

# DAIMLER

## Q2 and Half-Year 2017 Results

July 26, 2017

# Contents

**Results for Q2 2017**

Outlook for 2017

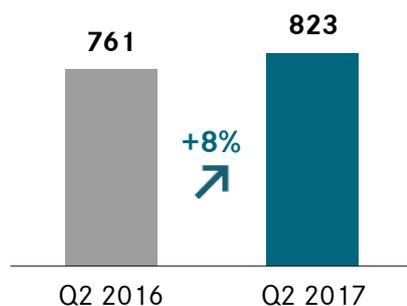
Development at the divisions



# Highlights of Q2 2017

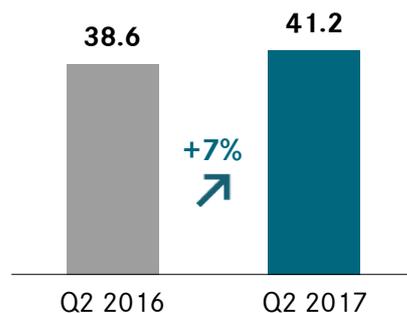
## Unit sales

- in thousands of units -



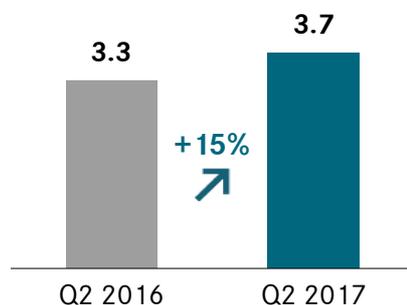
## Revenue

- in billions of euros -



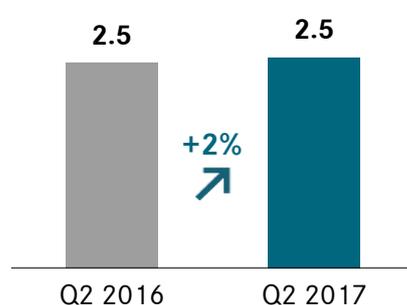
## EBIT

- in billions of euros -



## Net profit

- in billions of euros -



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Launch of the new S-Class sedan and start of production of the E-Class Cabriolet

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World premiere of the Concept A Sedan at Auto Shanghai

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Laying the foundation stone for the second battery plant in Kamenz

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The Mercedes-Benz Untertürkheim plant will be further developed into a high-tech location for electric components

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Acquisition of 15% of LSH Auto International Limited to foster the long-lasting cooperation with the Mercedes-Benz dealer group

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Presentation of the all-new heavy-duty truck FUSO Super Great

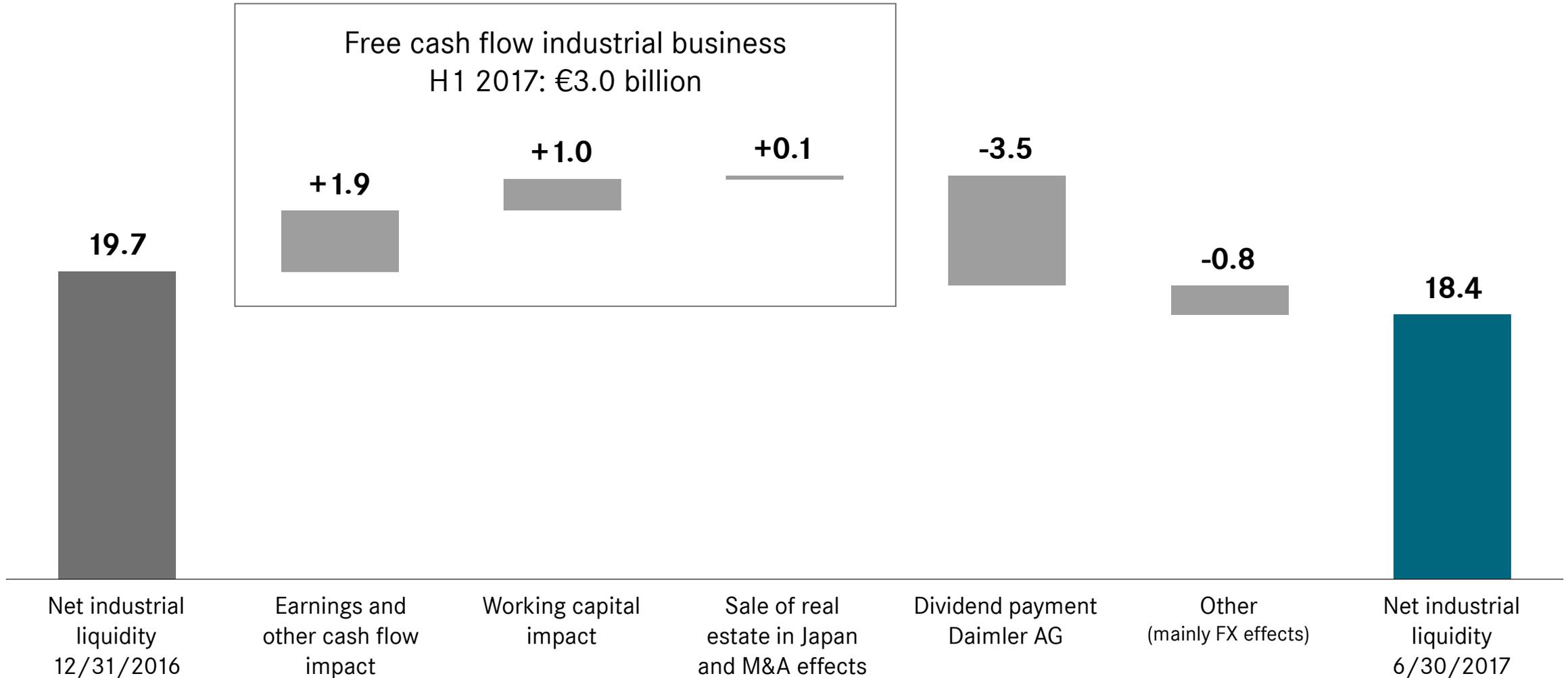
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Expansion of the ride-hailing business by investments in Clever Taxi (Romania) and Careem (Dubai)

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# Strong free cash flow in line with good business development

- in billions of euros -



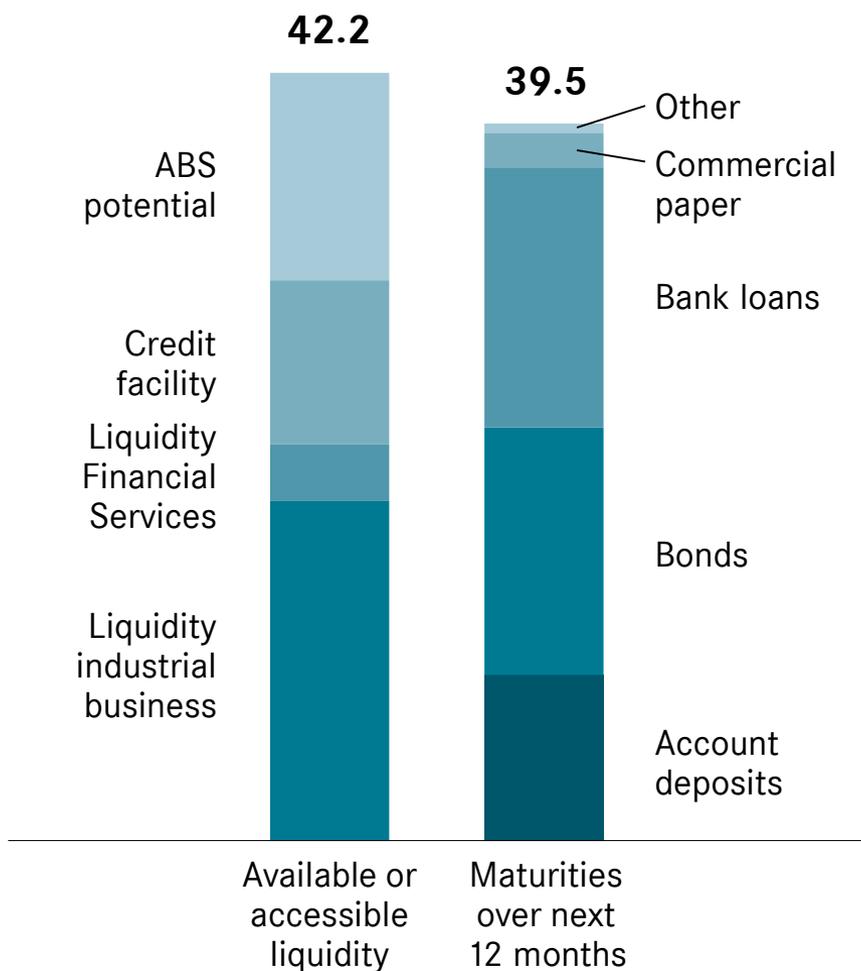
# Strong financial and balance sheet figures support our financial strength and A-rating

