

# DAIMLER

## Q1 2016 Results

Bodo Uebber

Member of the Board of Management

Finance & Controlling and Daimler Financial Services

April 22, 2016

# Contents

## Results for Q1 2016

Outlook for 2016

Development at the divisions



# Highlights of Q1 2016

Strong growth in Group unit sales	683,900	+ 7 %
Highest Q1 unit sales so far at Mercedes-Benz Cars	496,800	+ 8 %
EBIT from ongoing business	€ 2.7bn	- 9 %

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World premiere of the new Mercedes-Benz E-Class

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Presentation of the new Mercedes-Benz GLC Coupé and C-Class Cabriolet

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Debut of the new four-cylinder diesel engine OM 654

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World premiere of a group of connected and autonomous trucks (Platoon) driving on a public highway

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Announcement of €500 million investment in a second battery factory in Germany

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Daimler Financial Services AG awarded Germany's best employer in its category

# Key financials

	Q1 2015	Q1 2016
Revenue	34.2	<b>35.0</b>
EBIT		
as reported	2.9	<b>2.1</b>
from ongoing business	2.9	<b>2.7</b>
Net profit	2.1	<b>1.4</b>
Earnings per share (in euros)	1.83	<b>1.26</b>
Net liquidity industrial business (2015: year-end)	18.6	<b>18.5</b>
Free cash flow of the industrial business	2.3	<b>0.3</b>

in billions of euros

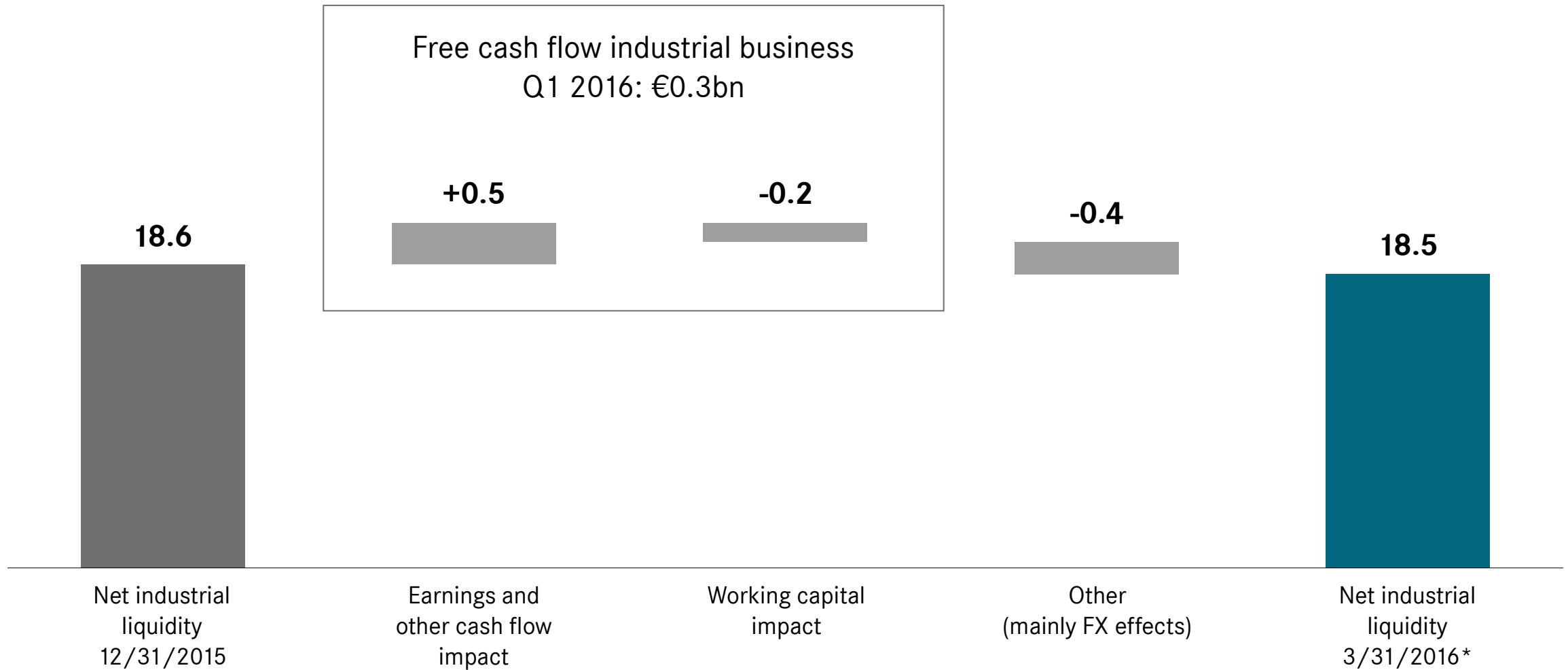
# Key balance sheet and financial figures

<b>Daimler Group</b>	Dec. 31, 2015	March 31, 2016
Equity ratio	23.7%	<b>22.9%</b>
Gross liquidity	18.2	<b>23.1</b>
<b>Industrial business</b>		
Equity ratio	44.5%	<b>40.8%</b>
Net liquidity	18.6	<b>18.5</b>

in billions of euros

# Net industrial liquidity: development in Q1 2016

- in billions of euros -



\* dividend not paid out until April

# Unit sales

	Q1 2015	Q1 2016	% change
<b>Daimler Group</b>	641.6	<b>683.9</b>	+7
of which			
Mercedes-Benz Cars	459.7	<b>496.8</b>	+8
Daimler Trucks	112.4	<b>105.7</b>	-6
Mercedes-Benz Vans	63.8	<b>76.6</b>	+20
Daimler Buses	5.7	<b>4.8</b>	-15

in thousands of units



# Mercedes-Benz Cars: product highlights



New Mercedes-Benz E-Class



New Mercedes-Benz GLC Coupé



New Mercedes-Benz C-Class Cabriolet



New Mercedes-Benz SL



# Mercedes-Benz Cars: product highlights

Autonomous driving and parking





# Daimler Trucks: product highlights

Autonomous truck platooning with three WiFi connected Mercedes-Benz trucks





# Mercedes-Benz Vans: product highlights

Market premiere of Mercedes-Benz V-Class in China





# Daimler Buses: product highlights



Mercedes-Benz CapaCity L



Mercedes-Benz Tourismo



Setra TopClass 500



BharatBenz bus from the Chennai plant

# Revenue by division

	Q1 2015	Q1 2016	% change
<b>Daimler Group</b>	34.2	<b>35.0</b>	+2
of which			
Mercedes-Benz Cars	19.5	<b>20.0</b>	+2
Daimler Trucks	8.4	<b>8.2</b>	-2
Mercedes-Benz Vans	2.4	<b>2.8</b>	+17
Daimler Buses	0.9	<b>0.8</b>	-5
Daimler Financial Services	4.5	<b>4.9</b>	+7
Contract volume of Daimler Financial Services*	116.7	<b>115.7</b>	-1

