

DAIMLER

Q2 and Half-Year 2016 Results

July 21, 2016

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Results for Q2 2016

Outlook for 2016

Development at the divisions



Highlights of Q2 2016

Strong growth in Group unit sales	761,300	+ 7 %
Highest quarterly unit sales so far at Mercedes-Benz Cars	546,500	+ 9 %
EBIT adjusted for special items	€ 4.0bn	+ 6 %

World premiere of the new Mercedes-Benz E-Class station wagon

Start of production of new Mercedes-Benz C-Class Cabriolet, GLC Coupé and long-wheelbase E-Class in China

Launch of six regional sales centers for Daimler commercial vehicles completed

World premiere of the Mercedes-Benz Future Bus with CityPilot – a milestone on the way to autonomous driving

Successful start of car2go services in the Chinese metropolis Chongqing

Transfer of shares in Renault/Nissan strengthens pension assets by €1.8 billion

Key financials

	Q2 2015	Q2 2016
Revenue	37.5	38.6
EBIT		
as reported	3.7	3.3
adjusted for special items	3.8	4.0
Net profit	2.4	2.5
Earnings per share (in euros)	2.12	2.27
Net liquidity industrial business (2015: year-end)	18.6	17.4
Free cash flow of the industrial business (January-June)	3.4	2.1

in billions of euros

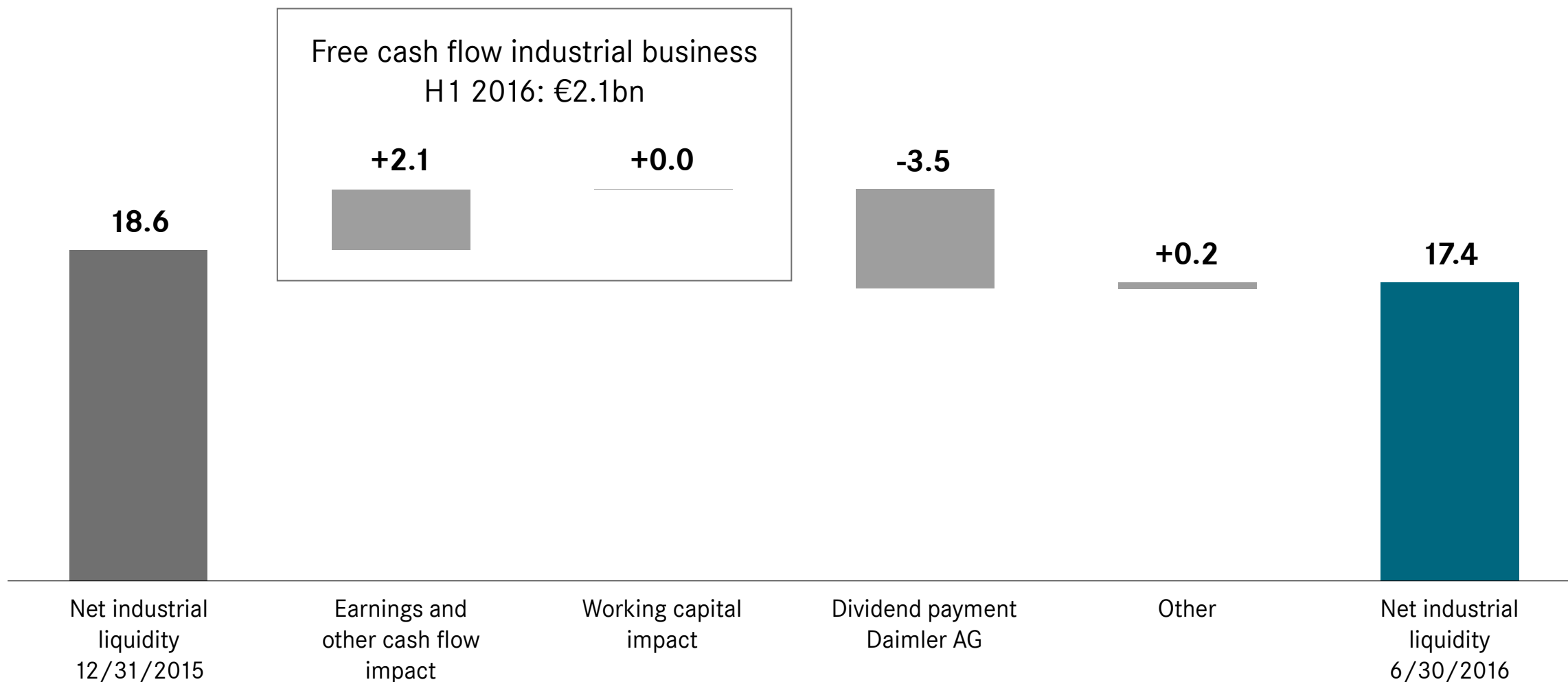
Key balance sheet and financial figures

Daimler Group	Dec. 31, 2015	June 30, 2016
Equity ratio	23.6%	22.7%
Gross liquidity	18.2	22.9
Industrial business		
Equity ratio	44.2%	41.2%
Net liquidity	18.6	17.4

in billions of euros

Net industrial liquidity: development in H1 2016

- in billions of euros -



Unit sales

	Q2 2015	Q2 2016	% change
Daimler Group	714.8	761.3	+7
of which			
Mercedes-Benz Cars	500.7	546.5	+9
Daimler Trucks	125.1	108.3	-13
Mercedes-Benz Vans	81.6	99.6	+22
Daimler Buses	7.3	7.0	-5

in thousands of units

Mercedes-Benz Cars: product highlights



New Mercedes-Benz E-Class station wagon



New Mercedes-Benz GLC Coupé



New Mercedes-Benz C-Class Cabriolet



New Mercedes-AMG GT R

Daimler Trucks: product highlights

New Sideguard Assist and Active Brake Assist safety technologies



Daimler Trucks: product highlights

Mercedes-Benz Uptime: Significant increase of vehicle availability through connectivity



Mercedes-Benz Uptime

Daimler Buses: product highlights

World premiere: Autonomous driving of the Mercedes-Benz Future Bus with City Pilot



Mercedes-Benz Vans: product highlights

Launch of the Mercedes-Benz Sprinter with more payload and power



Revenue by division

	Q2 2015	Q2 2016	% change
Daimler Group	37.5	38.6	+3
of which			
Mercedes-Benz Cars	21.1	22.1	+5
Daimler Trucks	9.4	8.7	-8
Mercedes-Benz Vans	2.8	3.4	+22
Daimler Buses	1.0	1.1	+8
Daimler Financial Services	4.8	5.0	+5
Contract volume of Daimler Financial Services*	116.7	120.3	+3

in billions of euros

* figures as of December 31, 2015 and June 30, 2016

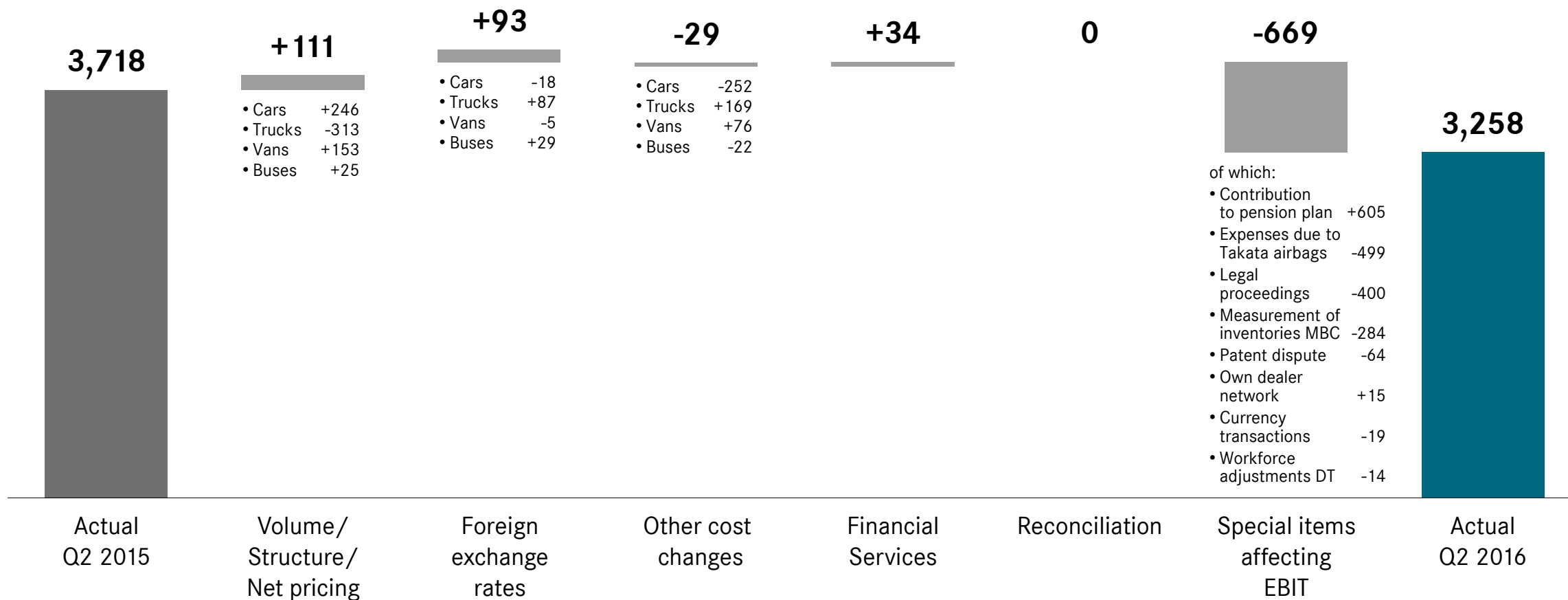
EBIT by division

- EBIT in millions of euros; RoS in % -	Q2 2015		Q2 2016	
	EBIT	RoS*	EBIT	RoS*
Daimler Group	3,718	10.0	3,258	8.3
of which				
Mercedes-Benz Cars	2,227	10.5	1,410	6.4
Daimler Trucks	682	7.2	621	7.2
Mercedes-Benz Vans	234	8.3	401	11.7
Daimler Buses	57	5.5	88	7.8
Daimler Financial Services	445	-	479	-
Reconciliation	73	-	259	-