<b>Daimler Group</b>	Dec. 31, 2016	June 30, 2017
Equity ratio	22.9%	<b>24.6%</b>
Gross liquidity	21.7	<b>21.8</b>
Funded status of pension obligations	-7.8	<b>-8.1</b>
<i>Funding ratio</i>	75%	<b>74%</b>
<b>Industrial business</b>		
Equity ratio	44.7%	<b>47.9%</b>
Net liquidity	19.7	<b>18.4</b>
Free cash flow (January-June)	2.1	<b>3.0</b>

in billions of euros

# Financial flexibility over a 12-month period

- in billions of euros -




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

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

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

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

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

# Higher units sales in all divisions

	Q2 2016	Q2 2017	% change
<b>Daimler Group</b>	761.3	<b>822.5</b>	+8
of which			
Mercedes-Benz Cars	546.5	<b>595.2</b>	+9
Daimler Trucks	108.3	<b>116.4</b>	+8
Mercedes-Benz Vans	99.6	<b>103.4</b>	+4
Daimler Buses	7.0	<b>7.5</b>	+8

in thousands of units

# Mercedes-Benz Cars: product highlights

Sales launch of the new S-Class sedan



# Mercedes-Benz Cars: product highlights

Series production of the new E-Class Cabriolet has started at the plant in Bremen



# Mercedes-Benz Cars: product highlights

The Concept A Sedan celebrated its world premiere at Auto Shanghai



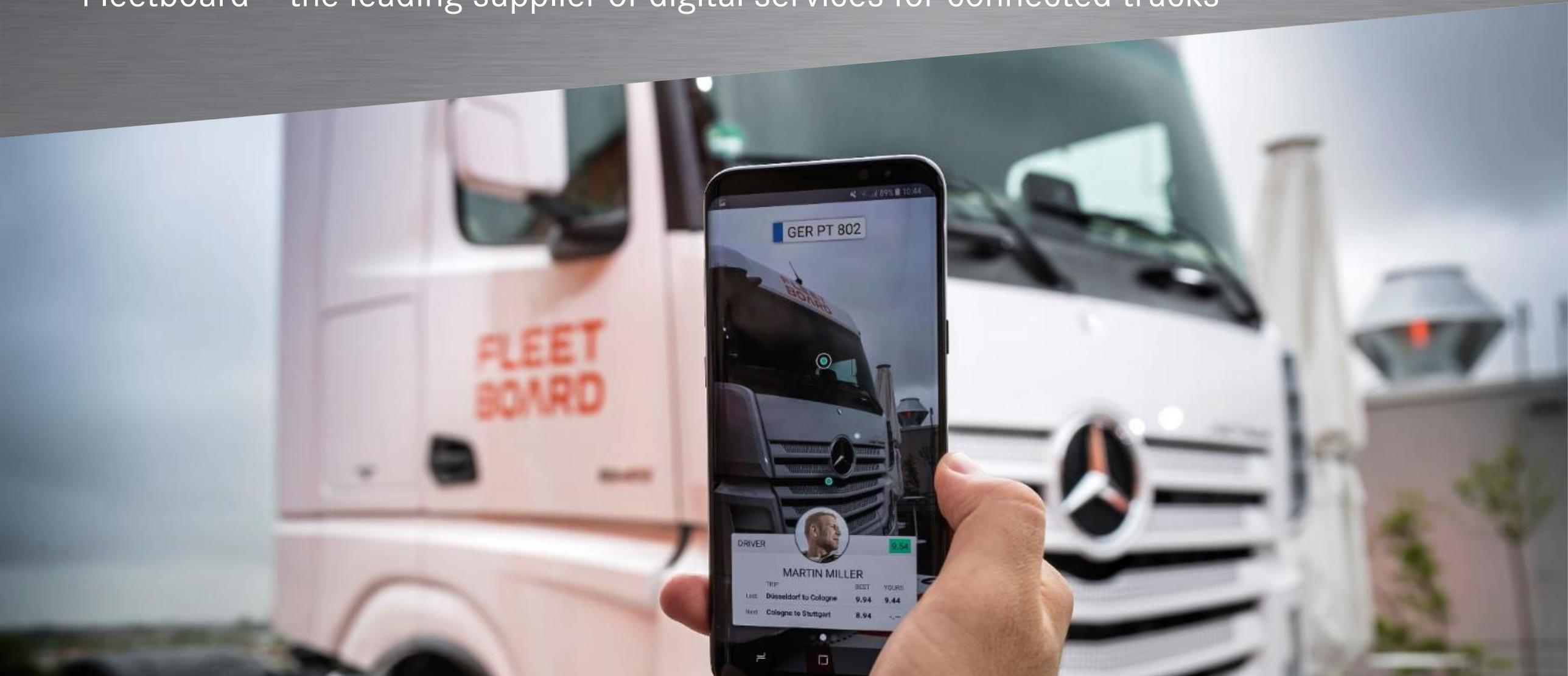
# Daimler Trucks: product highlights

Presentation of the all-new heavy-duty truck FUSO Super Great



# Daimler Trucks: product highlights

Fleetboard – the leading supplier of digital services for connected trucks



# Mercedes-Benz Vans: product highlights

Mercedes-Benz Vito and Sprinter: “CEP\* Vans of the Year 2017”



\* courier, express and postal sectors



# Daimler Buses: product highlights

World premiere of the new touring coach Mercedes-Benz Tourismo RHD



# Daimler Financial Services: highlights Mobility Services

Ongoing business expansion

YTD 06/17



Transactions in millions



12.5



Cities

26



Members in millions

2.6



Combined change\*

26.0



+156%

>65



+15%

8.2



+118%

\* car2go and mytaxi (incl. Taxibeat) combined, 06/17 (YTD) vs. 06/16 (YTD)

# Revenue by division

	Q2 2016	Q2 2017	% change
<b>Daimler Group</b>	38.6	<b>41.2</b>	+7
of which			
Mercedes-Benz Cars	22.1	<b>23.6</b>	+7
Daimler Trucks	8.7	<b>9.0</b>	+4
Mercedes-Benz Vans	3.4	<b>3.3</b>	-3
Daimler Buses	1.1	<b>1.2</b>	+3
Daimler Financial Services	5.0	<b>5.9</b>	+18
Contract volume of Daimler Financial Services*	132.6	<b>134.2</b>	+1

in billions of euros

\* figures as of December 31, 2016 and June 30, 2017

# Revenue by region

	Q2 2016	Q2 2017	% change
<b>Daimler Group</b>	38.6	<b>41.2</b>	+7
of which			
Europe	16.4	<b>17.2</b>	+4
<i>of which Germany</i>	6.2	<b>6.0</b>	-2
NAFTA	11.5	<b>11.8</b>	+3
<i>of which United States</i>	10.0	<b>10.2</b>	+2
Asia	8.4	<b>9.6</b>	+14
<i>of which China*</i>	3.9	<b>4.7</b>	+18
Other markets	2.3	<b>2.6</b>	+13