in billions of euros

\* figures as of December 31, 2015 and March 31, 2016



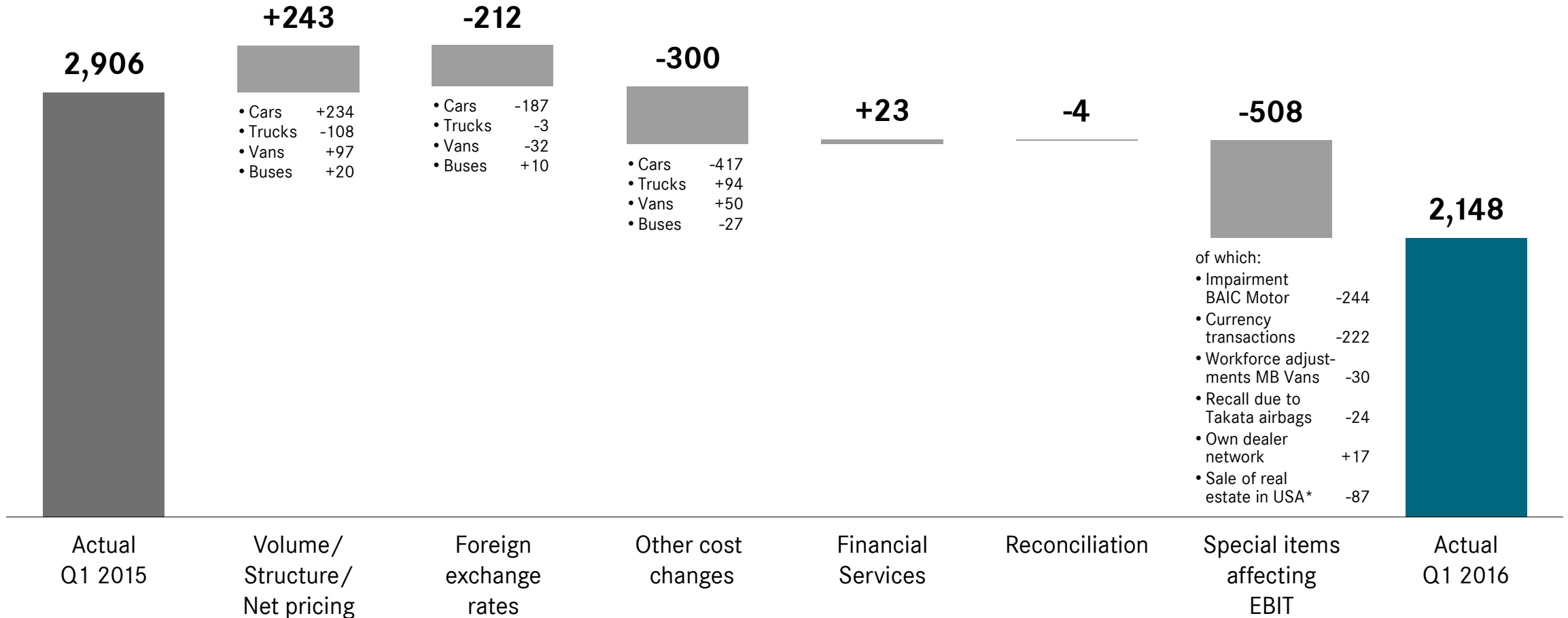
# EBIT by division

- EBIT in millions of euros; RoS in % -	Q1 2015		Q1 2016	
	EBIT	RoS*	EBIT	RoS*
<b>Daimler Group</b>	2,906	8.4	<b>2,148</b>	<b>5.7</b>
of which				
Mercedes-Benz Cars	1,841	9.4	<b>1,395</b>	<b>7.0</b>
Daimler Trucks	472	5.6	<b>516</b>	<b>6.3</b>
Mercedes-Benz Vans	215	8.9	<b>301</b>	<b>10.7</b>
Daimler Buses	34	3.9	<b>39</b>	<b>4.7</b>
Daimler Financial Services	409	-	<b>432</b>	-
Reconciliation	-65	-	<b>-535</b>	-

\* Return on sales; Daimler Group excluding Daimler Financial Services

# Group EBIT in Q1 2016

- in millions of euros -



\* in Q1 2015

# Special items affecting EBIT

	Q1 2015	Q1 2016
<b>Mercedes-Benz Cars</b>		
Restructuring of own dealer network	-20	-10
Relocation of headquarters of MBUSA	-20	-
Sale of real estate in the United States	+87	-
Recall in connection with Takata airbags	-	-20
<b>Daimler Trucks</b>		
Workforce adjustments	-5	-
Restructuring of own dealer network	-4	-1
Sale of Atlantis Foundries	-55	-
<b>Mercedes-Benz Vans</b>		
Restructuring of own dealer network	-4	-1
Relocation of headquarters of MBUSA	-2	-
Recall in connection with Takata airbags	-	-4
Workforce adjustments in Germany	-	-30
<b>Daimler Buses</b>		
Restructuring of own dealer network	-1	-
<b>Reconciliation</b>		
Impairment of investment in BAIC Motor	-	-244
Losses from currency transactions (not allocated to business operations)	-	-222

in millions of euros

# EBIT from ongoing business

- EBIT in millions of euros; RoS in % -	Q1 2015		Q1 2016	
	EBIT	RoS*	EBIT	RoS*
<b>Daimler Group</b>	2,930	8.5	<b>2,680</b>	<b>7.4</b>
of which				
Mercedes-Benz Cars	1,794	9.2	<b>1,425</b>	<b>7.1</b>
Daimler Trucks	536	6.4	<b>517</b>	<b>6.3</b>
Mercedes-Benz Vans	221	9.2	<b>336</b>	<b>11.9</b>
Daimler Buses	35	4.0	<b>39</b>	<b>4.7</b>
Daimler Financial Services	409	-	<b>432</b>	-
Reconciliation	-65	-	<b>-69</b>	-

\* Return on sales; Daimler Group excluding Daimler Financial Services

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# Mercedes-Benz Cars: our product offensive continues



GLS facelift



E-Class sedan



smart cabrio



SL facelift



CLA facelift



E-Class  
(long wheelbase)



smart EV

Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
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2016



S-Class Cabriolet



C-Class Cabriolet



E-Class  
station wagon



SLC facelift



GLC Coupé

2017

# Assumptions for automotive markets in 2016

Car markets	Global	around +3%
	Western Europe	slight growth
	USA	around the prior-year level
	China	significant growth
Medium- and heavy-duty truck markets	NAFTA region	around -10%
	Europe	around +5%
	Japan*	around the prior-year level
	Brazil	around -20%
	Indonesia*	around -15%
Van markets	Europe	slight growth for small, mid-size and large vans
	USA	slight growth
Bus markets	Western Europe	slight growth
	Brazil	significant decrease

\* including light-duty trucks

# 2016 sales outlook

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Mercedes-Benz Cars

## **Significantly higher unit sales**

Strong momentum from renewed SUV portfolio and further plug-in hybrid models  
Launch of all-new E-Class, C-Class Coupé, S-Class Cabriolet and smart fortwo cabrio

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Daimler Trucks

## **Unit sales slightly below the prior-year level**

Sustained market leadership in softening NAFTA market, strong product portfolio across all regions, expansion of global market presence with regional centers

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Mercedes-Benz Vans

## **Significantly higher unit sales**

Significant growth in core market Western Europe  
Continued momentum from “Mercedes-Benz Vans goes global” strategy

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Daimler Buses

## **Unit sales at the prior-year level**

Maintain market leadership in core markets  
Significant growth in Western Europe, significantly lower demand in Brazil

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# 2016 outlook for EBIT from ongoing business

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## DAIMLER

**We expect Group EBIT for FY 2016 to increase slightly based on the following expectations for divisional EBIT:**

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Mercedes-Benz Cars

Slightly above the prior-year level

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Daimler Trucks

At the prior-year level

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Mercedes-Benz Vans

Significantly above the prior-year level

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Daimler Buses

Slightly above the prior-year level

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Daimler Financial Services

Slightly above the prior-year level

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**Development at the divisions**