* Return on sales; Daimler Group excluding Daimler Financial Services

Group EBIT in Q2 2016

- in millions of euros -



Special items affecting EBIT (I)

	Q2 2015	Q2 2016	H1 2015	H1 2016
Mercedes-Benz Cars				
Restructuring of own dealer network	-16	-11	-36	-21
Relocation of headquarters of MBUSA	+9	-	-11	-
Sale of real estate in the United States	-	-	+87	-
Expenses in connection with Takata airbags	-	-440	-	-460
Net expenses from measurement of inventories	-	-284	-	-284
Settlement in connection with patent dispute	-	-64	-	-64
Daimler Trucks				
Workforce adjustments	-20	-34	-25	-34
Restructuring of own dealer network	-15	-6	-19	-7
Sale of Atlantis Foundries	-	-	-55	-

in millions of euros

Special items affecting EBIT (II)

	Q2 2015	Q2 2016	H1 2015	H1 2016
Mercedes-Benz Vans				
Restructuring of own dealer network	-4	-2	-8	-3
Relocation of headquarters of MBUSA	-	-	-2	-
Expenses in connection with Takata airbags	-	-59	-	-63
Workforce adjustments in Germany	-	-	-	-30
Daimler Buses				
Restructuring of own dealer network	-	-1	-1	-1
Reconciliation				
Expenses related to legal proceedings	-	-400	-	-400
Impairment of investment in BAIC Motor	-	-	-	-244
Losses from currency transactions (not allocated to business operations)	-	-19	-	-241
Contribution of shares of Renault and Nissan to pension plan assets	-	+605	-	+605

in millions of euros

EBIT adjusted for special items

- EBIT in millions of euros; RoS in % -	Q2 2015		Q2 2016	
	EBIT	RoS*	EBIT	RoS*
Daimler Group	3,764	10.1	3,973	10.4
of which				
Mercedes-Benz Cars	2,234	10.6	2,209	10.0
Daimler Trucks	717	7.6	661	7.6
Mercedes-Benz Vans	238	8.4	462	13.4
Daimler Buses	57	5.5	89	7.9
Daimler Financial Services	445	-	479	-
Reconciliation	73	-	73	-

* Return on sales; Daimler Group excluding Daimler Financial Services

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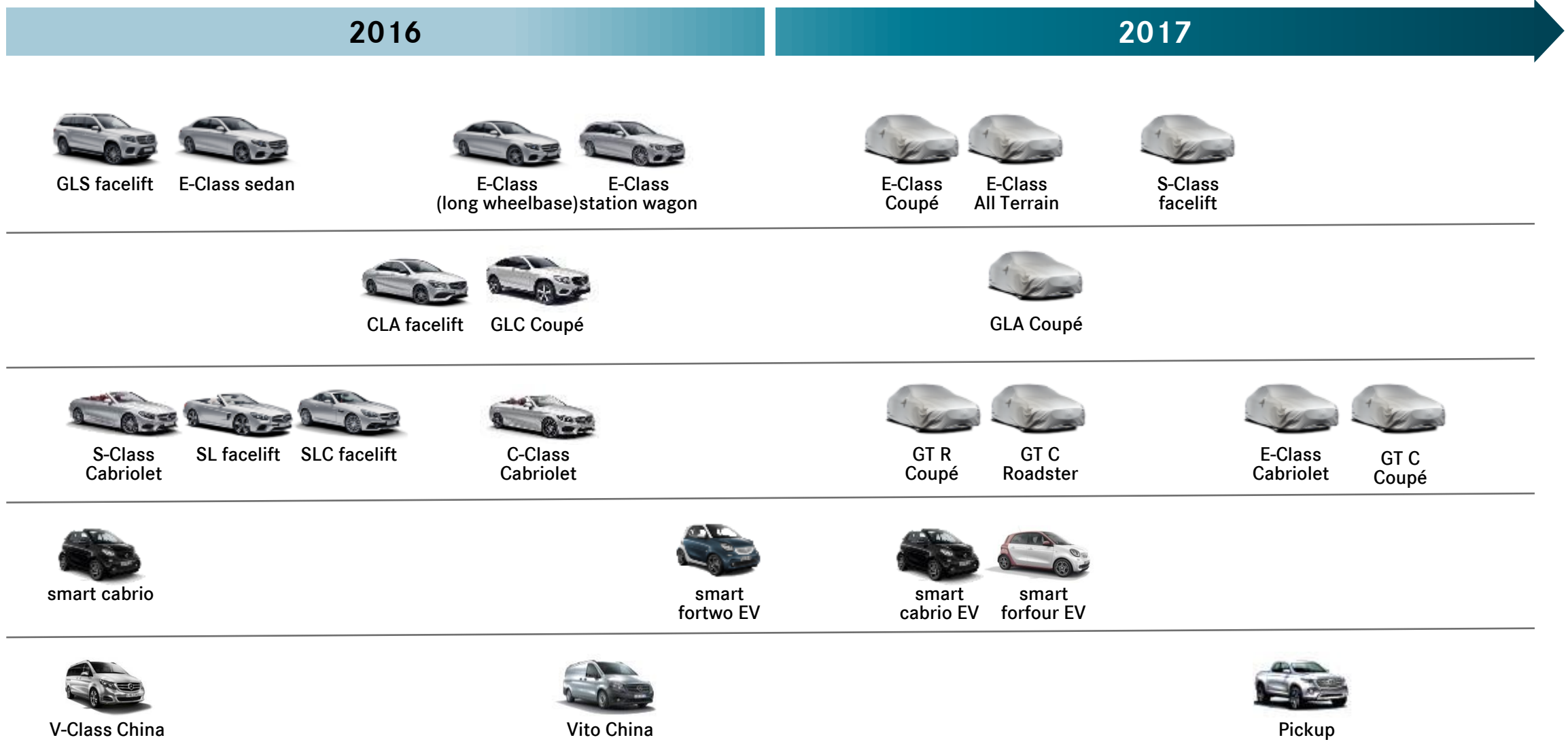
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Mercedes-Benz Cars and Vans: continued product offensive



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 -15%
	Europe	around +10%
	Japan*	around the prior-year level
	Brazil	around -25%
	Indonesia*	around -15%
Van markets	Europe	significant growth for small, mid-size and large vans
	USA	significant growth
Bus markets	Western Europe	slight growth
	Brazil	significant decrease

* including light-duty trucks

2016 sales outlook



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



Daimler Trucks

Unit sales significantly below the prior-year level

Worsened situation of global truck markets; weakening NAFTA market can be only partially offset by the market development in Europe



Mercedes-Benz Vans

Significantly higher unit sales

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



Daimler Buses

Unit sales slightly below the prior-year level

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

2016 outlook for EBIT adjusted for special items

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



Mercedes-Benz Cars

Slightly above the prior-year level



Daimler Trucks

Significantly below the prior-year level



Mercedes-Benz Vans

Significantly above the prior-year level



Daimler Buses

Slightly above the prior-year level



Daimler Financial Services

Slightly above the prior-year level

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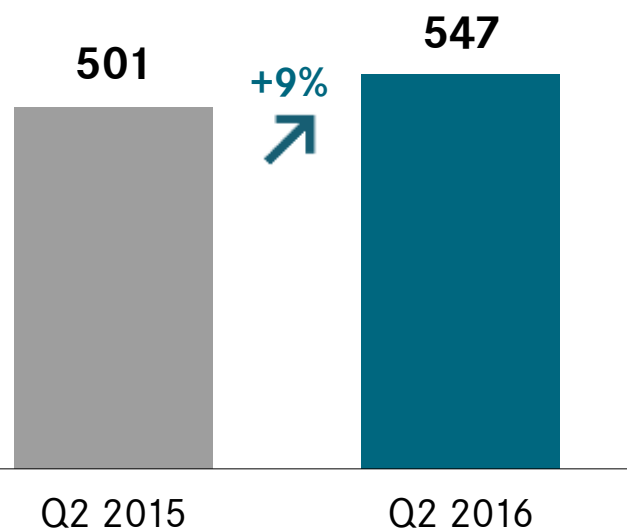
Development at the divisions