in billions of euros

\* excluding revenue of not fully consolidated companies

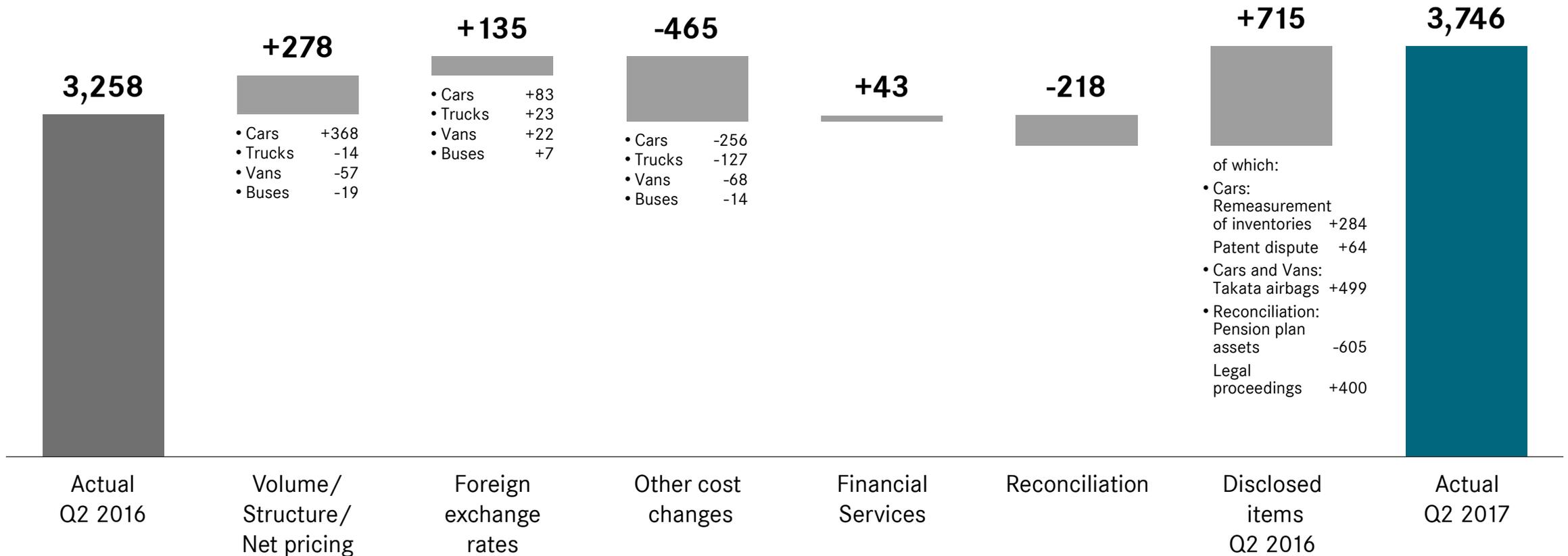
# EBIT by division

- EBIT in millions of euros; RoS/RoE in % -	Q2 2016		Q2 2017	
	EBIT	RoS/RoE*	EBIT	RoS/RoE*
<b>Daimler Group</b>	3,258	8.3	<b>3,746</b>	<b>9.2</b>
of which				
Mercedes-Benz Cars	1,410	6.4	<b>2,404</b>	<b>10.2</b>
Daimler Trucks	621	7.2	<b>543</b>	<b>6.0</b>
Mercedes-Benz Vans	401	11.7	<b>358</b>	<b>10.8</b>
Daimler Buses	88	7.8	<b>64</b>	<b>5.5</b>
Daimler Financial Services	479	19.3	<b>522</b>	<b>18.8</b>
Reconciliation	259	-	<b>-145</b>	<b>-</b>

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

# Group EBIT in Q2 2017

- in millions of euros -



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**Outlook for 2017**

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# Mercedes-Benz Cars and Vans: continued product offensive



E-Class Coupé



E-Class All Terrain



S-Class facelift



E-Class Cabriolet

Jan.	Feb.	March	April	May	June	July	August	Sept.	Oct.	Nov.	Dec.
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2017

2018



GLA facelift



smart fortwo electric drive



smart cabrio electric drive



AMG GT Roadster



smart forfour electric drive



X-Class

# Assumptions for automotive markets in 2017

Car markets	Global	 +1 to 2%
	Europe	 slight growth
	USA	 slight decrease
	China	 slight growth
Medium- and heavy-duty truck markets	NAFTA region	 slight decrease, with Class 8 weaker than Class 6-8
	EU30	 around the prior-year level
	Japan*	 around the prior-year level
	Brazil	 slight decrease
	Indonesia*	 significant growth
Van markets	EU30	 slight growth
	USA	 around the prior-year level
Bus markets	EU30	 slight growth
	Brazil	 significant growth from low level

\* including light-duty trucks

# 2017 sales outlook



Mercedes-Benz Cars



## **Significantly higher unit sales**

Further growth particularly in China and Europe  
Strong momentum especially from new E-Class models and SUV portfolio



Daimler Trucks



## **Slightly higher unit sales**

Unit sales around the prior-year level in Europe and Japan; slight growth in North America  
Sales in Brazil around the low level of prior year; sales increase in Indonesia and India



Mercedes-Benz Vans



## **Significantly higher unit sales**

Significant growth in core market EU30  
Continued momentum from “Mercedes-Benz Vans goes global” strategy



Daimler Buses



## **Significantly higher unit sales**

Maintain market leadership in core markets  
Moderate growth in EU30 region, significant sales increase in Brazil

# 2017 outlook for EBIT

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## DAIMLER



**We expect Group EBIT for FY 2017 to increase significantly based on the following expectations for divisional EBIT:**



Mercedes-Benz Cars



Significantly above the prior-year level



Daimler Trucks



Around the prior-year level



Mercedes-Benz Vans



Around 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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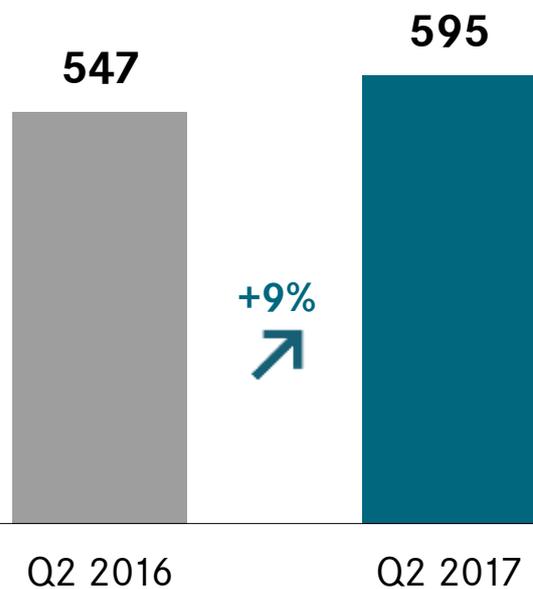
**Development at the divisions**