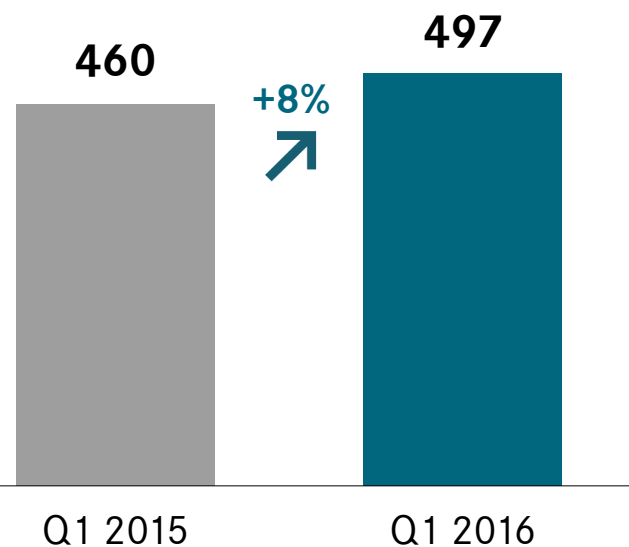




# Mercedes-Benz Cars: decrease in EBIT due to life-cycle effects

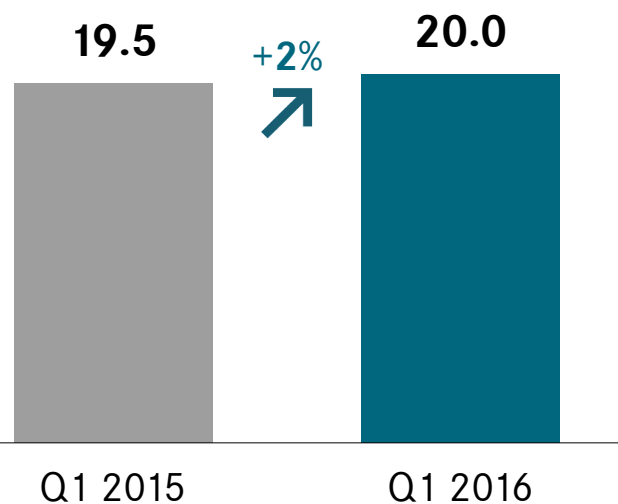
## Unit sales

- in thousands of units -



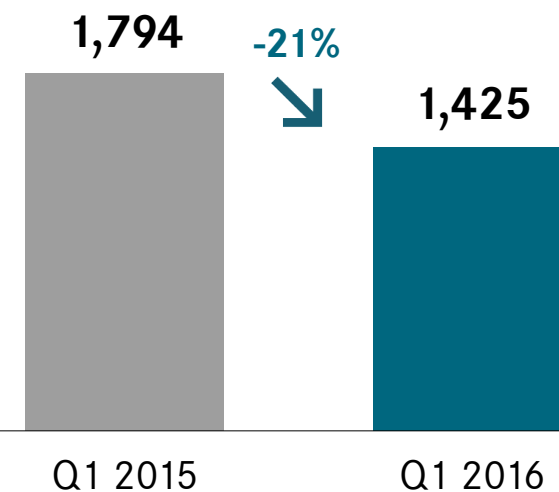
## Revenue

- in billions of euros -



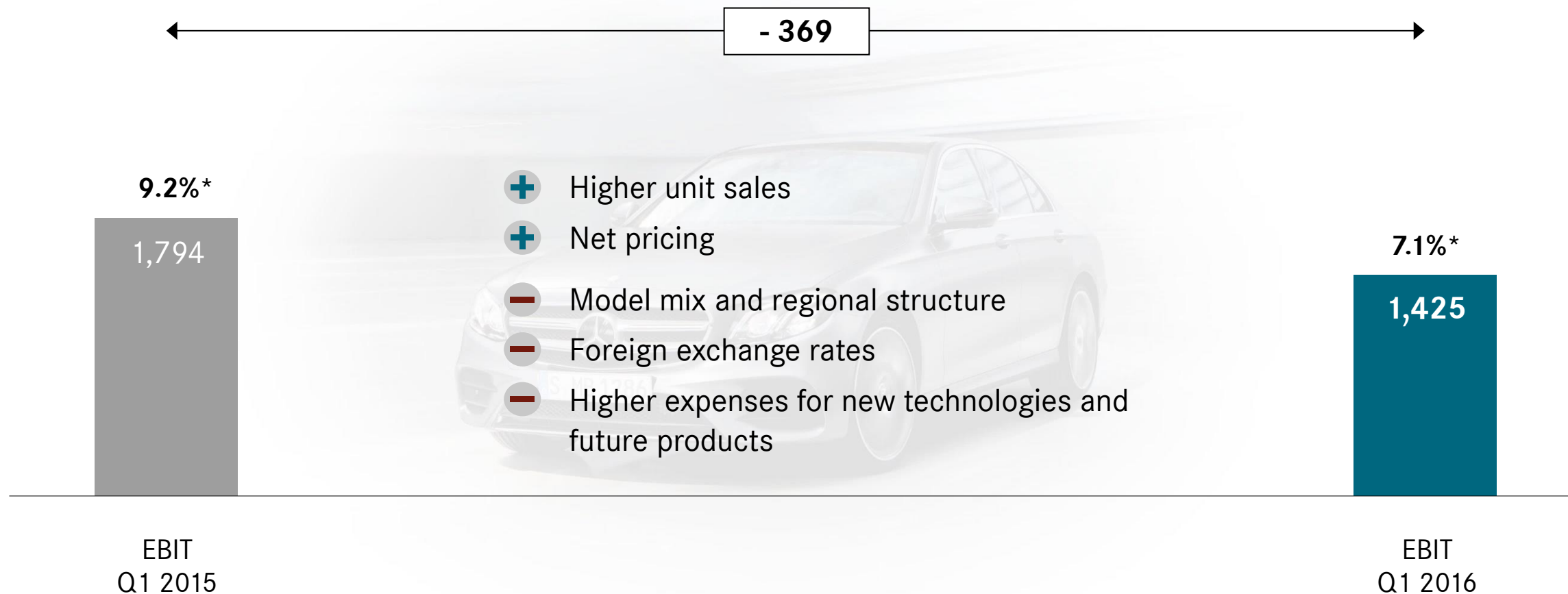
## EBIT from ongoing business

- in millions of euros -



# Mercedes-Benz Cars: EBIT from ongoing business

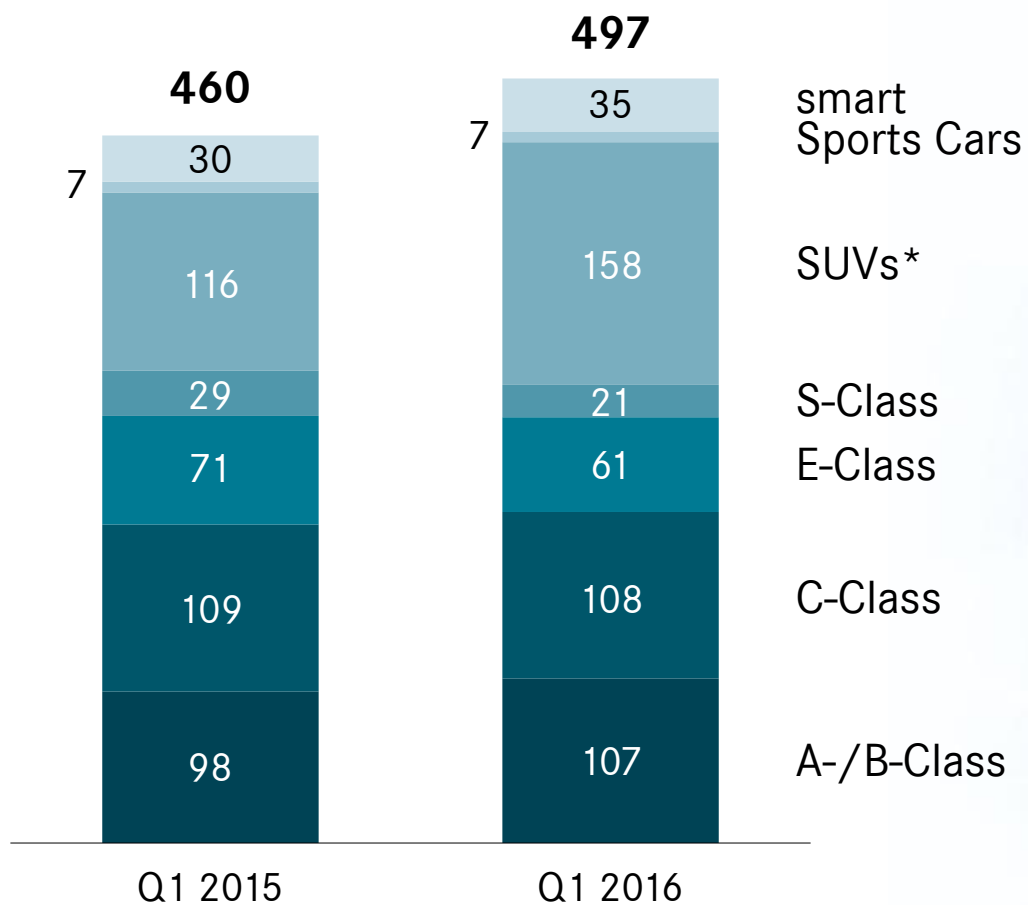
- in millions of euros -



\* Return on sales