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

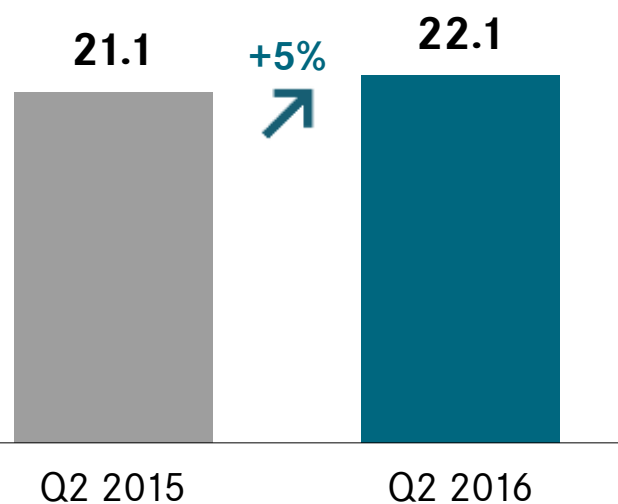
Unit sales

- in thousands of units -



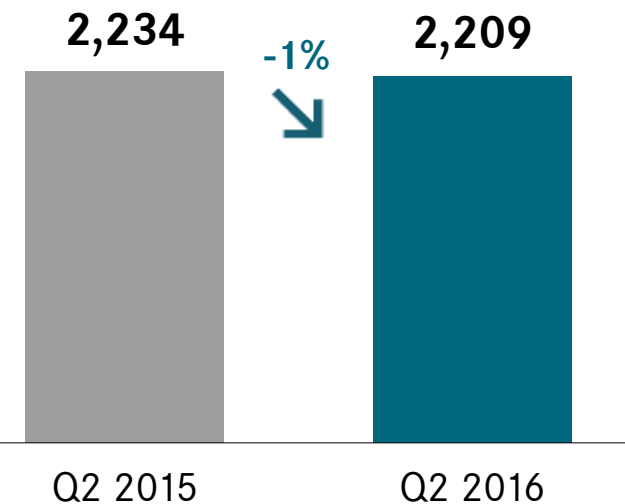
Revenue

- in billions of euros -



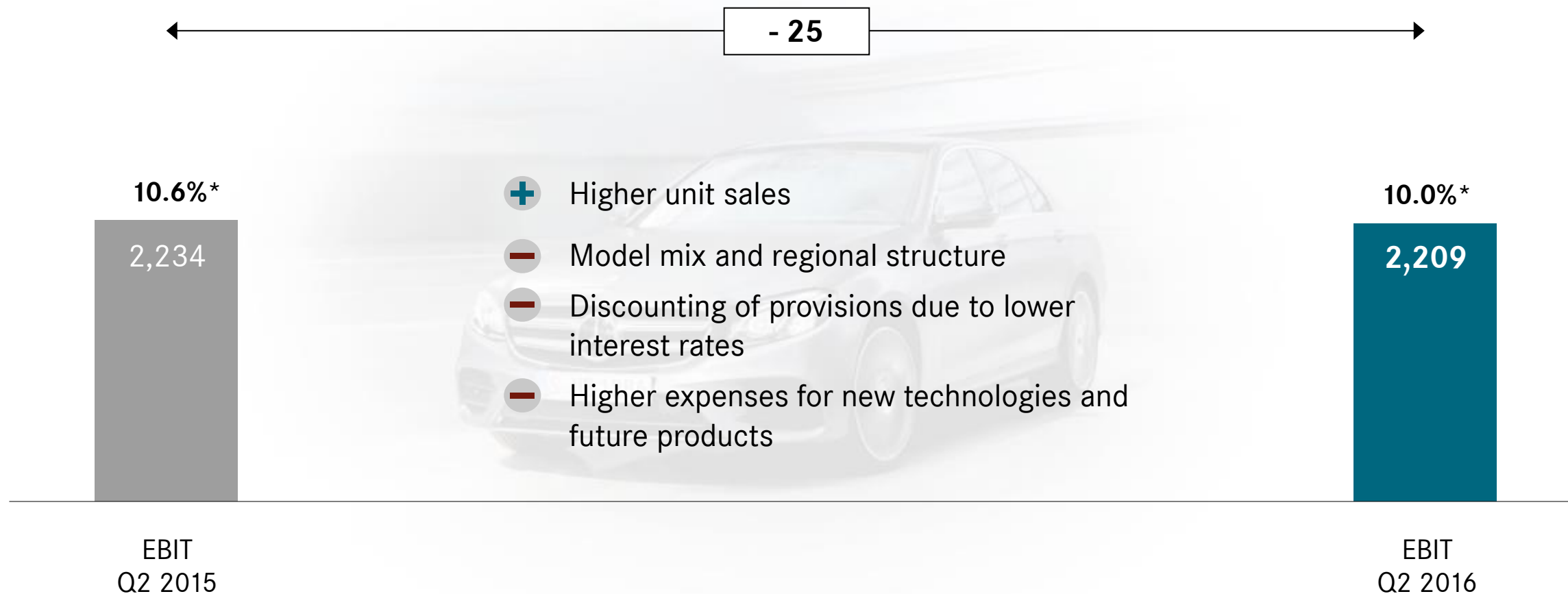
EBIT adjusted for special items

- in millions of euros -



Mercedes-Benz Cars: EBIT adjusted for special items

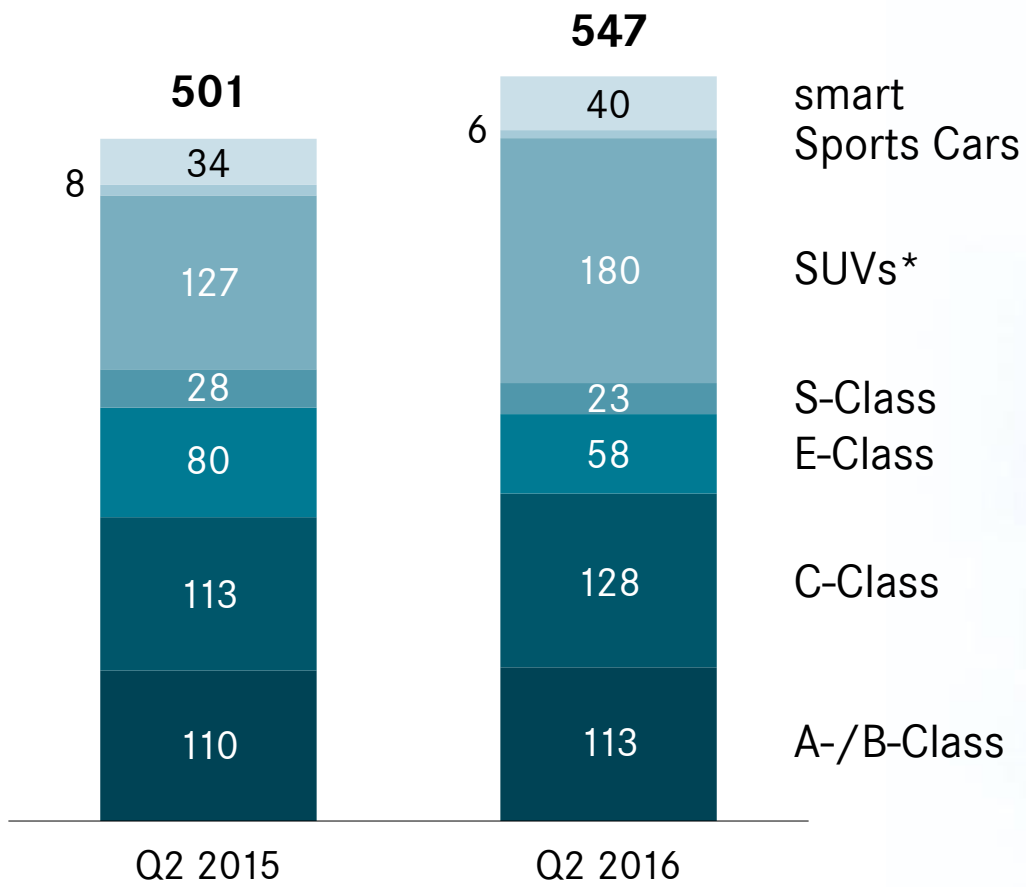
- in millions of euros -



* Return on sales

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

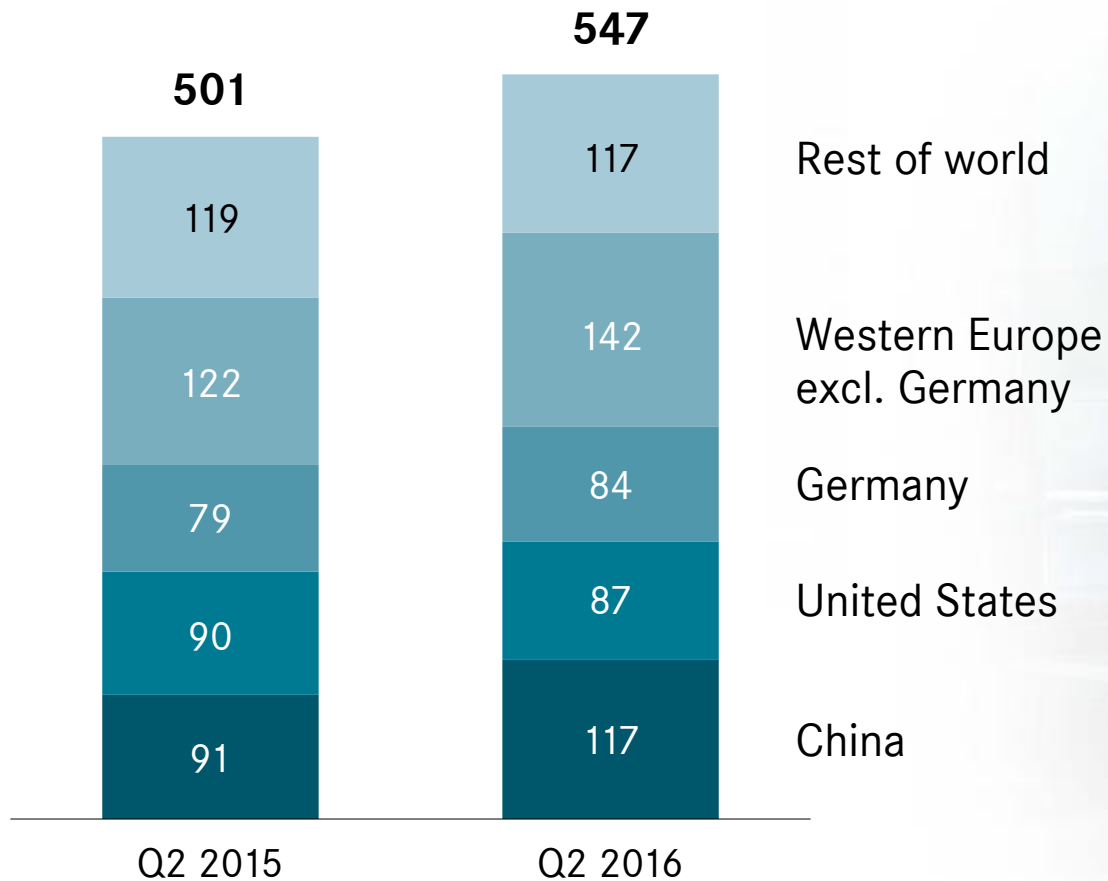
- in thousands of units -



* incl. GLA

Mercedes-Benz Cars: balanced sales structure