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

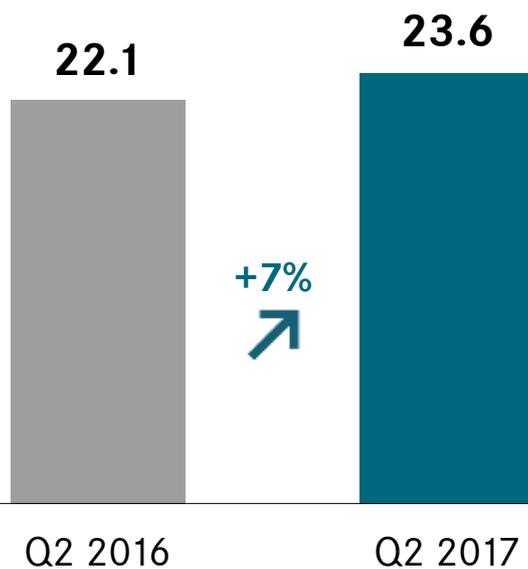
## Unit sales

- in thousands of units -



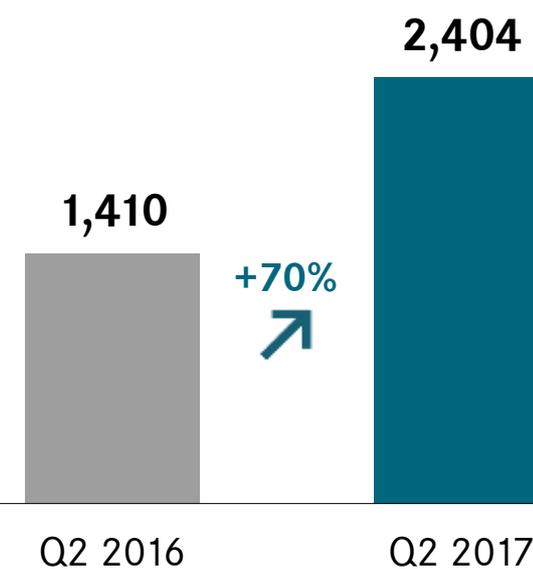
## Revenue

- in billions of euros -



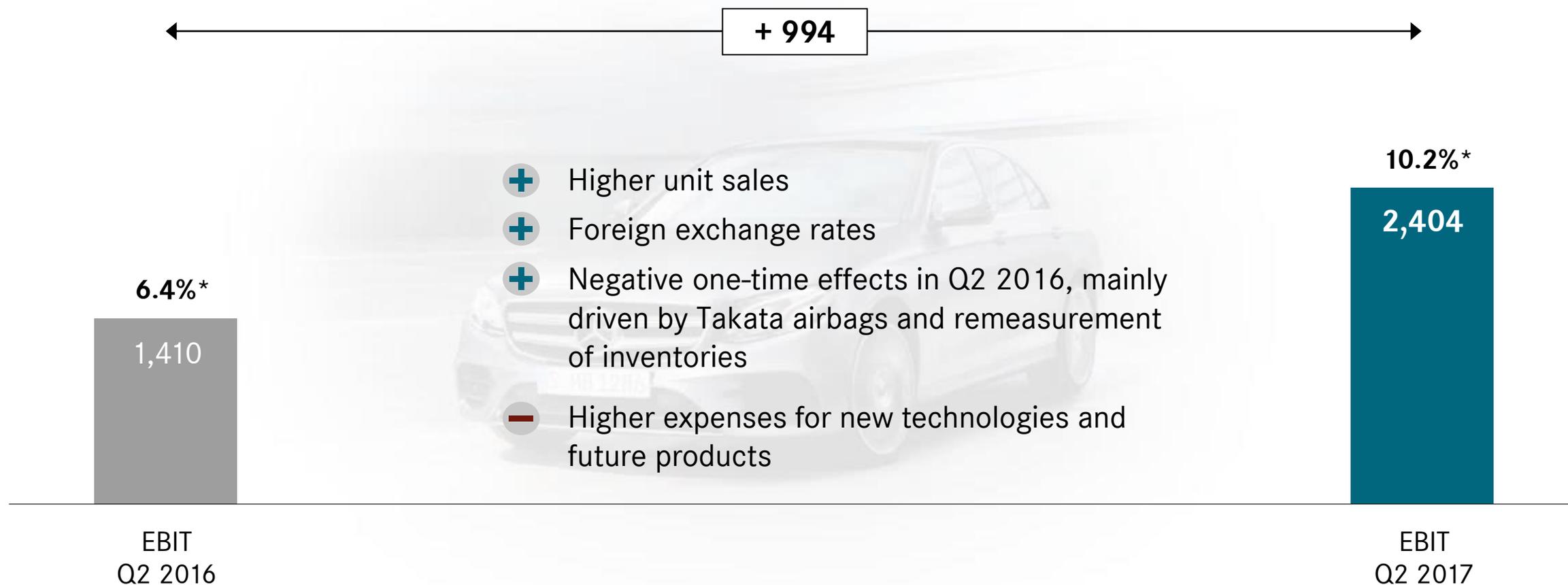
## EBIT

- in millions of euros -



# Mercedes-Benz Cars: EBIT

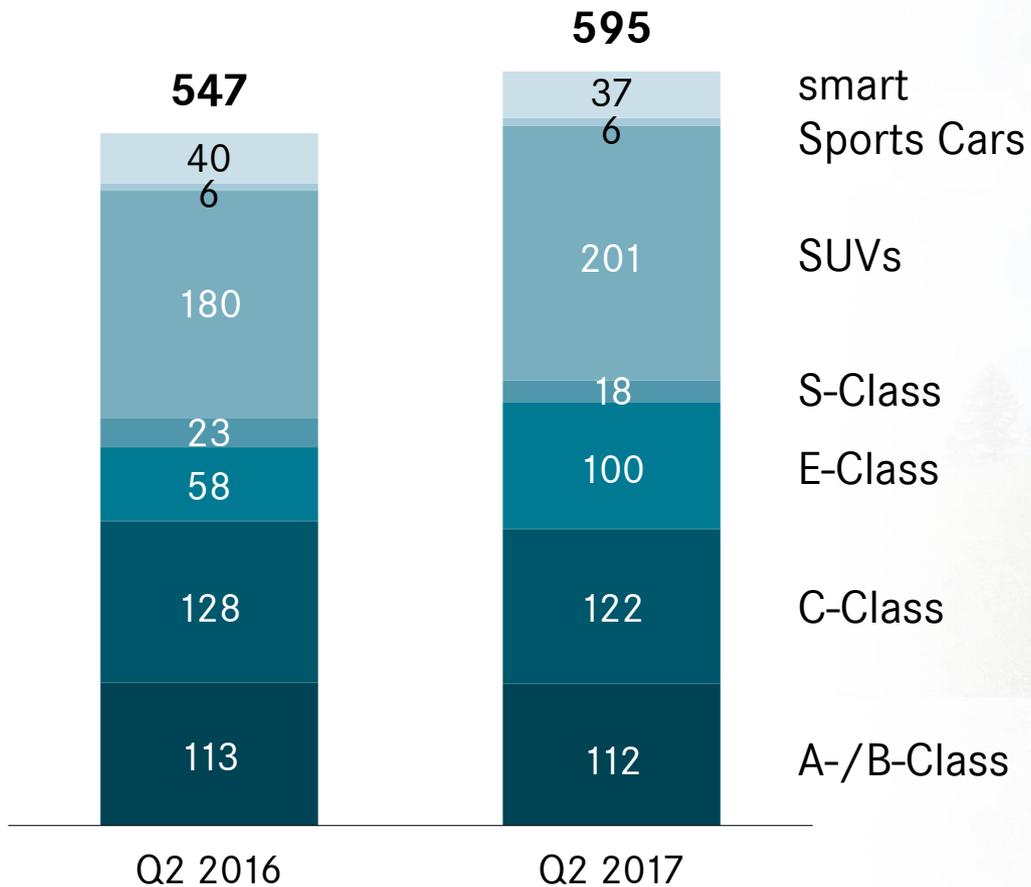
- in millions of euros -



\* Return on sales

# Mercedes-Benz Cars: sales increase by 9% reflecting our strong product line-up

- in thousands of units -