# Mercedes-Benz Cars: sales volume above prior-year level

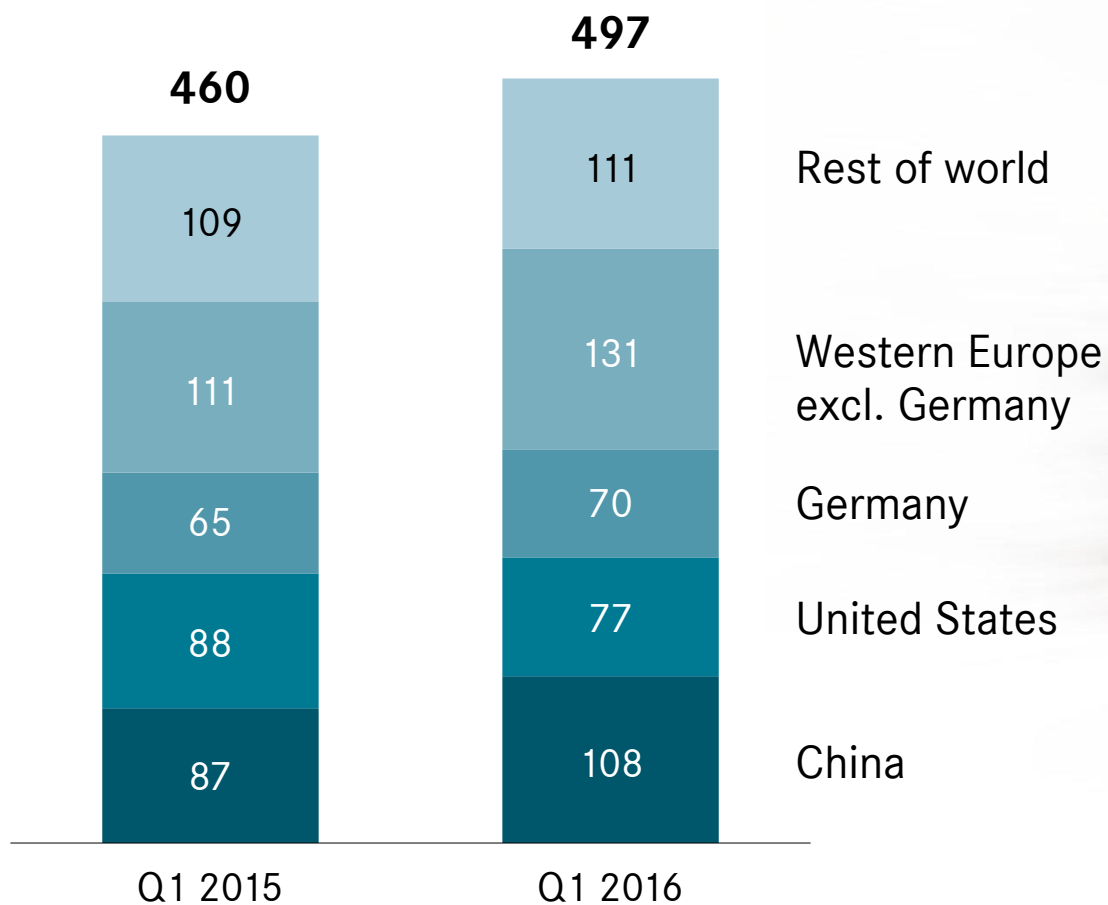
- in thousands of units -



\* incl. GLA

# Mercedes-Benz Cars: balanced sales structure

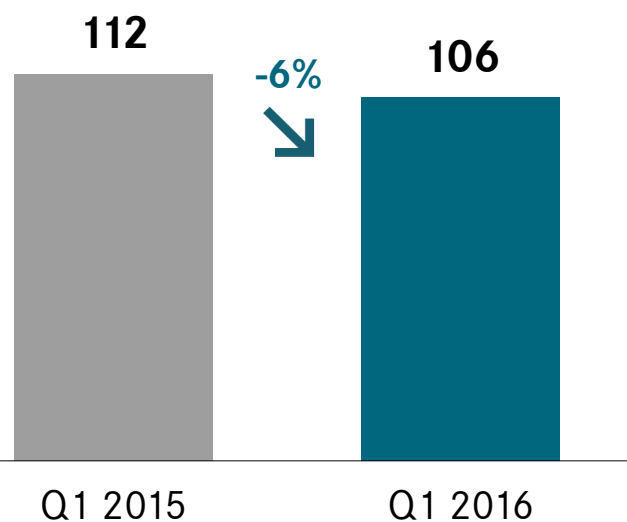
- unit sales in thousands -



# Daimler Trucks: key figures driven by heterogeneous market development

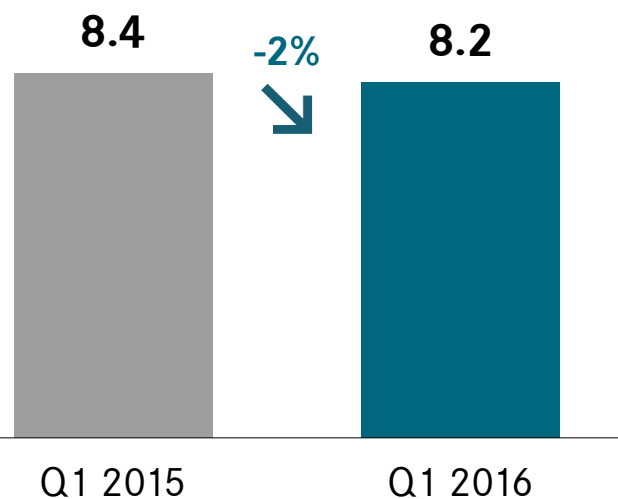
## Unit sales

- in thousands of units -



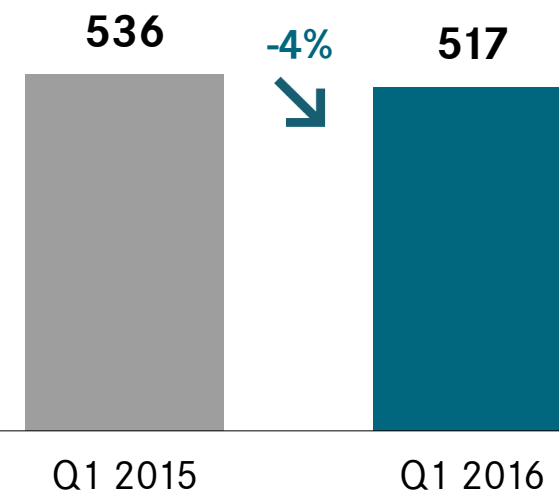
## Revenue

- in billions of euros -



## EBIT from ongoing business

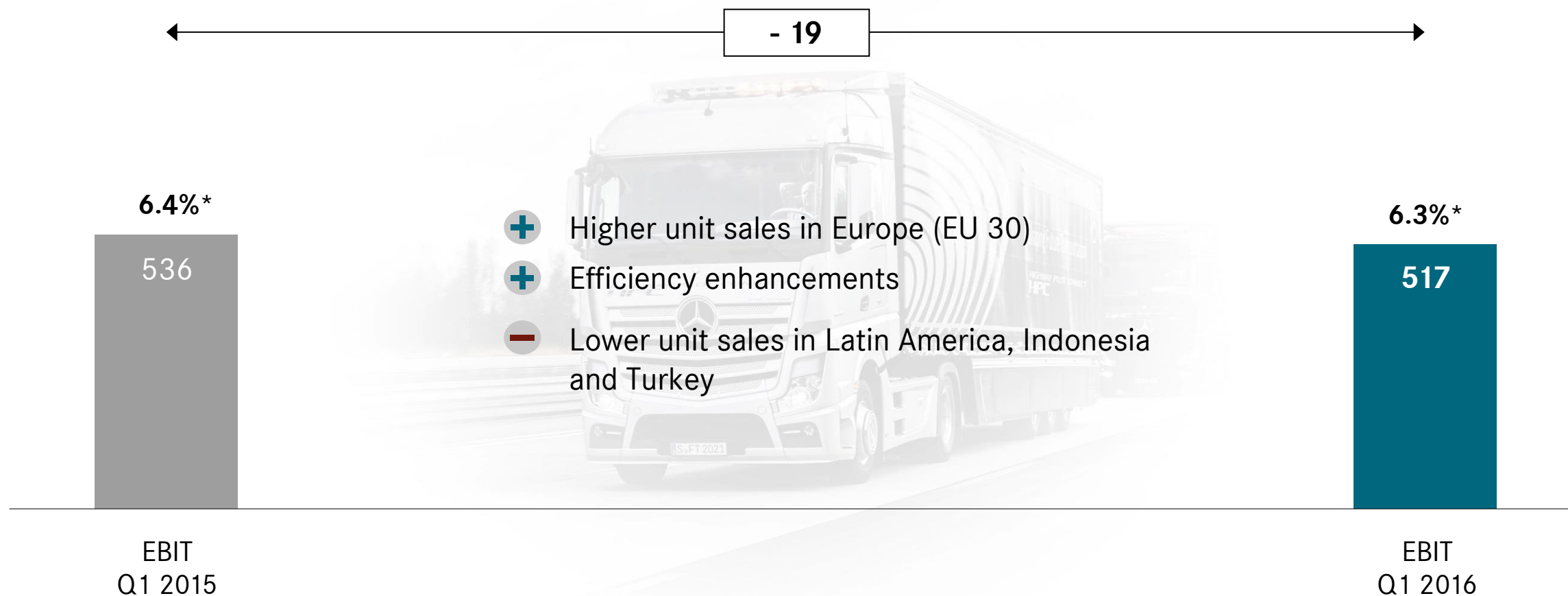