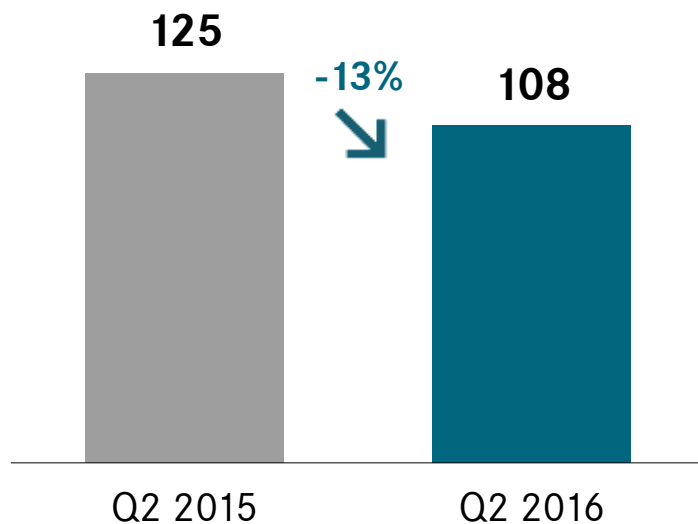
- unit sales in thousands -



Daimler Trucks: key figures driven by heterogeneous market development

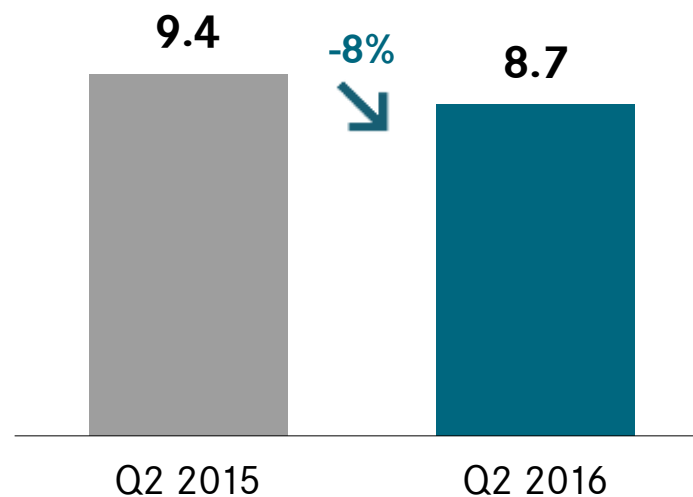
Unit sales

- in thousands of units -



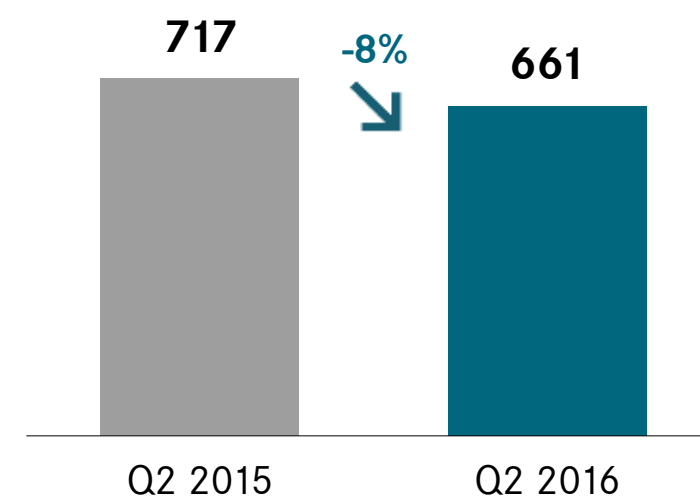
Revenue

- in billions of euros -



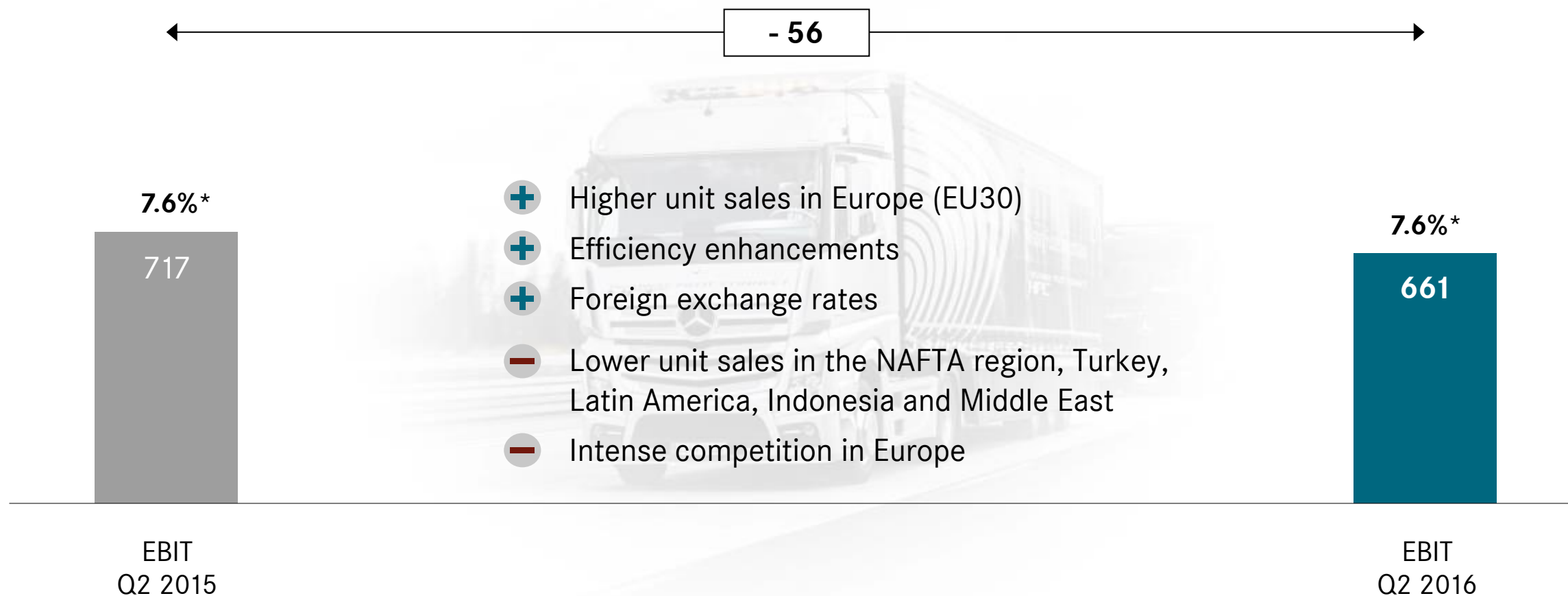
EBIT adjusted for special items

- in millions of euros -



Daimler Trucks: EBIT adjusted for special items

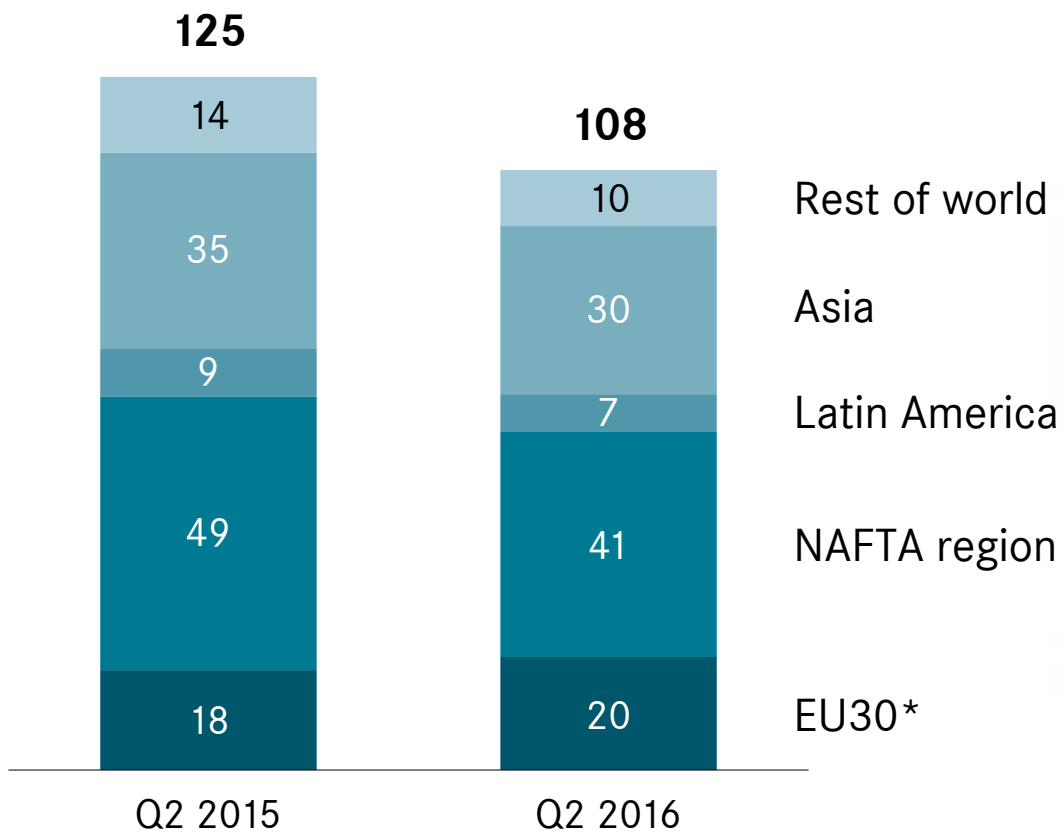
- in millions of euros -



* Return on sales

Daimler Trucks: decrease in unit sales driven by NAFTA region, Turkey, Latin America, Indonesia and Middle East