# Mercedes-Benz Cars: globally balanced sales structure

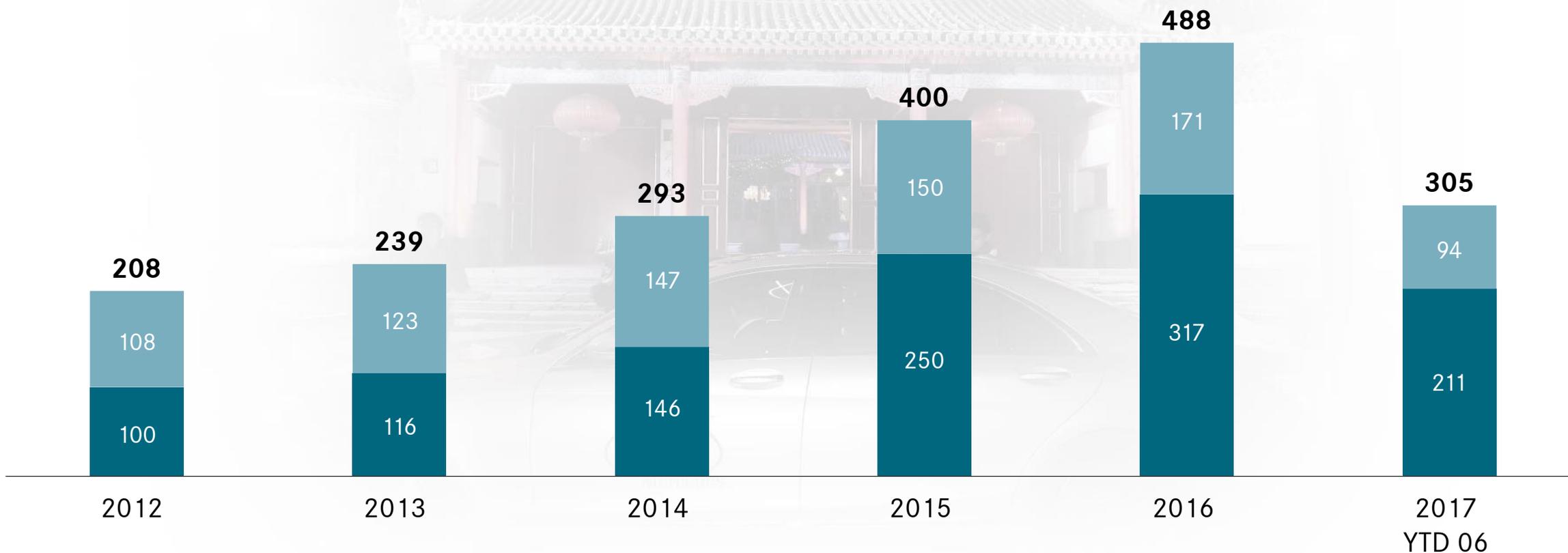
- in thousands of units -



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

- in thousands of units -

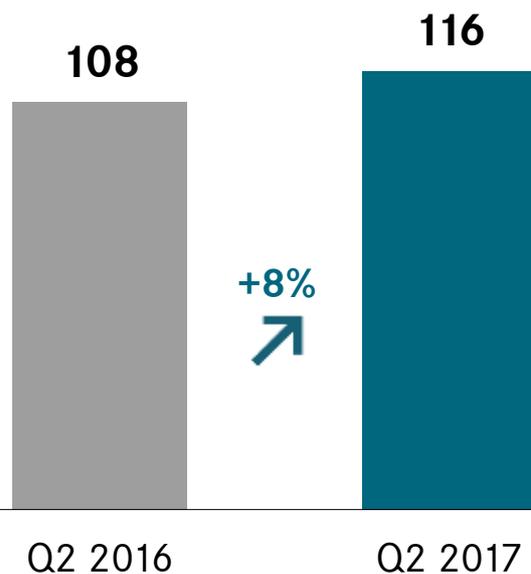
imported  
locally produced



# Daimler Trucks: unit sales and revenue above, EBIT below prior year

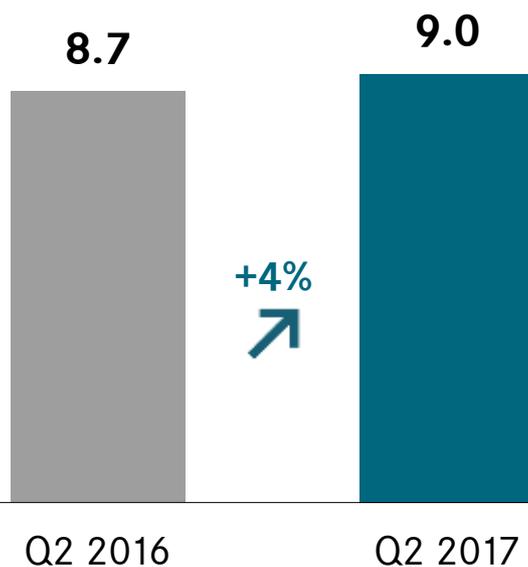
## Unit sales

- in thousands of units -



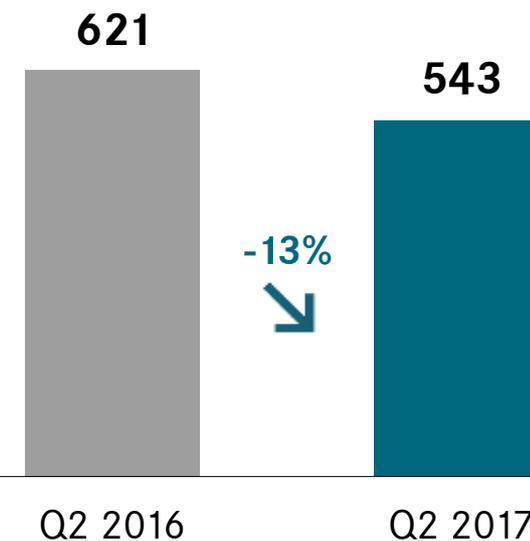
## Revenue

- in billions of euros -



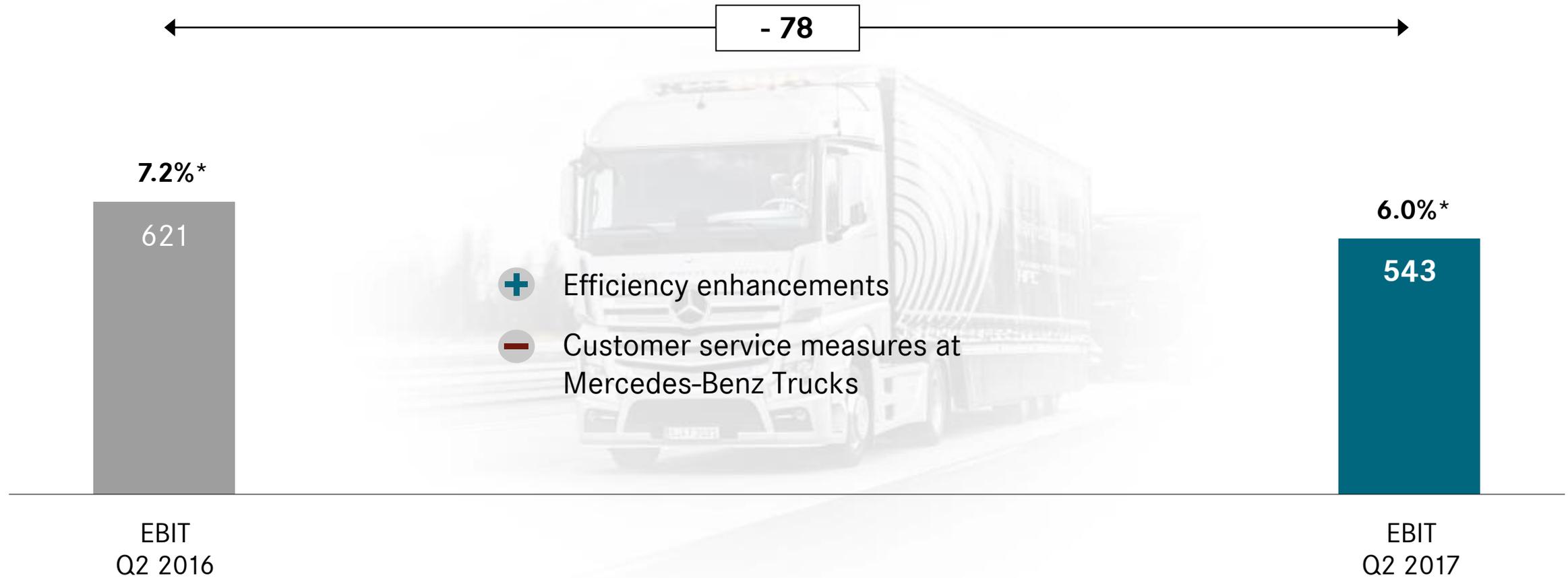