- in millions of euros -





# Daimler Trucks: EBIT from ongoing business

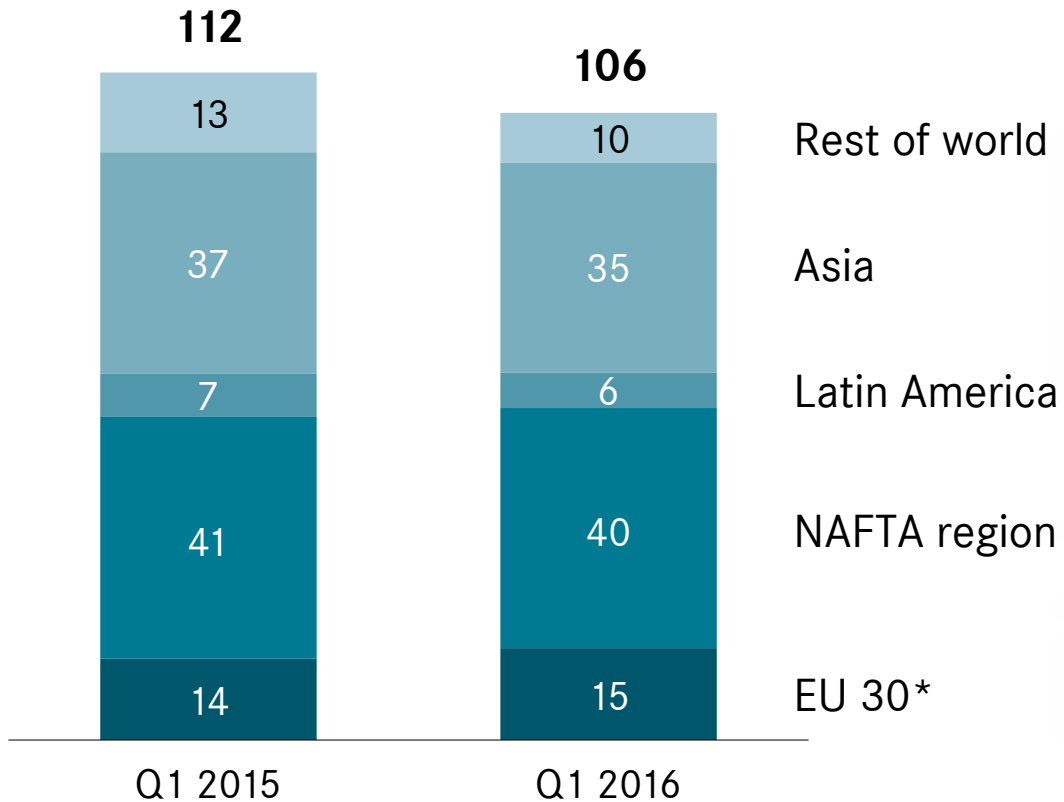
- in millions of euros -



\* Return on sales

# Daimler Trucks: decrease in unit sales driven by Latin America, Indonesia and Turkey

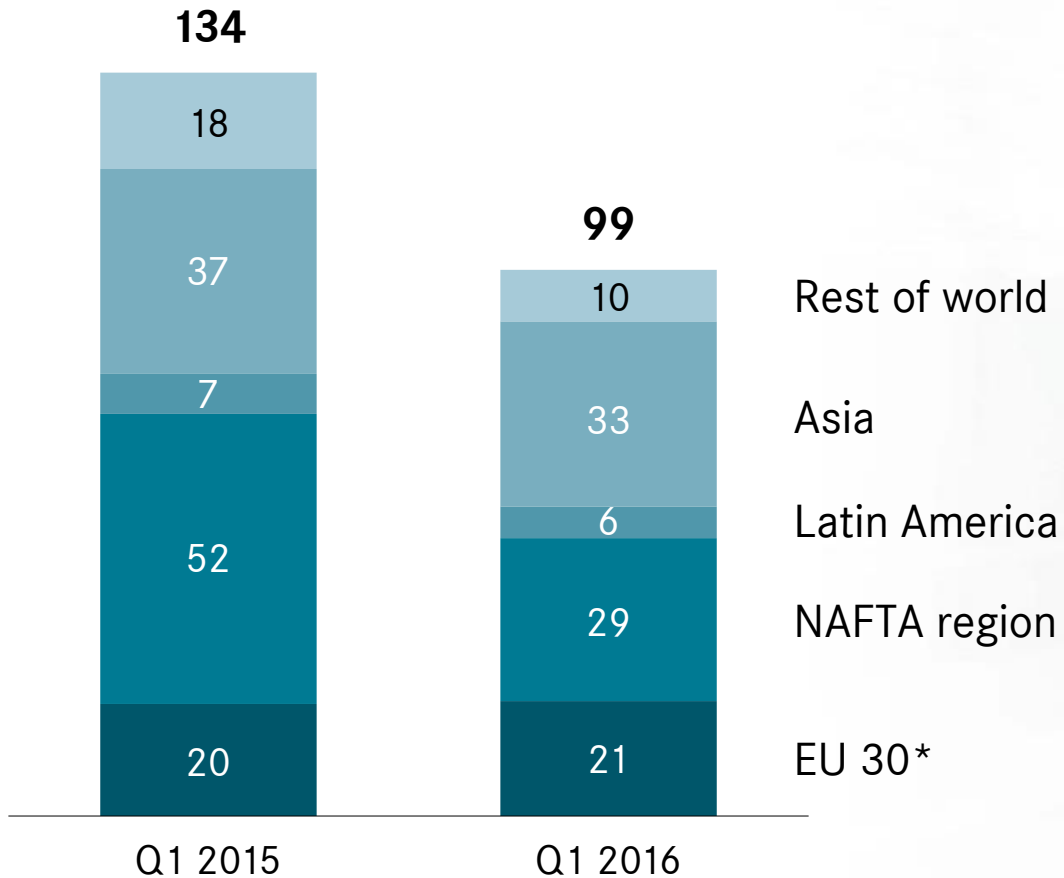
- in thousands of units -



\* European Union, Switzerland and Norway

# Daimler Trucks: incoming orders significantly below prior-year level

- in thousands of units -

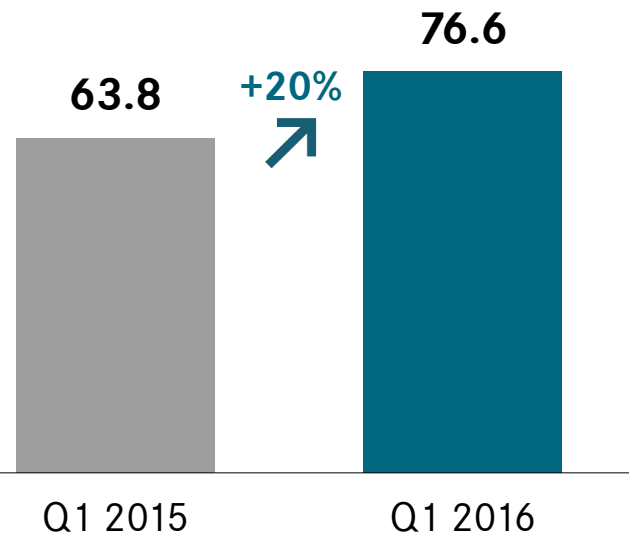