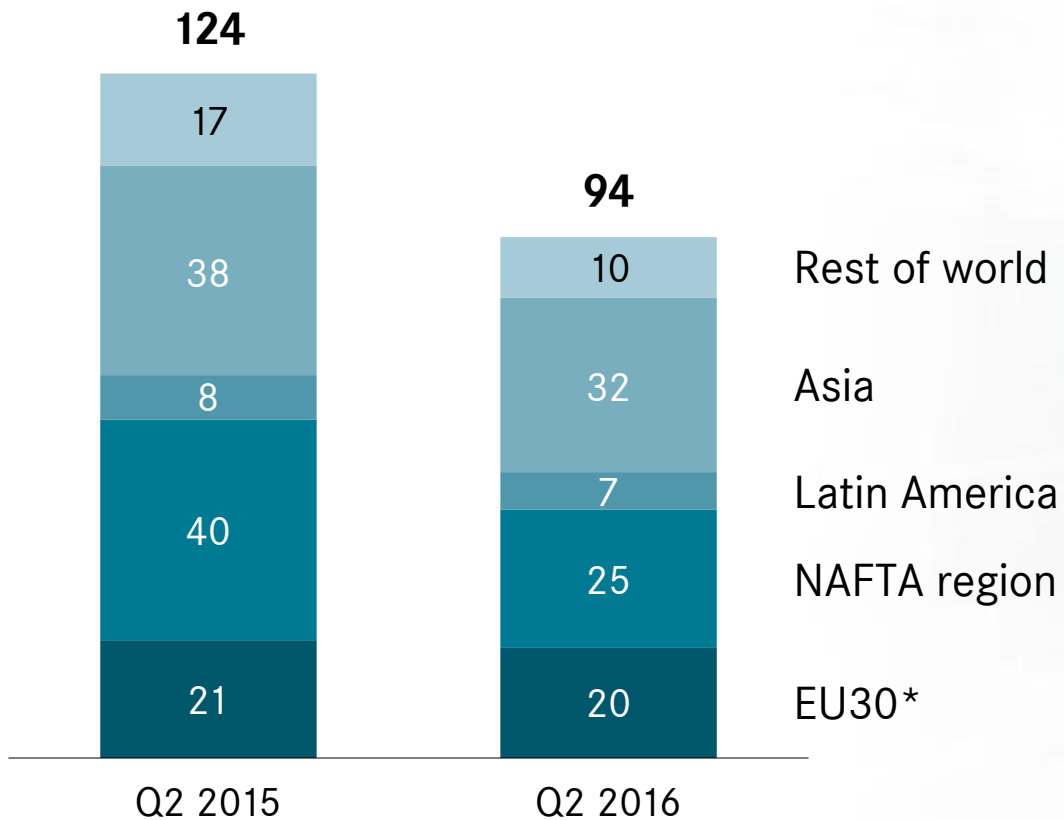
- in thousands of units -



* European Union, Switzerland and Norway

Daimler Trucks: incoming orders significantly below prior-year level

- in thousands of units -

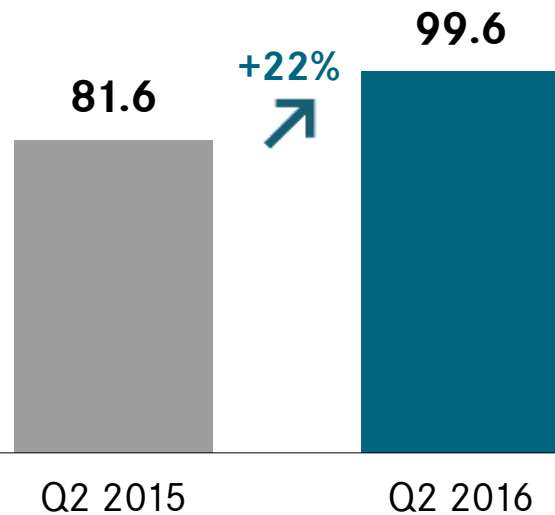


* European Union, Switzerland and Norway

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

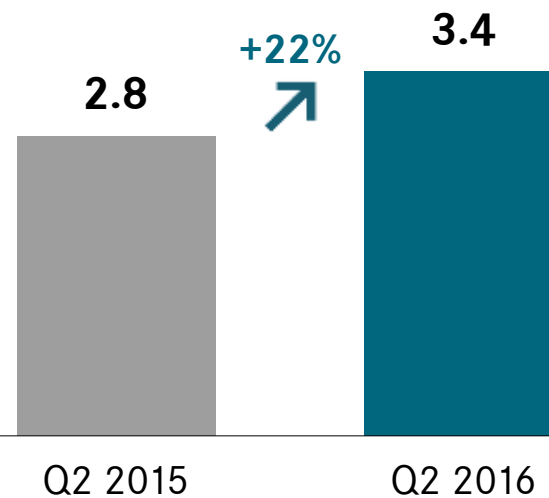
Unit sales

- in thousands of units -



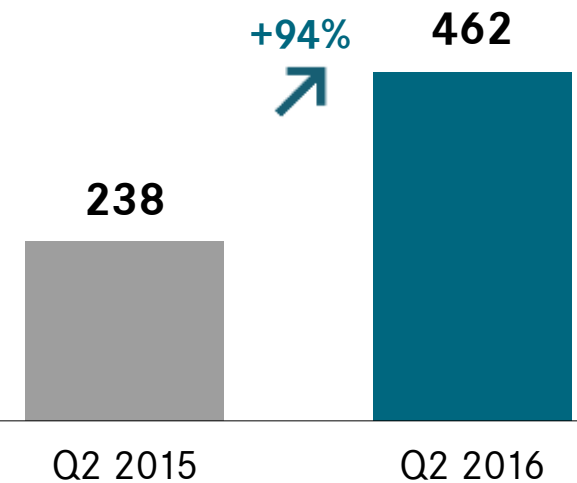
Revenue

- in billions of euros -



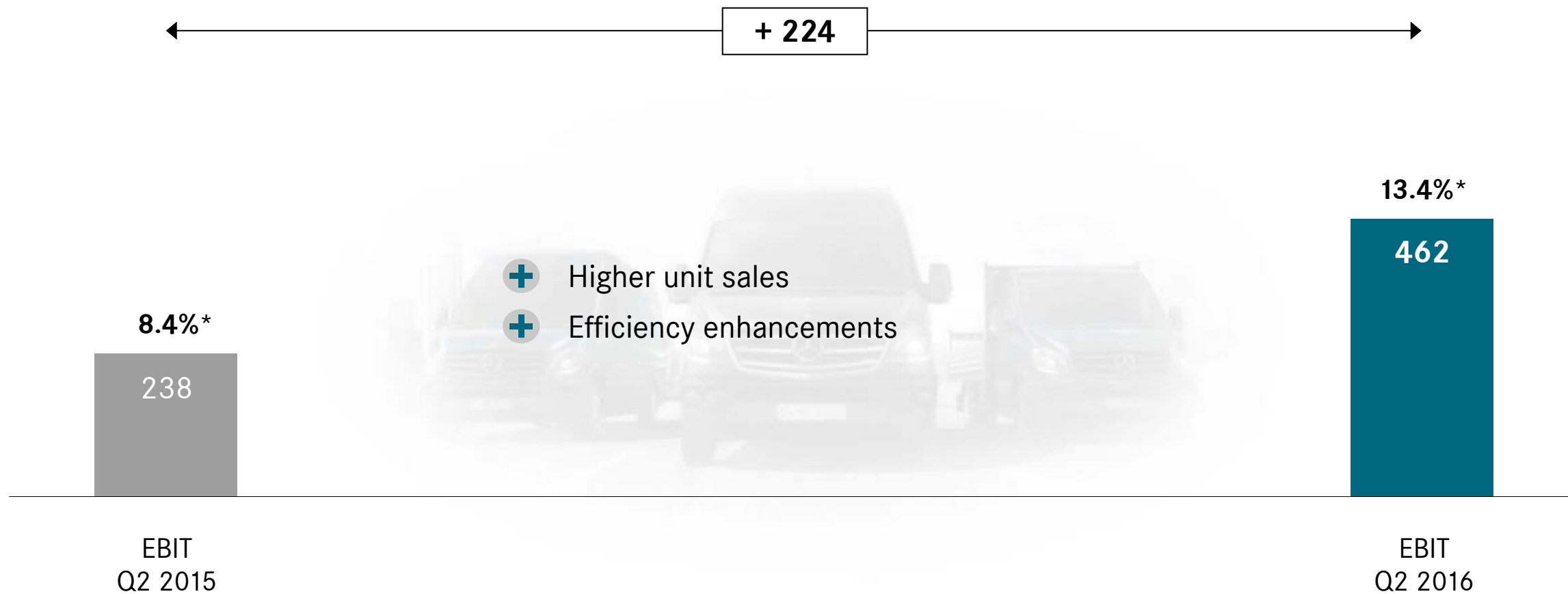