## EBIT

- in millions of euros -



# Daimler Trucks: EBIT

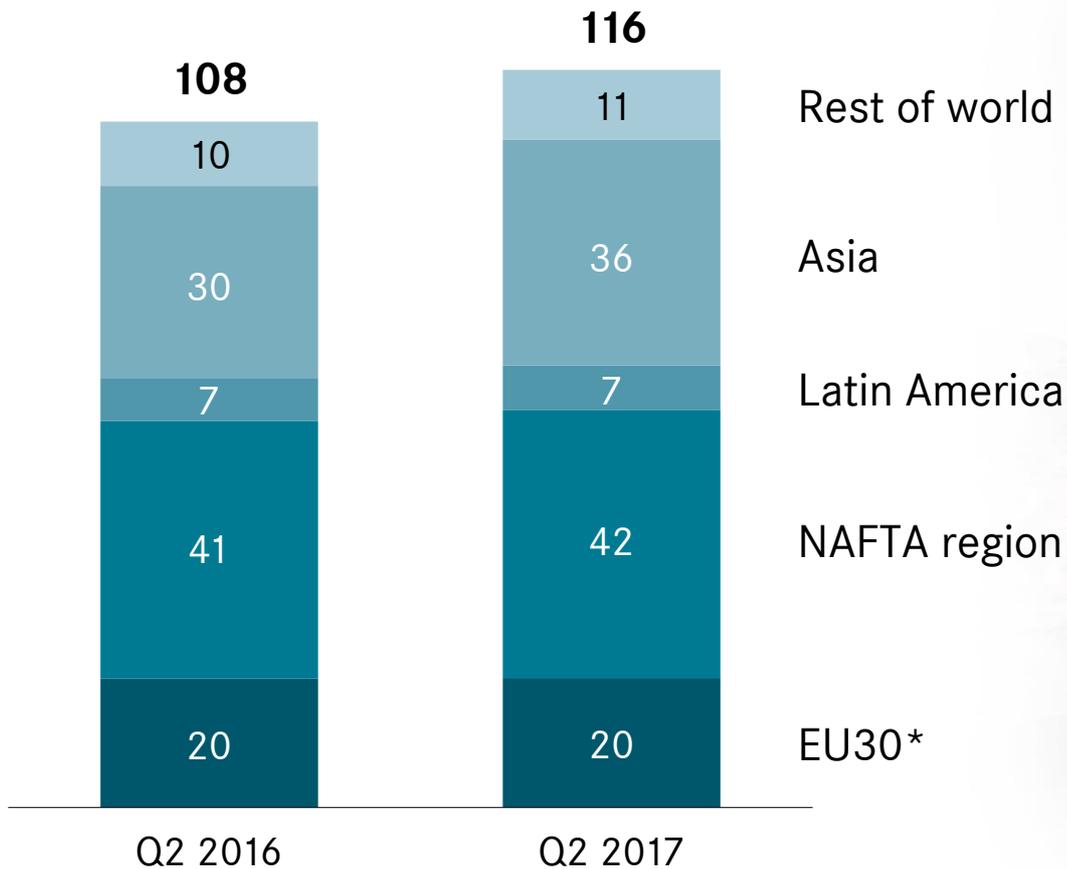
- in millions of euros -



\* Return on sales

# Daimler Trucks: sales increase by 8% mainly driven by Indonesia and Middle East

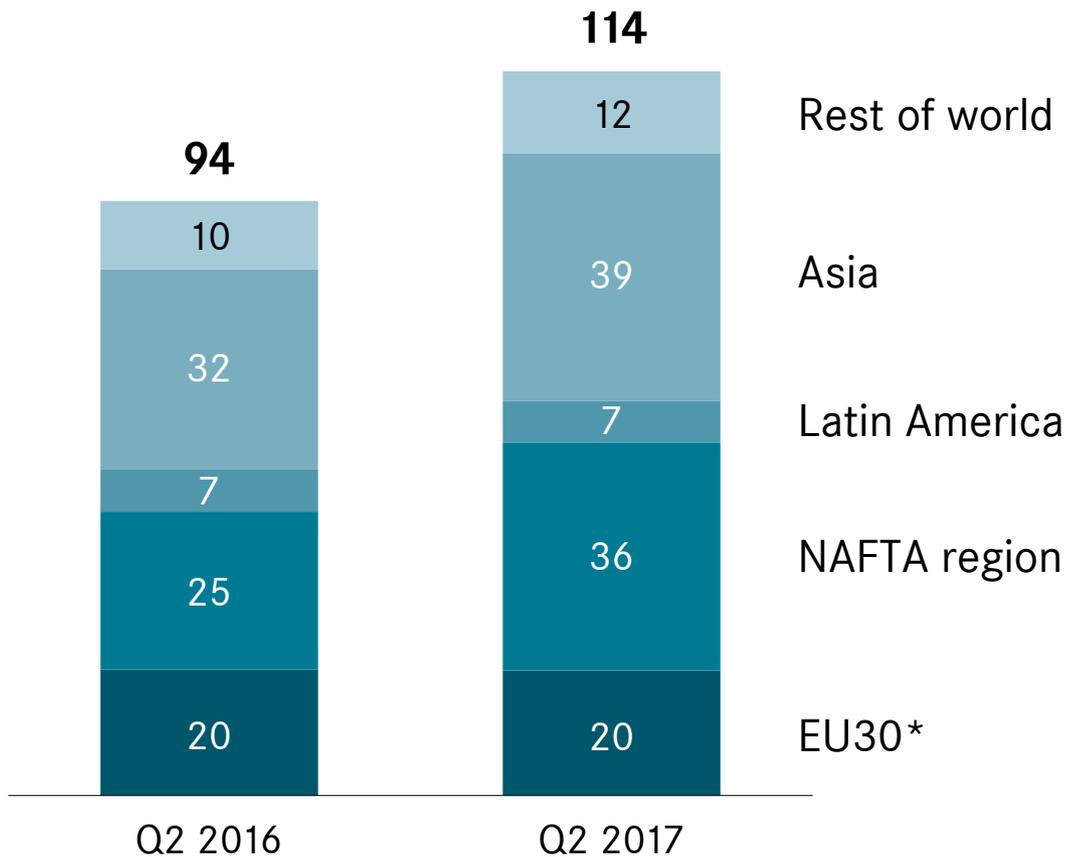
- in thousands of units -



\* European Union, Switzerland and Norway

# Daimler Trucks: incoming orders increase, primarily driven by NAFTA region and Indonesia

- in thousands of units -



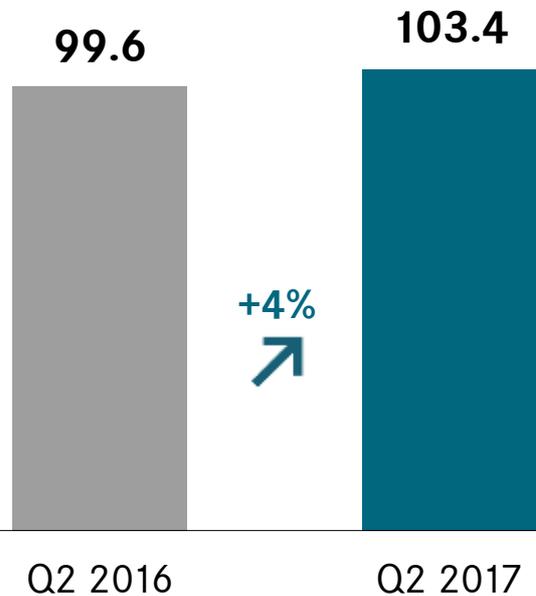
\* European Union, Switzerland and Norway