\* European Union, Switzerland and Norway

# Mercedes-Benz Vans: success in volatile markets

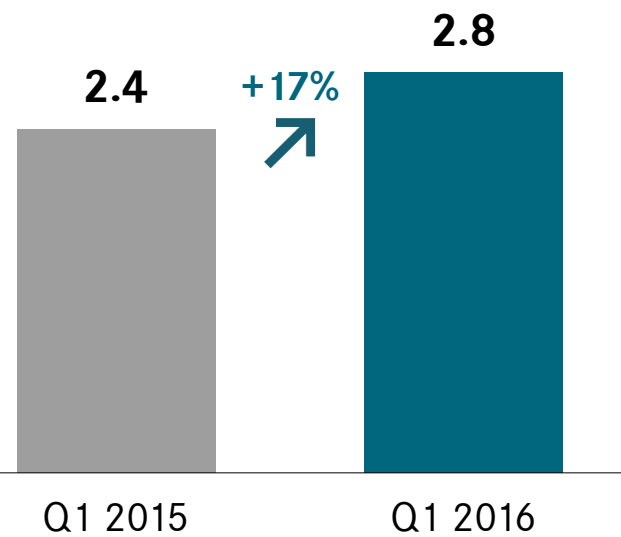
## Unit sales

- in thousands of units -



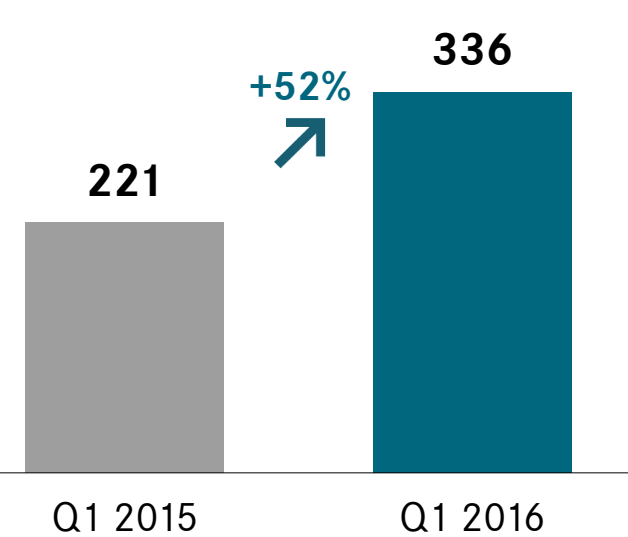
## Revenue

- in billions of euros -



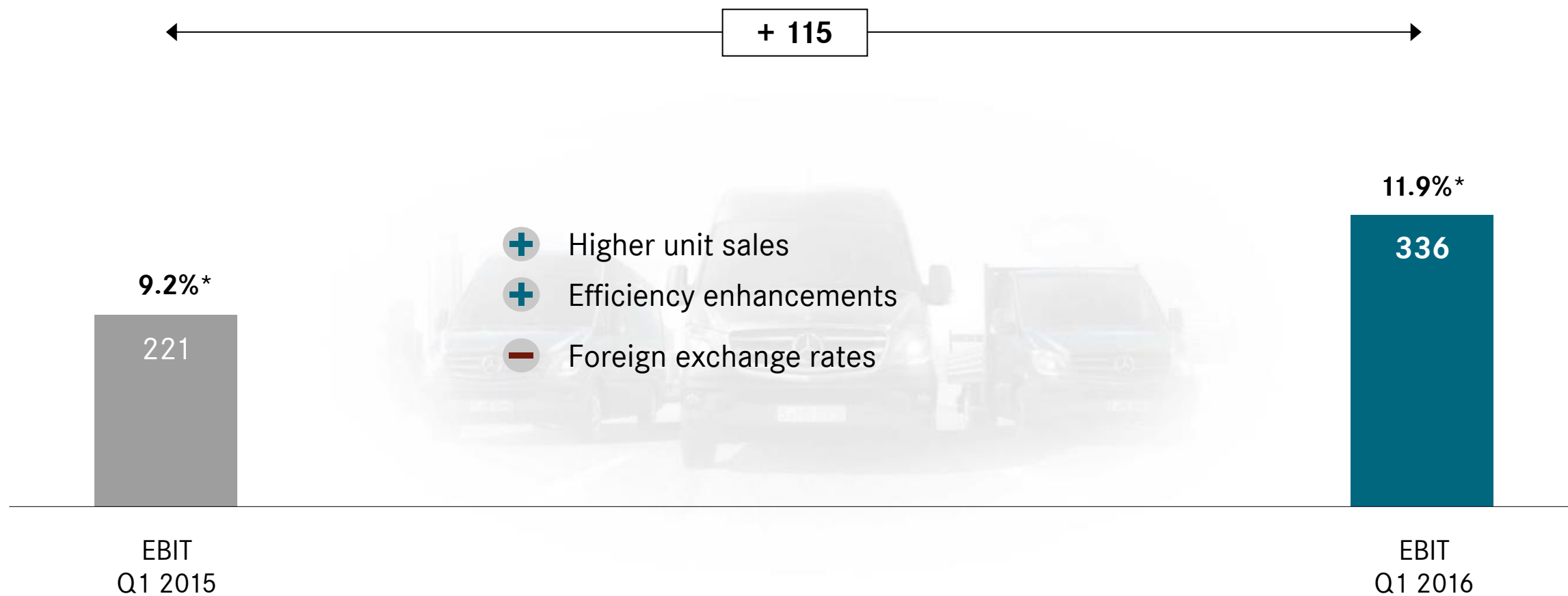
## EBIT from ongoing business

- in millions of euros -



# Mercedes-Benz Vans: EBIT from ongoing business

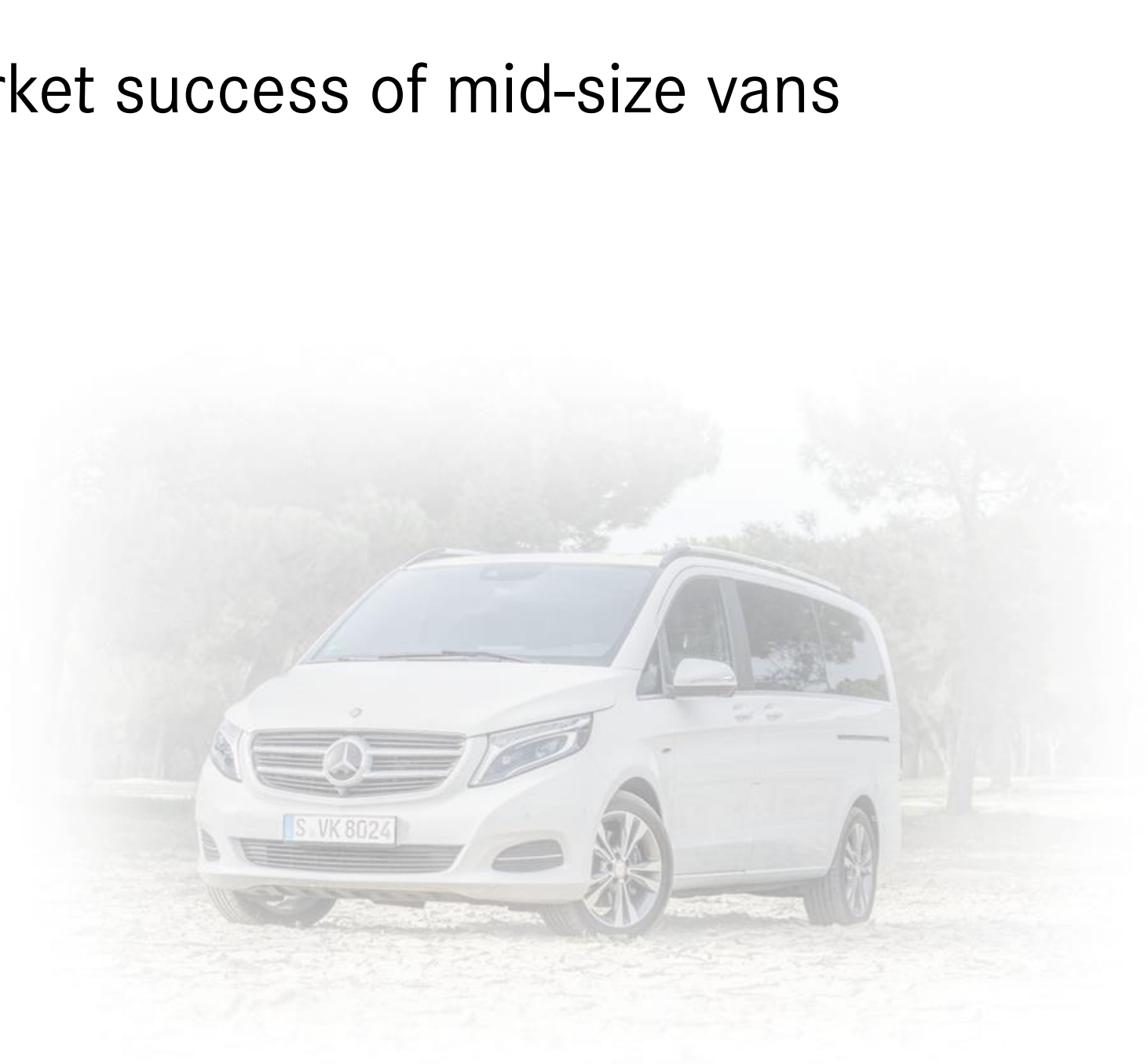
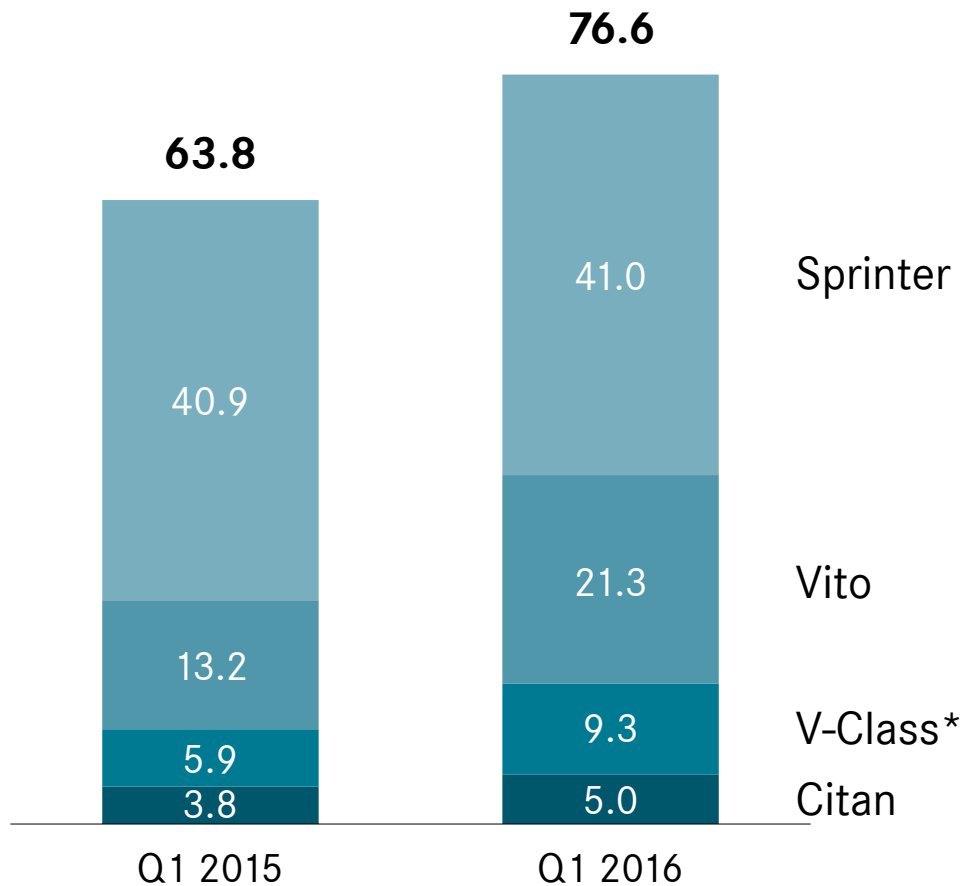
- in millions of euros -



