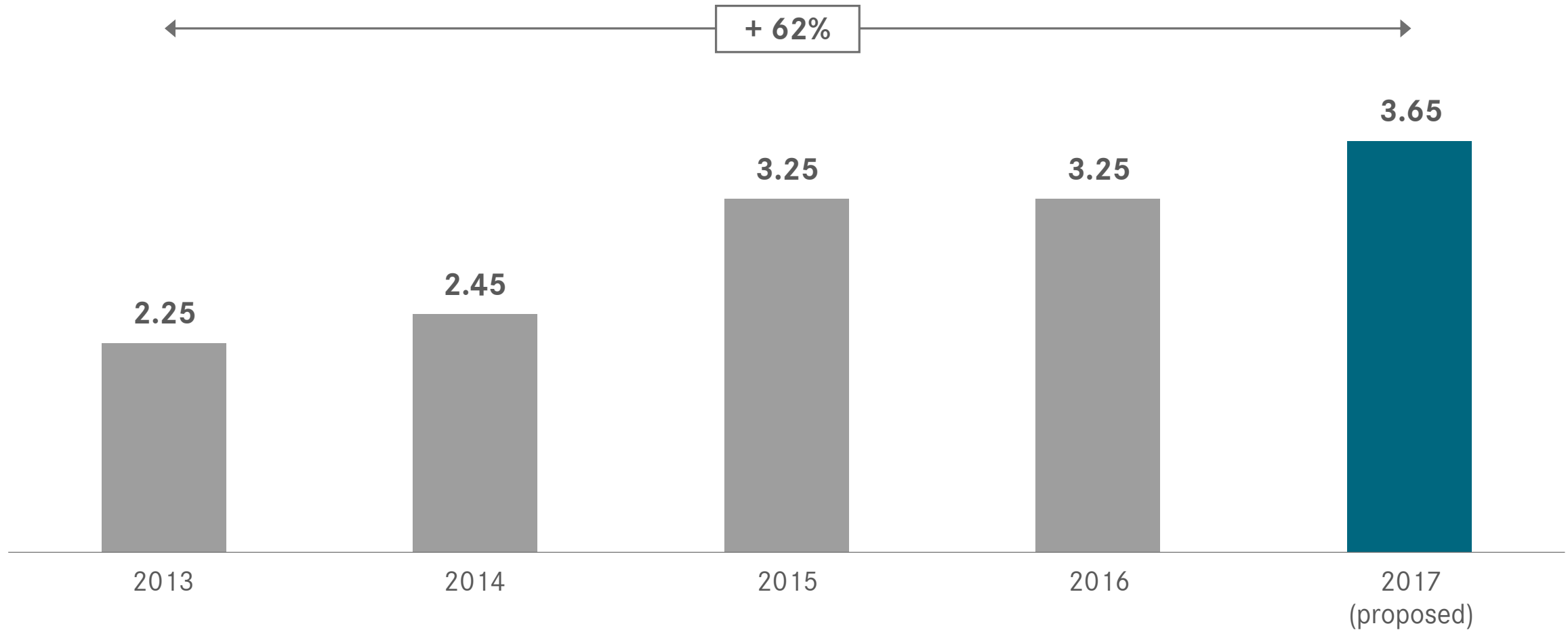
# EBIT in Q4 2017

| EBIT in million euros; RoS/RoE in % | Q4 2016 |          | Q4 2017      |             |
|-------------------------------------|---------|----------|--------------|-------------|
|                                     | EBIT    | RoS/RoE* | EBIT         | RoS/RoE*    |
| <b>Daimler Group</b>                | 3,459   | 8.7      | <b>3,470</b> | <b>8.1</b>  |
| of which                            |         |          |              |             |
| Mercedes-Benz Cars                  | 2,561   | 10.7     | <b>2,422</b> | <b>9.7</b>  |
| Daimler Trucks                      | 347     | 4.1      | <b>555</b>   | <b>5.8</b>  |
| Mercedes-Benz Vans                  | 156     | 4.5      | <b>248</b>   | <b>6.6</b>  |
| Daimler Buses                       | 77      | 6.0      | <b>88</b>    | <b>6.8</b>  |
| Daimler Financial Services          | 390     | 15.2     | <b>417</b>   | <b>14.2</b> |
| Reconciliation                      | -72     | -        | <b>-260</b>  | -           |