EBIT adjusted for special items

- in millions of euros -



Mercedes-Benz Vans: EBIT adjusted for special items

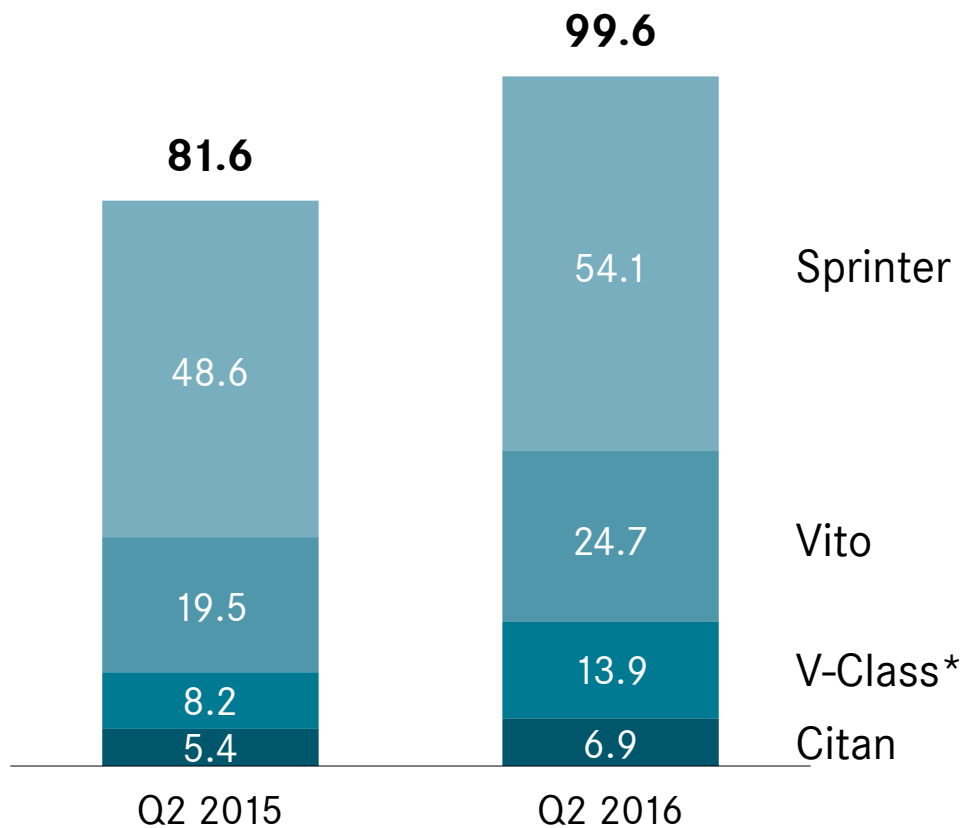
- in millions of euros -



* Return on sales

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

- in thousands of units -

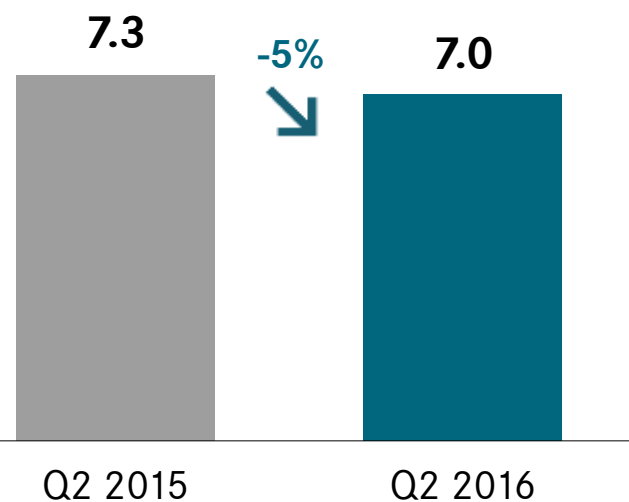


* incl. Viano

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

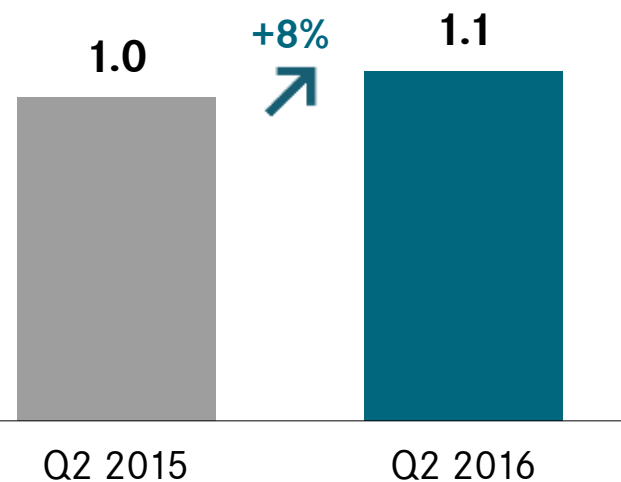
Unit sales

- in thousands of units -



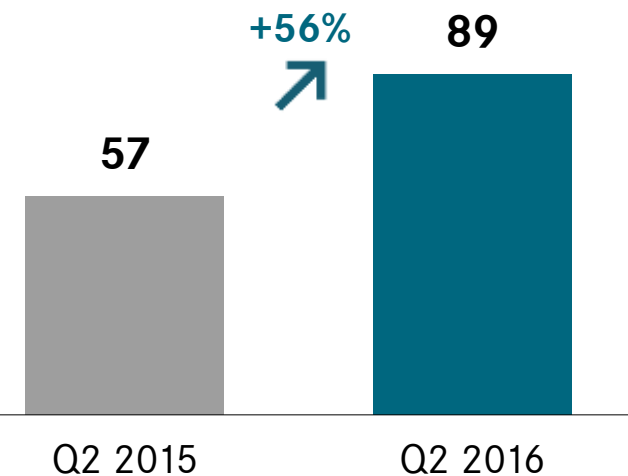
Revenue