\* Return on sales

# Mercedes-Benz Vans: market success of mid-size vans

- in thousands of units -

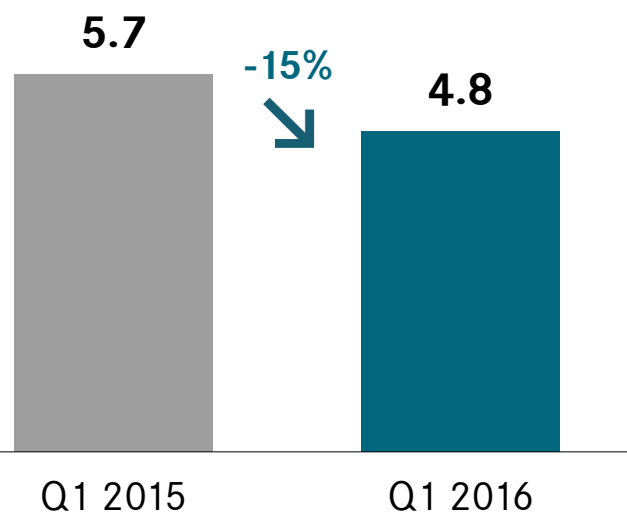


\* incl. Viano

# Daimler Buses: strong EBIT despite significant market contraction in Latin America

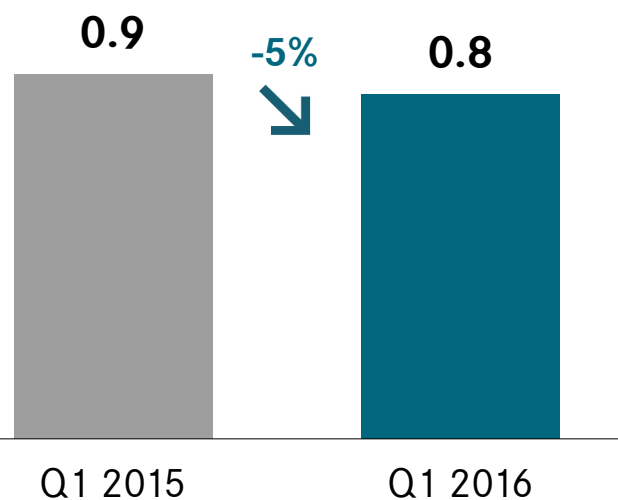
## Unit sales

- in thousands of units -



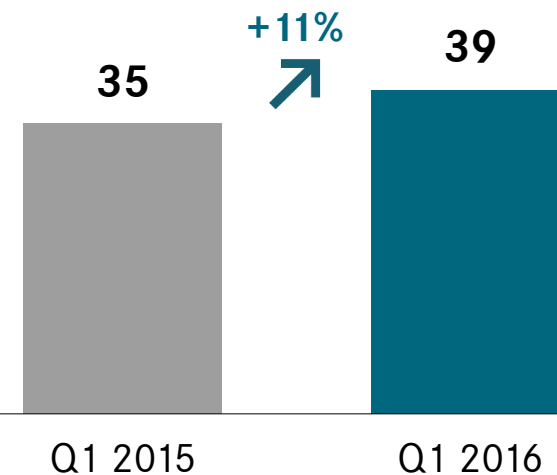
## Revenue

- in billions of euros -



## EBIT from ongoing business

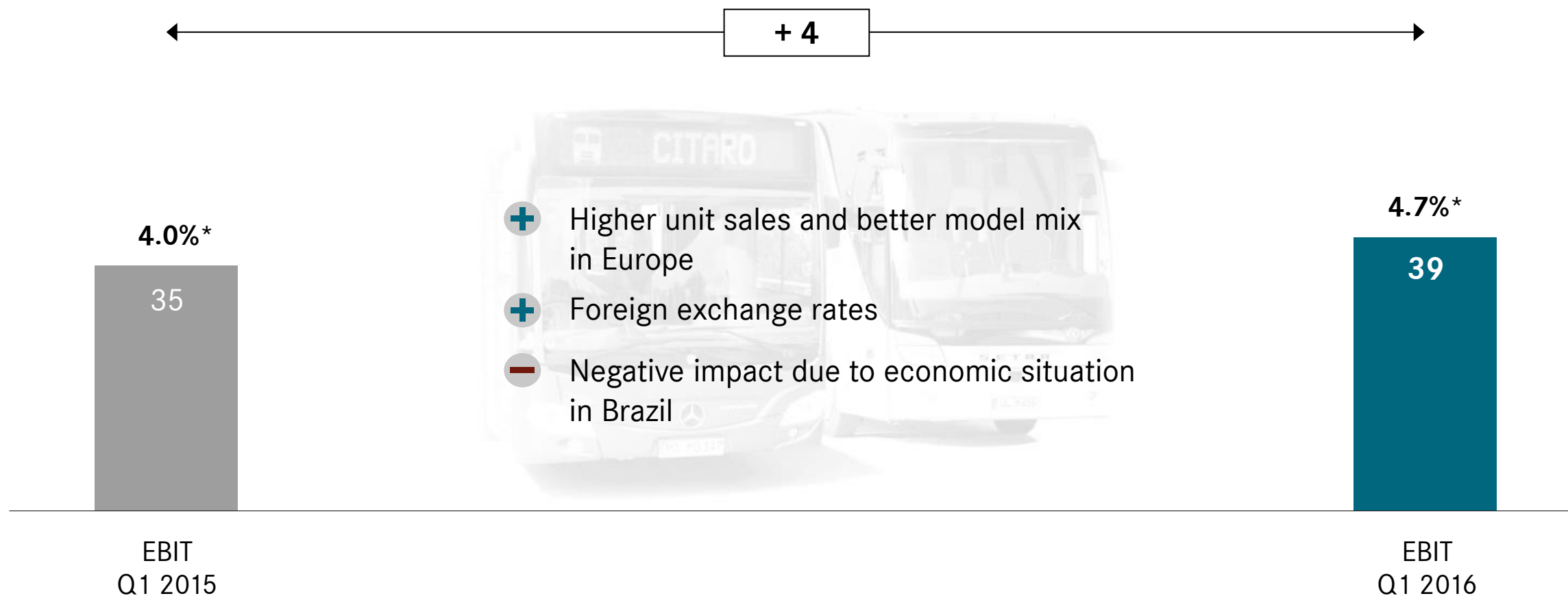
- in millions of euros -





# Daimler Buses: EBIT from ongoing business

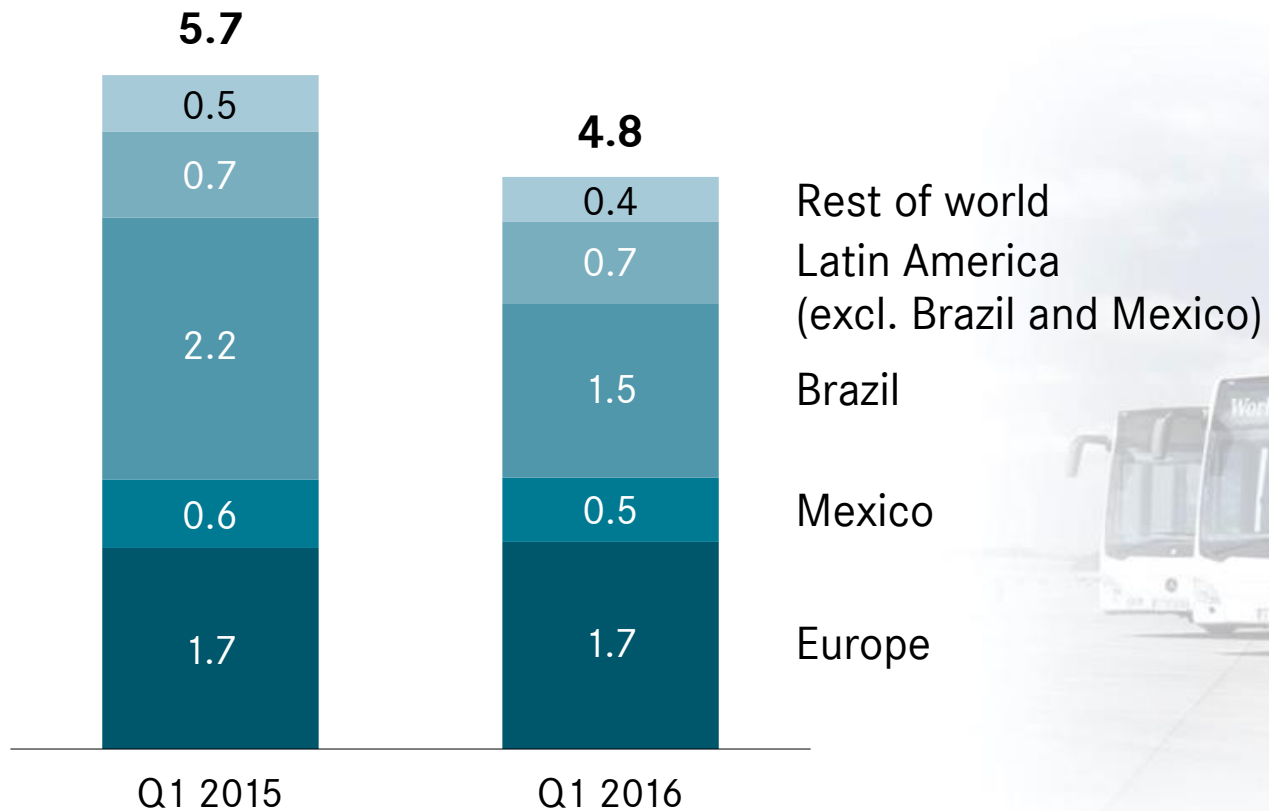
- in millions of euros -



\* Return on sales

# Daimler Buses: lower demand for bus chassis in Brazil

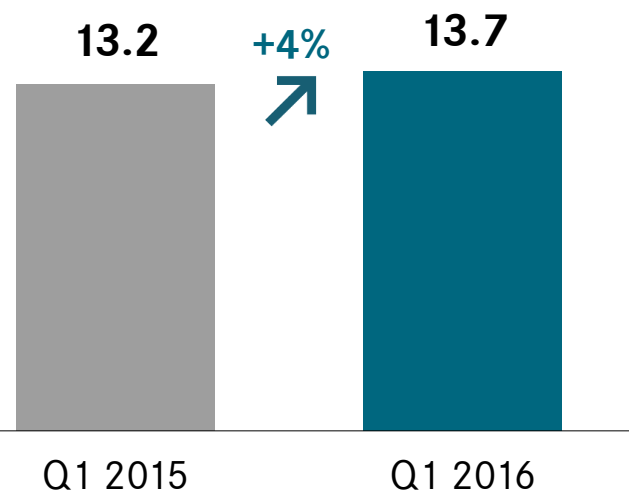
- unit sales in thousands -



# Daimler Financial Services: further business growth

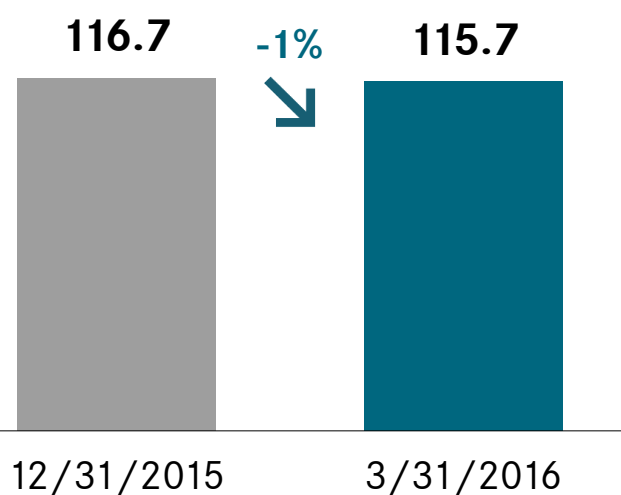