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

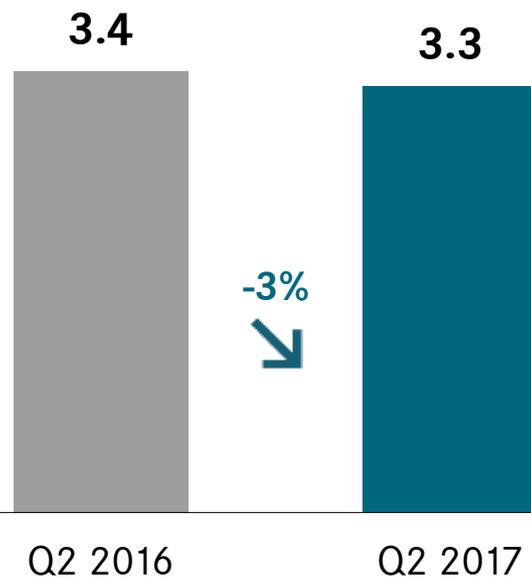
## Unit sales

- in thousands of units -



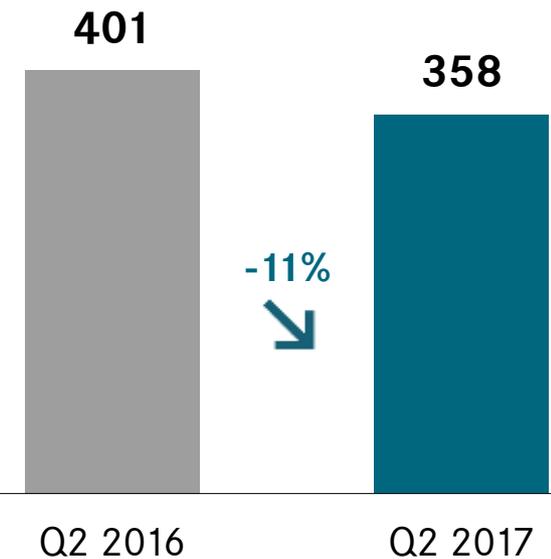
## Revenue

- in billions of euros -



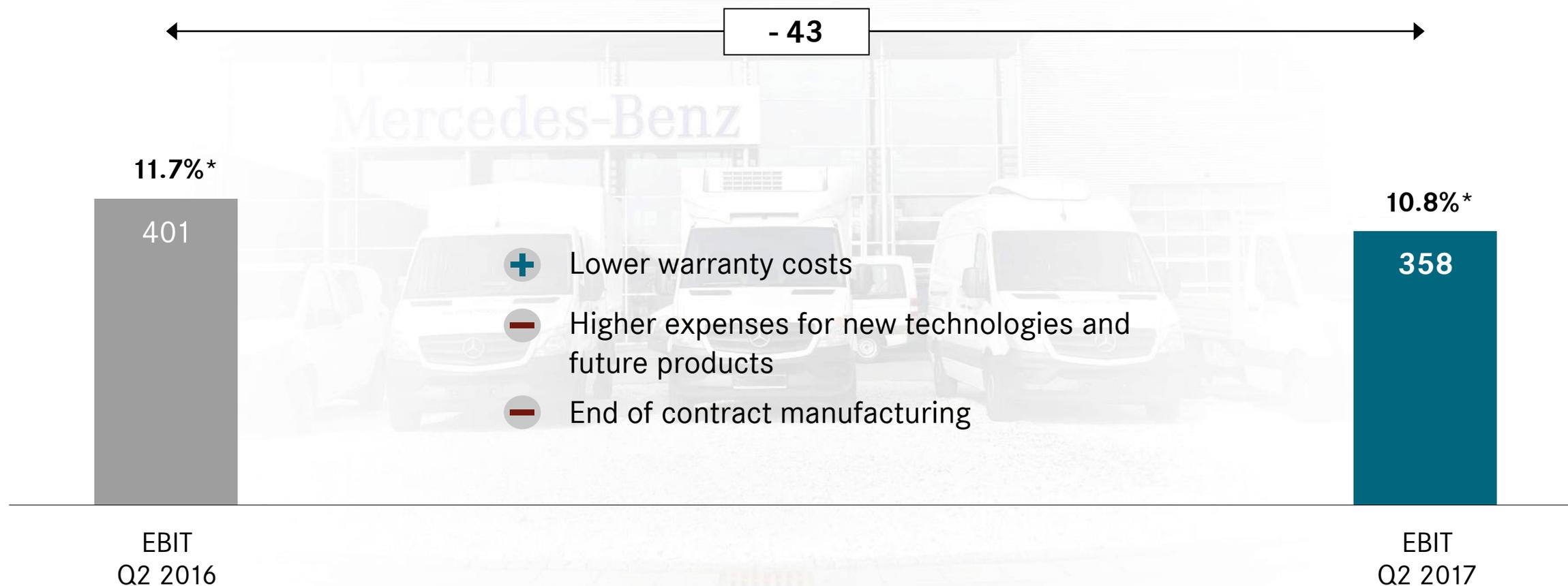
## EBIT

- in millions of euros -



# Mercedes-Benz Vans: EBIT

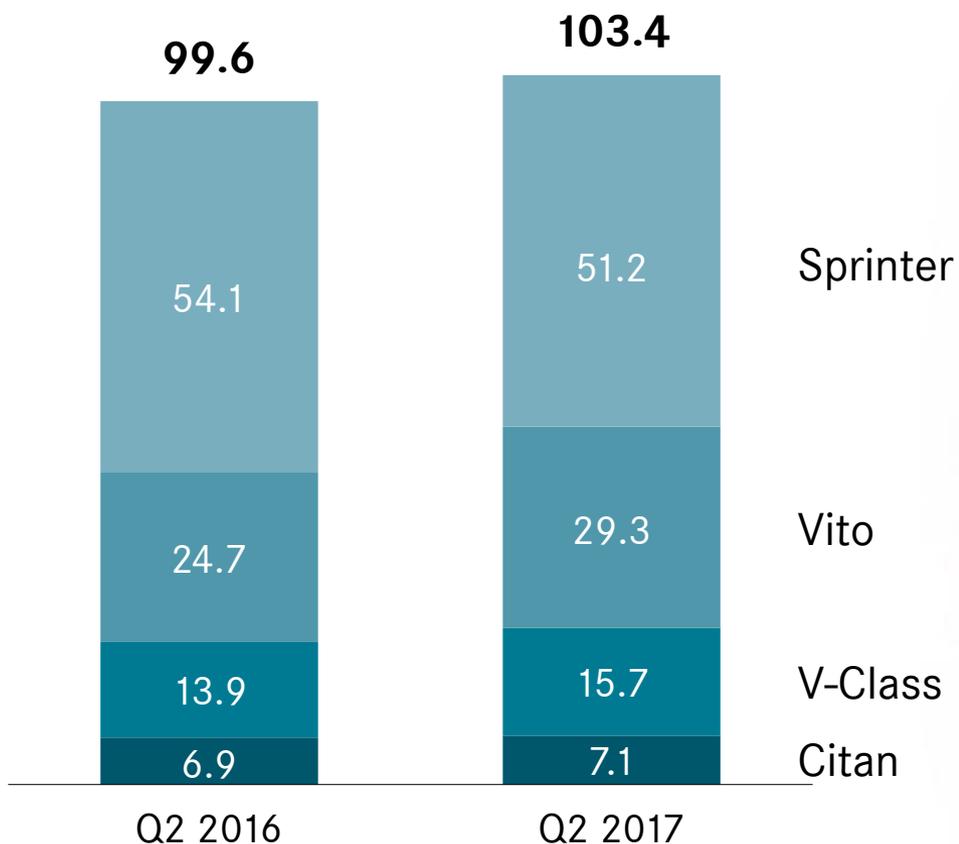
- in millions of euros -



\* Return on sales

# Mercedes-Benz Vans: sales increase by 4% due to market success of attractive product portfolio

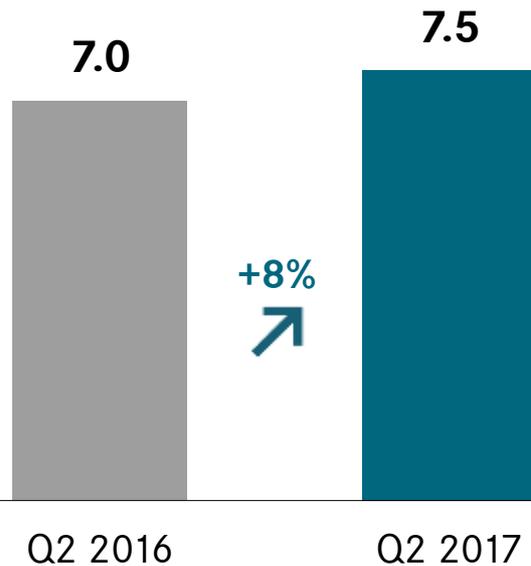
- in thousands of units -