- in billions of euros -



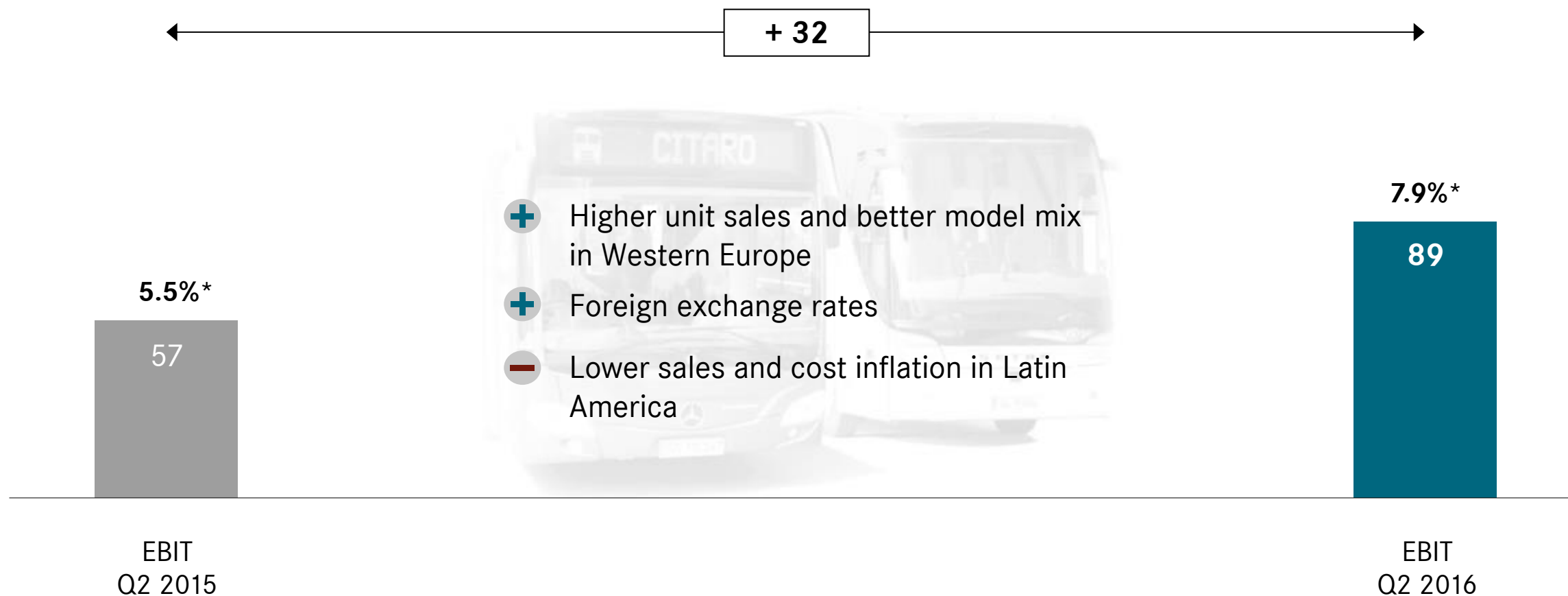
EBIT adjusted for special items

- in millions of euros -



Daimler Buses: EBIT adjusted for special items

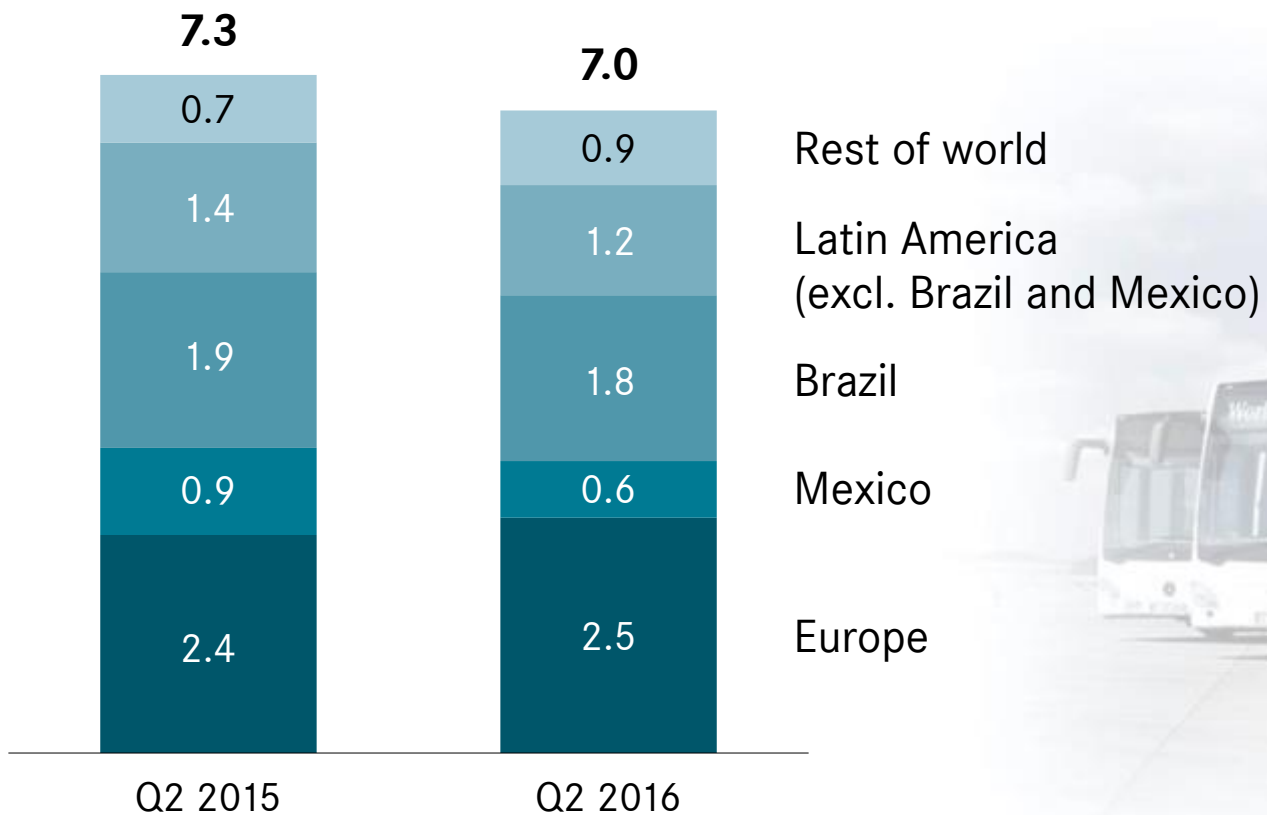
- in millions of euros -



* Return on sales

Daimler Buses: lower demand for bus chassis in Latin America

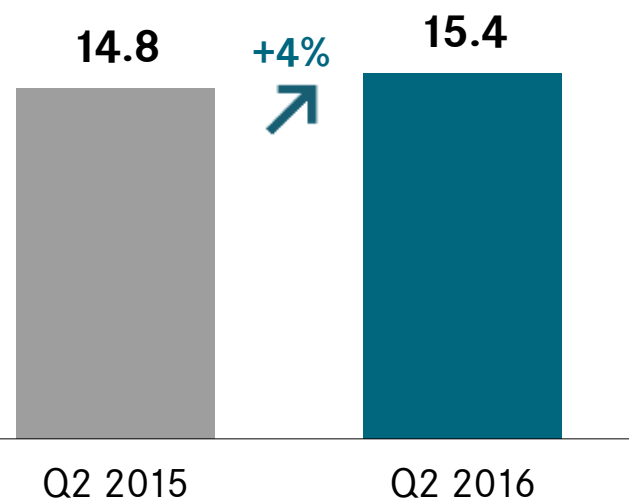
- unit sales in thousands -



Daimler Financial Services: further business growth

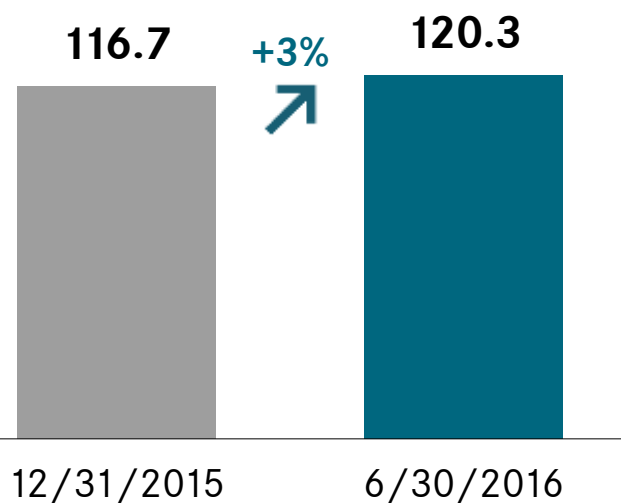
New business

- in billions of euros -