## New business

- in billions of euros -



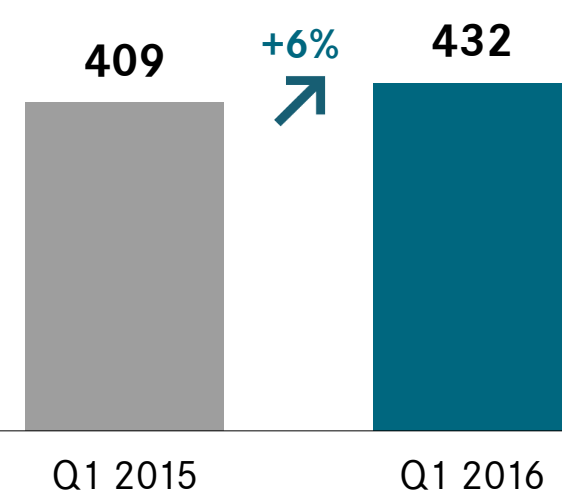
## Contract volume

- in billions of euros -



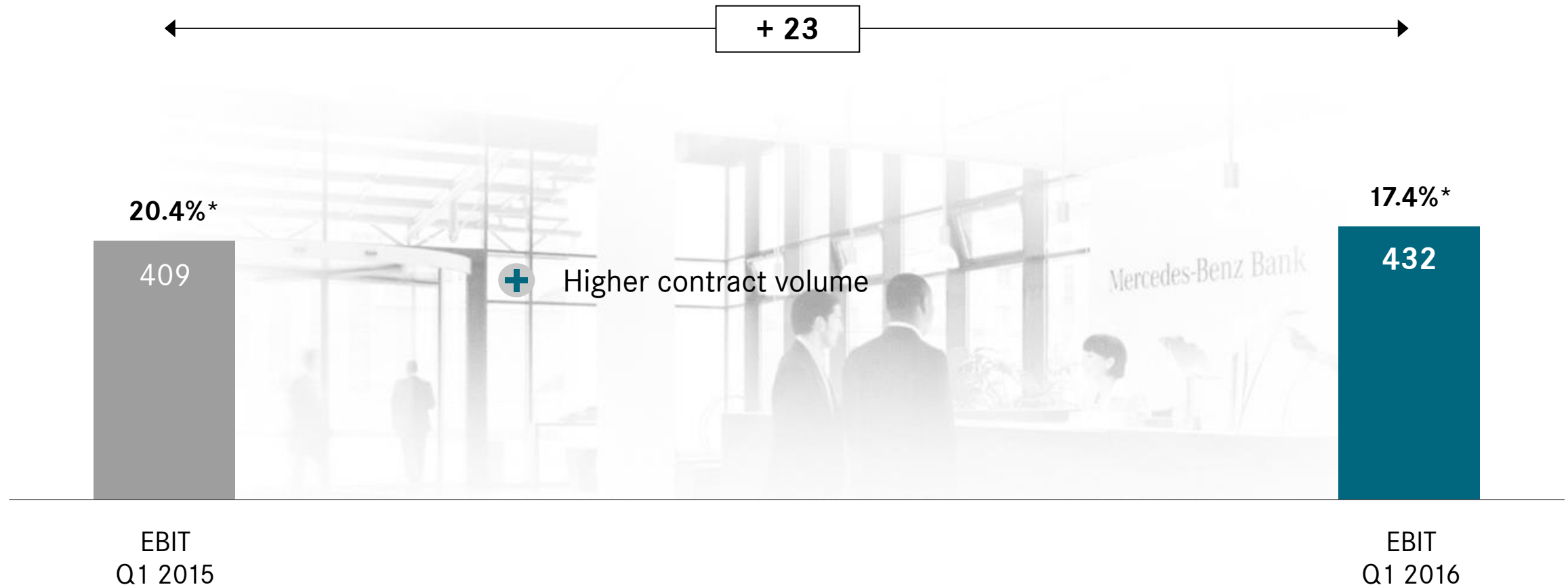
## EBIT from ongoing business

- in millions of euros -



# Daimler Financial Services: EBIT from ongoing business

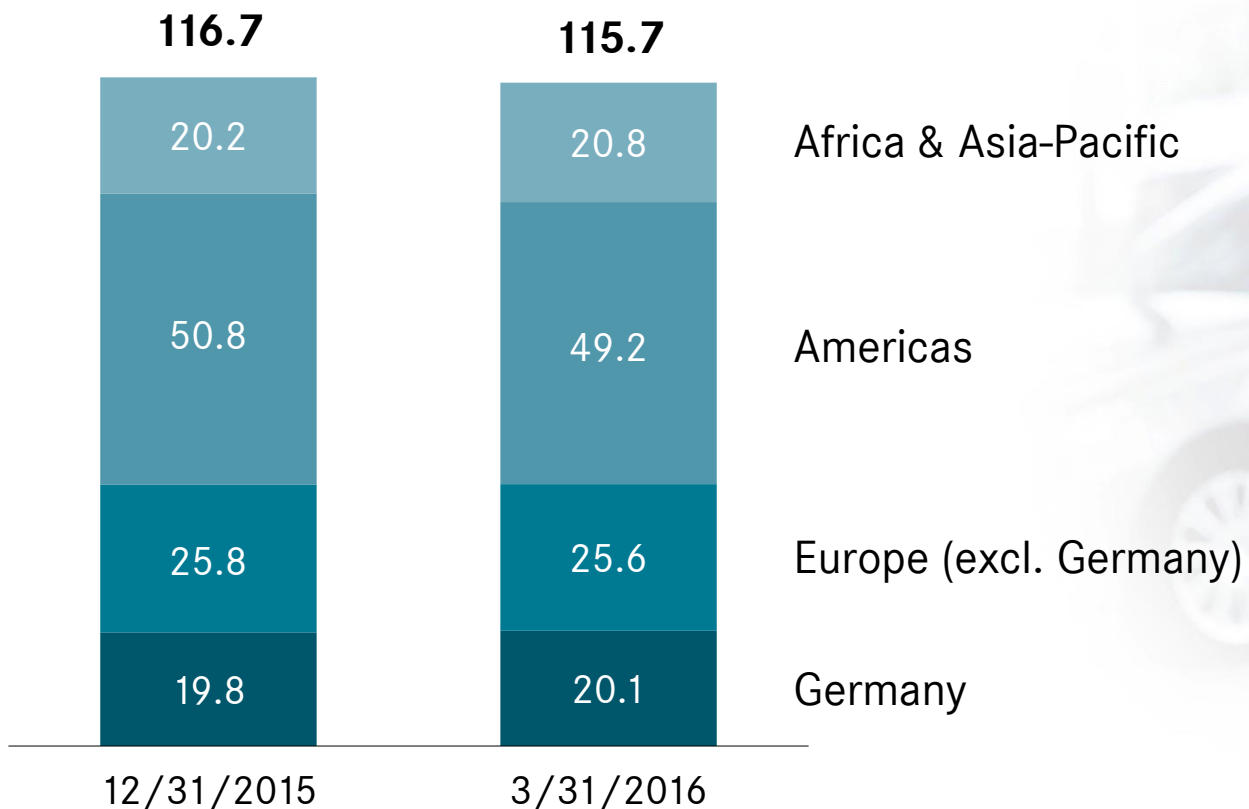
- in millions of euros -



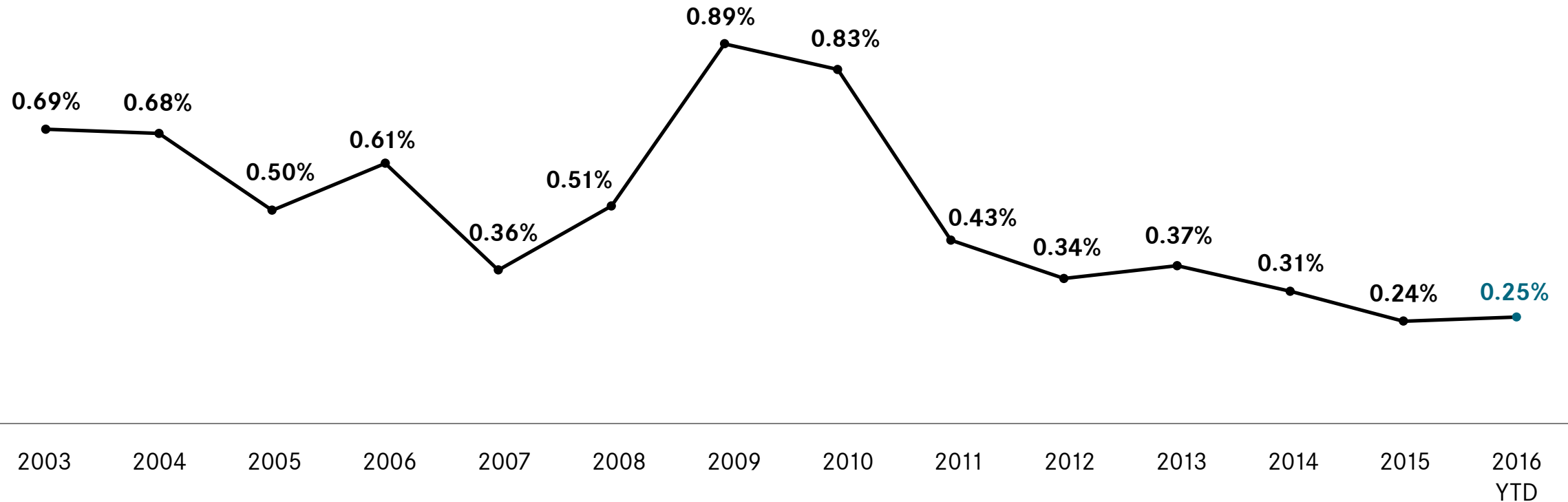
\* Return on equity

# Daimler Financial Services: exchange-rate adjusted growth in all regions

- contract volume in billions of euros -



# 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 worsening of the sovereign-debt crisis in the euro zone; an increase in political tension in Eastern Europe; 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 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.