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

# Development of dividend per share

in euros

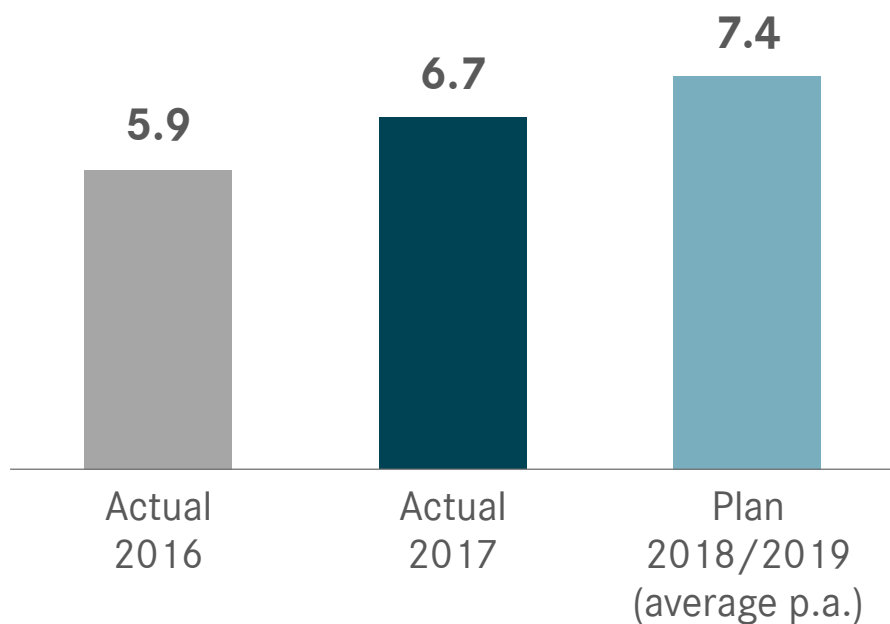




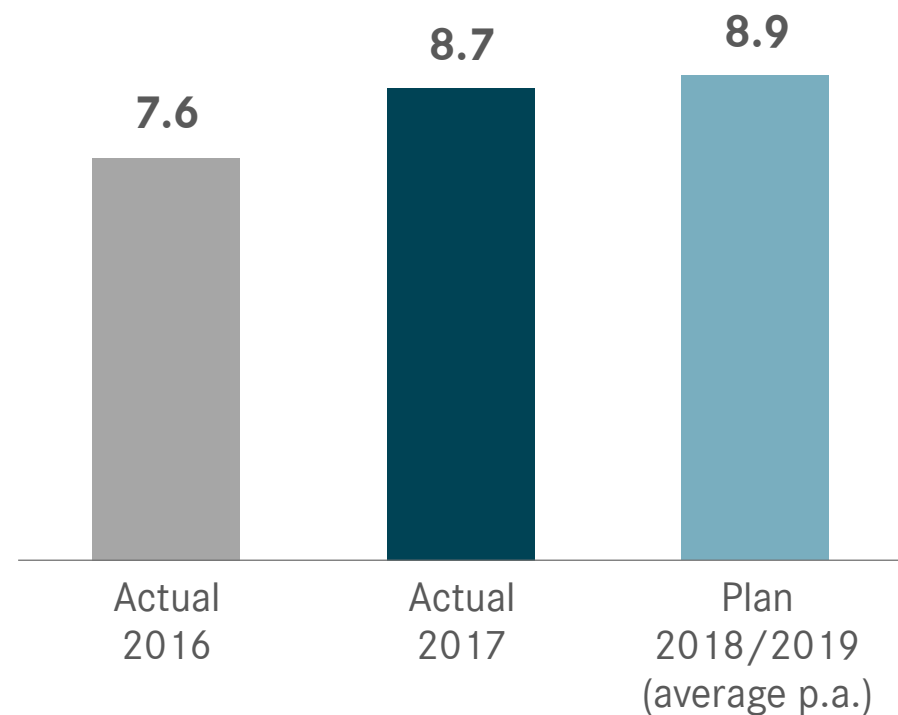
# Capital expenditure / Research and development

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 2016                                 | <b>Actual 2017</b> | Plan* 2018-2019 | Actual 2016                          | <b>Actual 2017</b> | Plan* 2018-2019 |
| <b>Daimler Group</b>       | 5.9   | <b>6.7</b>         | 7.4             | 7.6                                  | <b>8.7</b>         | 8.9             |
| of which                   |   |                    |                 |                                      |                    |                 |
| Mercedes-Benz Cars         | 4.1   | <b>4.8</b>         | 5.5             | 5.7                                  | <b>6.6</b>         | 7.0             |
| Daimler Trucks             | 1.2   | <b>1.0</b>         | 1.2             | 1.3                                  | <b>1.3</b>         | 1.3             |
| Mercedes-Benz Vans         | 0.4   | <b>0.7</b>         | 0.4             | 0.4                                  | <b>0.6</b>         | 0.5             |
| Daimler Buses              | 0.1   | <b>0.1</b>         | 0.1             | 0.2                                  | <b>0.2</b>         | 0.2             |
| Daimler Financial Services | 0.04  | <b>0.04</b>        | 0.05            | –                                    | <b>–</b>           | –               |

\* average p.a.

# Daimler Investor Relations Events Q1-2018

|                             |  |                                    |
|-----------------------------|--|------------------------------------|
| <b>Feb 22-23 2018</b>       | <b>CFO Roadshow</b>                      | <b>London, Frankfurt</b>           |
| <b>Feb 26 – Mar 02 2018</b> | <b>CFO Roadshow</b>                      | <b>USA: East Coast, West Coast</b> |
| <b>Mar 6-7 2018</b>         | <b>Geneva Motor Show 2018</b>            | <b>Geneva</b>                      |
| <b>Q1 2018</b>              | <b>IR Roadshow</b>                       | <b>Belgium, Netherlands</b>        |
| <b>Q1 2018</b>              | <b>IR Roadshow</b>                       | <b>Munich</b>                      |
| <b>Jun 05-06 2018</b>       | <b>Capital Market Day Daimler Trucks</b> | <b>Portland, OR, USA</b>           |

# Daimler Investor Relations Financial Calendar 2018

**Feb 01 2018**      **Full Year Results 2017 Annual Press Conference**

**Feb 02 2018**      **Investor and Analyst Conference**

**Feb 13 2018**      **Annual Report 2017 online available**

**Apr 05 2018**      **Annual Meeting 2018**

**Apr 27 2018**      **Interim Report 1st Quarter 2018**

**Jul 26 2018**      **Interim Report 2nd Quarter 2018**

**Oct 25 2018**      **Interim Report 3rd Quarter 2018**

**For latest dates please see <https://www.daimler.com/investors/events/financial-calendar/>**

# Disclaimer

**The figures in this document are preliminary and have neither been approved yet by the Supervisory Board nor audited by the external auditor.**

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; 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.