

Press Information

April 22, 2020

Preliminary results for the first quarter 2020 and outlook for the financial year 2020

Stuttgart, Germany – As a result of the COVID-19 pandemic, market expectations for Daimler's first quarter 2020 appear to show a large degree of variation. Against this background Daimler announces the following:

Preliminary figures for the first quarter 2020 are in line with our earlier communicated trend:

- Daimler Group EBIT: 617mn EUR (Q1-19: 2,798mn EUR);
adjusted EBIT 719mn EUR (Q1-19: 2,310mn EUR)
Trend as communicated: margin positive
- Mercedes-Benz Cars & Vans EBIT: 510mn EUR (Q1-19: 1,143mn EUR);
adjusted EBIT:603mn EUR (Q1-19: 1,372mn EUR)
Trend as communicated: margin positive
- Daimler Trucks & Buses EBIT: 247mn EUR (Q1-19: 553mn EUR);
adjusted EBIT: 247mn EUR (Q1-19: 553mn EUR)
Trend as communicated: margin positive
- Daimler Mobility EBIT: 58mn EUR (Q1-19: 1,209mn EUR);
adjusted EBIT: 58mn EUR (including COVID-19 related provisions for credit risks of 0,4
bn EUR) (Q1-19: 491mn EUR)
Trend as communicated: pre-credit risk provisions margin positive
- Net industrial liquidity: 9.3bn EUR (Q1-19: 11.0bn EUR)
Trend as communicated: comfortable level
- Industrial Free Cash Flow: minus 2.3bn EUR (Q1-19: minus 2.0bn. EUR);
adjusted Industrial Free Cash Flow: minus 1.9bn EUR (Q1-19: minus 2,0bn EUR)
Trend as communicated: negative

The following two effects that are included in today's preliminary figures do not appear to be reflected in current market expectations:

- Mercedes-Benz Cars & Vans: Contribution of smart into the joint venture with Geely leading to a positive effect of +154mn EUR
- Reconciliation: Impairment on our shareholding in BAIC Motor Corporation Ltd: minus 150mn EUR

All stated figures are preliminary and unaudited.

Given the continuing effects of the COVID-19 pandemic, Daimler's Board of Management, as already disclosed in our ad-hoc-announcement on March 17, 2020, continues to believe that the original forecast for the financial year 2020, as disclosed in connection with annual report 2019, is no longer valid.

The effect of the COVID-19 pandemic on customer demand, supply chains and vehicle production cannot be assessed with the usual degree of detail and certainty, making the re-evaluation of the forecast for the fiscal year 2020 complex. However, we do now expect the Group's total unit sales for 2020 to be below the prior year, with lower unit sales at each of Mercedes-Benz Cars, Mercedes-Benz Vans, Daimler Trucks and Daimler Buses. For Daimler Mobility we expect for the financial year 2020 a lower new business volume than in 2019.

As a result we expect the group revenue for the financial year 2020 to be below the prior year.

Given the anticipated market development and the assessment of our divisions, we expect the group EBIT for the financial year 2020 to be below prior year.

The adjusted return on equity of Daimler Mobility for the financial year 2020 will not reach the prior year level.

The decline in the results will lead to a decline in our Industrial Free Cash Flow for 2020.

Having implemented a comprehensive set of cash protection measures and having increased our financial flexibility, we are confident that we are well positioned to manage the business, both during and after the COVID-19 pandemic.

The full quarterly results will be published on April 29, 2020. We will give further information on the current situation and how we are managing it on this day.

EBIT, adjusted EBIT and adjusted Return on Sales/Return on Equity are defined on pp. 64, 73 and 342 of the Daimler Annual Report 2019.

Further information on Daimler is available at:
www.media.daimler.com and www.daimler.com

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, pandemics, 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.

Daimler at a glance

Daimler AG is one of the world's most successful automotive companies. With its Mercedes-Benz Cars & Vans, Daimler Trucks & Buses and Daimler Mobility divisions, the Group is one of the leading global suppliers of premium cars and one of the world's largest manufacturer of commercial vehicles. Daimler Mobility offers financing, leasing, fleet management, investments, credit card and insurance brokerage as well as innovative mobility services. The company founders, Gottlieb Daimler and Carl Benz, made history by inventing the automobile in 1886. As a pioneer of automotive engineering, Daimler sees shaping the future of mobility in a safe and sustainable way as both a motivation and obligation. The company's focus therefore remains on innovative and green technologies as well as on safe and superior vehicles that both captivate and inspire. Daimler continues to invest systematically in the development of efficient powertrains – from high-tech combustion engines and hybrid vehicles to all-electric powertrains with battery or fuel cell – with the goal of making locally emission-free driving possible in the long term. The company's efforts are also focused on the intelligent connectivity of its vehicles, autonomous driving and new mobility concepts. Daimler regards it as its aspiration and obligation to live up to its responsibility to society and the environment. Daimler sells its vehicles and services in nearly every country of the world and has production facilities in Europe, North and South America, Asia and Africa. In addition to Mercedes-Benz, the world's most valuable premium automotive brand (source: Interbrand study, 17 Oct. 2019), and Mercedes-AMG, Mercedes-Maybach and Mercedes me, its brand portfolio includes smart, EQ, Freightliner, Western Star, BharatBenz, FUSO, Setra and Thomas Built Buses as well as the brands of Daimler Mobility: Mercedes-Benz Bank, Mercedes-Benz Financial Services and Daimler Truck Financial. The company is listed on the Frankfurt and Stuttgart stock exchanges (ticker symbol DAI). In 2019, the Group had a workforce of around 298,700 and sold 3.3 million vehicles. Group revenues amounted to €172.7 billion and Group EBIT to €4.3 billion.