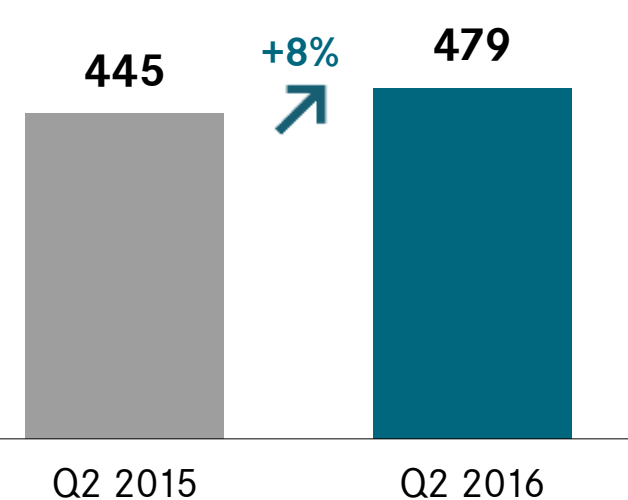
Contract volume

- in billions of euros -



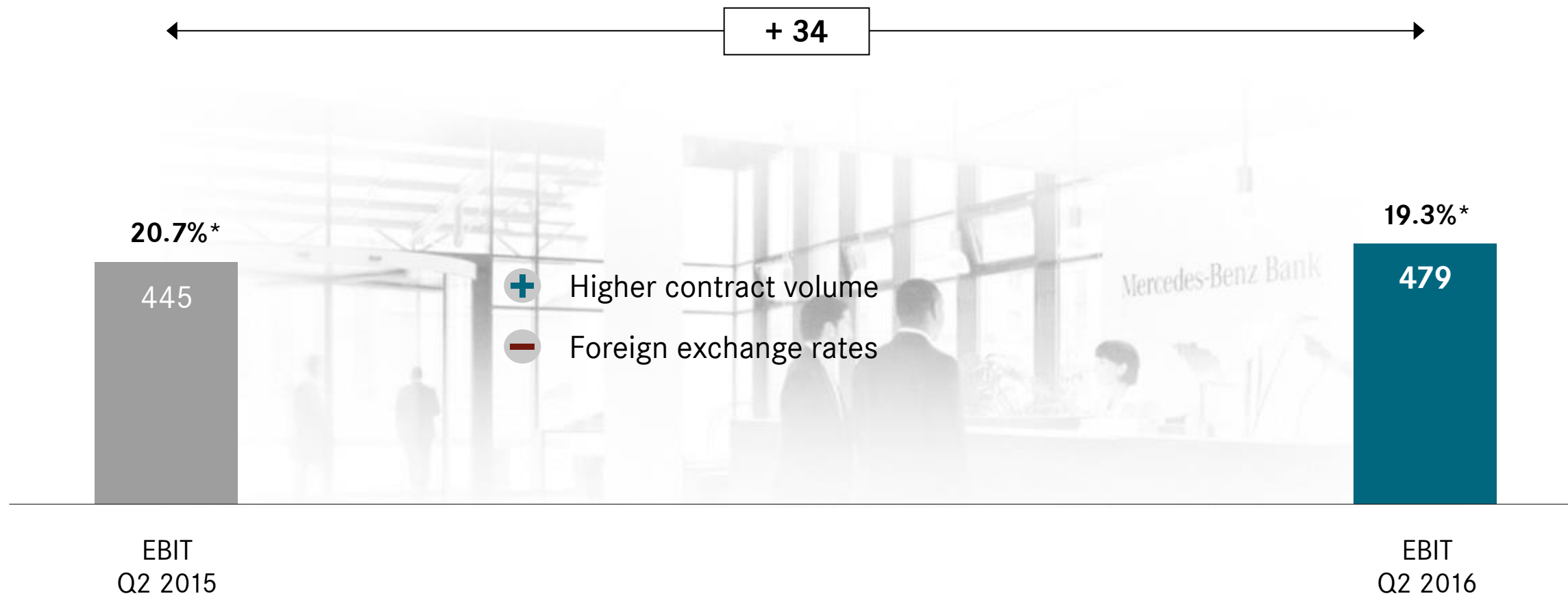
EBIT

- in millions of euros -



Daimler Financial Services: EBIT

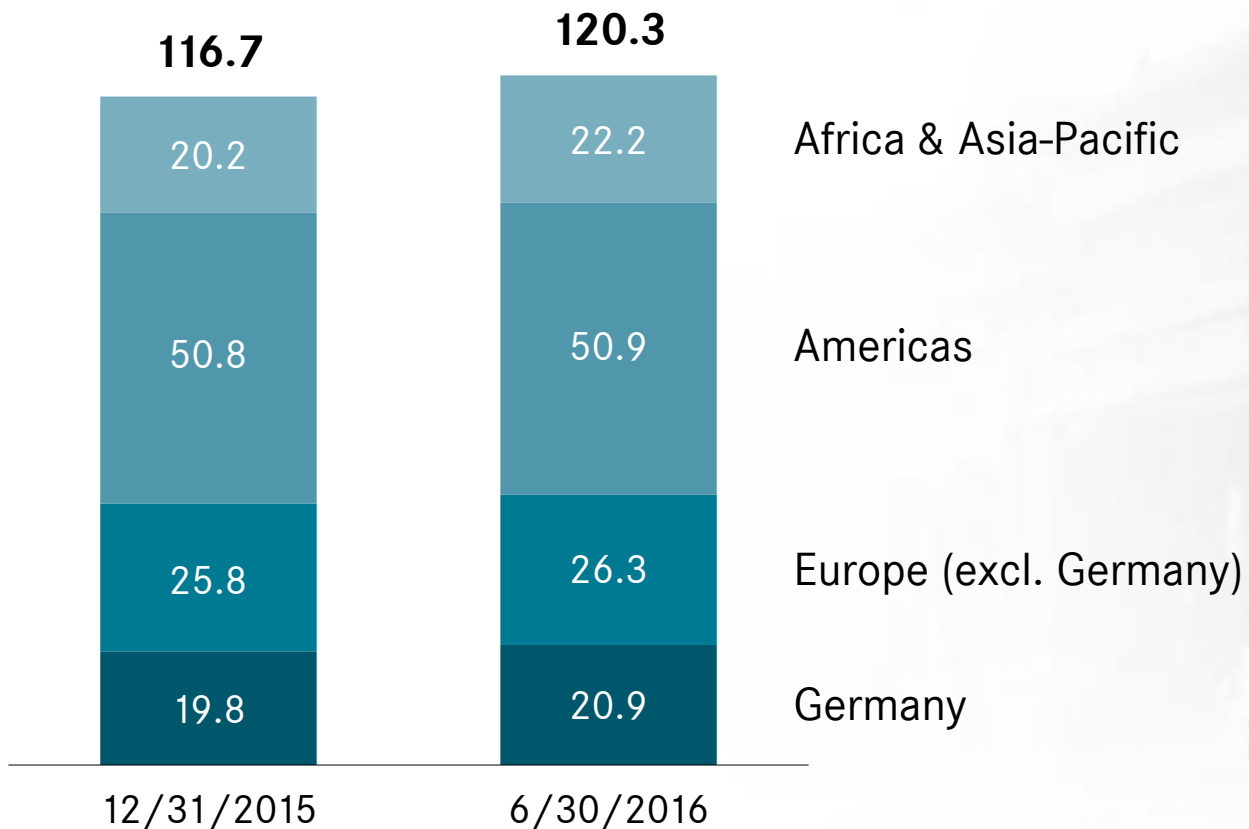
- in millions of euros -



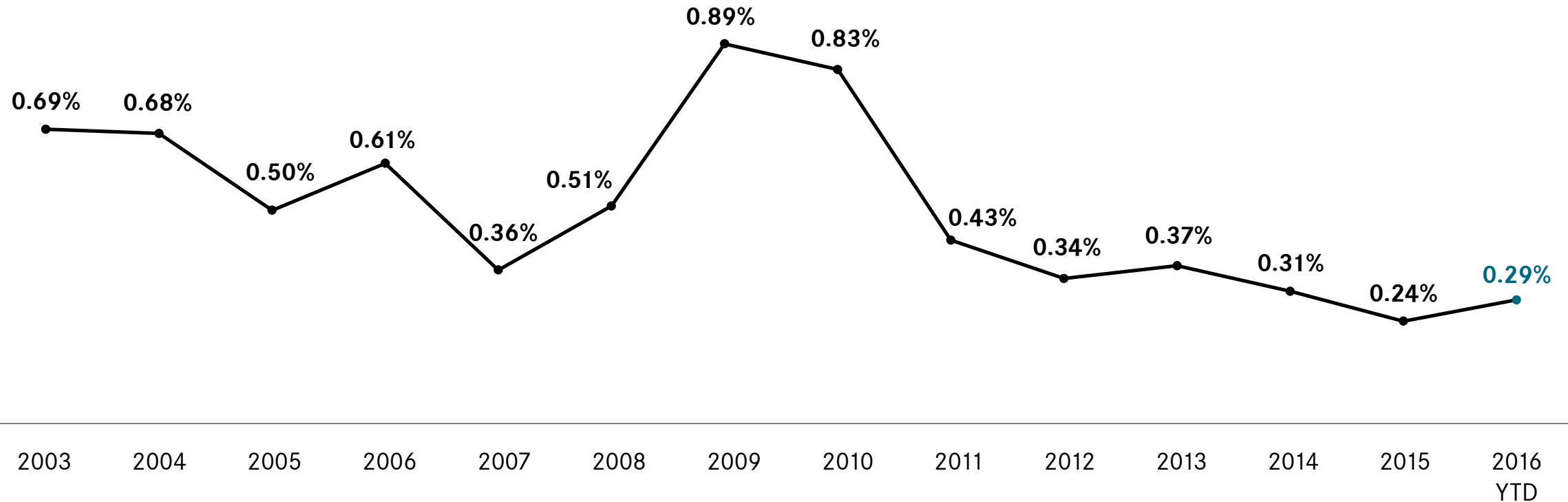
* Return on equity

Daimler Financial Services: 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, caused for example by the possible exit of the United Kingdom from the European Union; 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.