# Daimler Buses: positive development driven by strong European business and higher unit sales in America

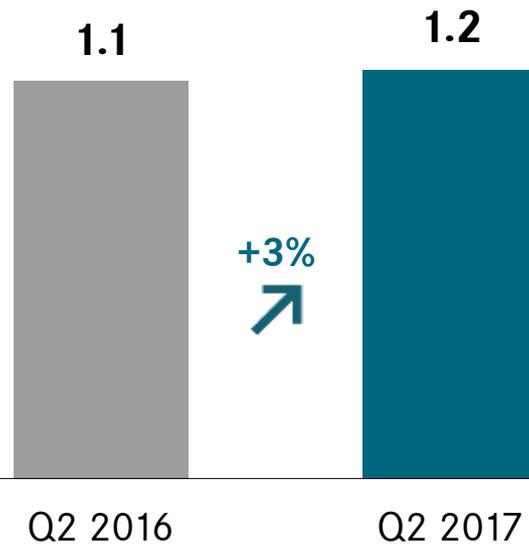
## Unit sales

- in thousands of units -



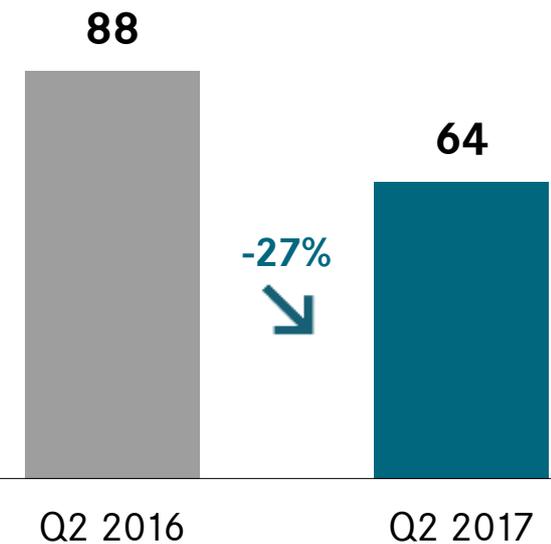
## Revenue

- in billions of euros -



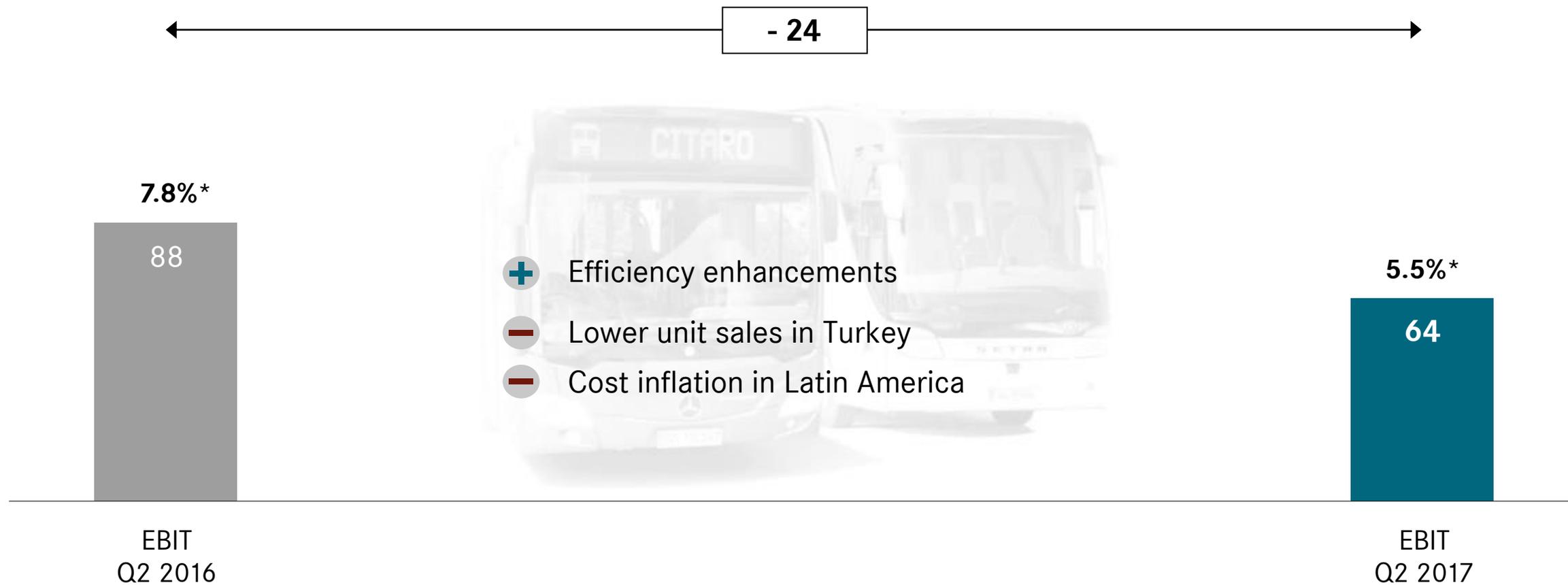
## EBIT

- in millions of euros -



# Daimler Buses: EBIT

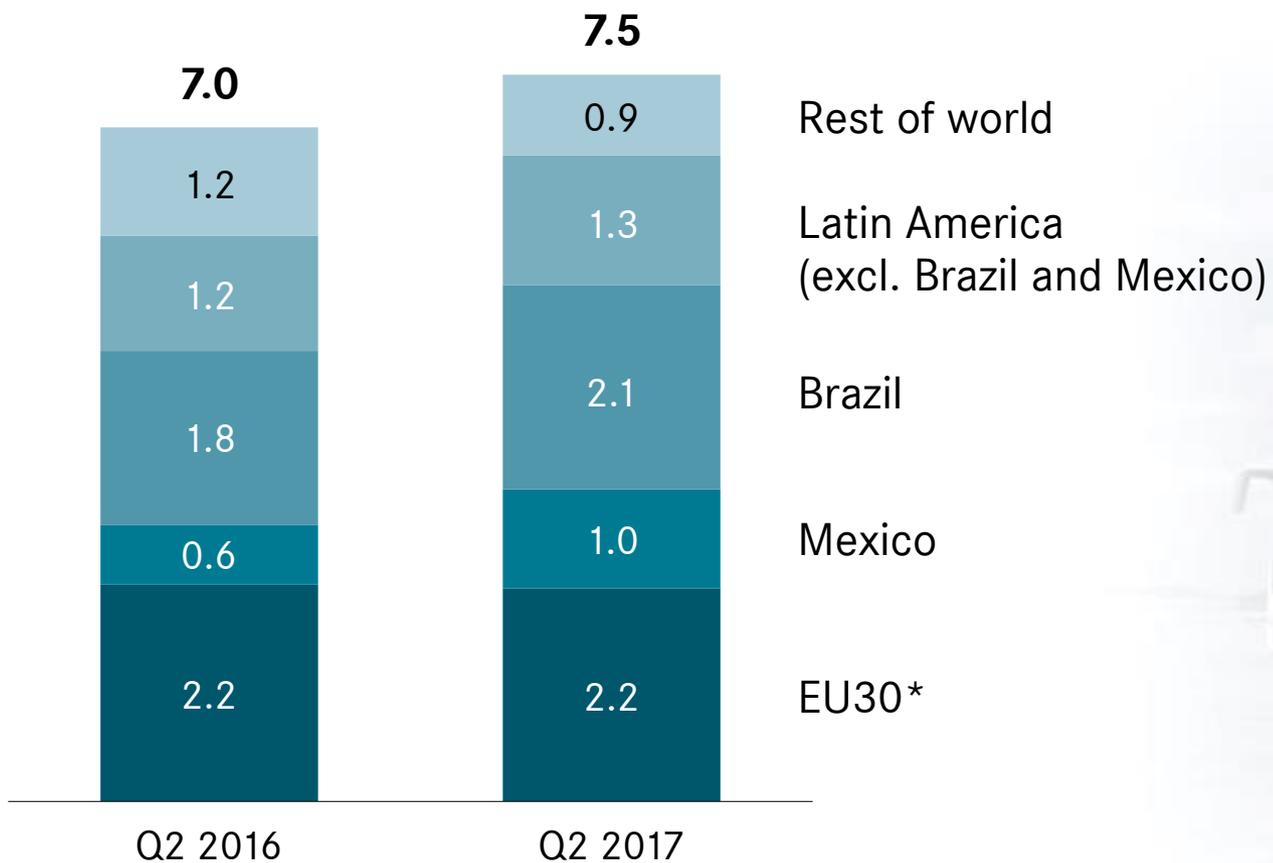
- in millions of euros -



\* Return on sales

# Daimler Buses: sales increase by 8% mainly due to higher demand in emerging markets

- in thousands of units -

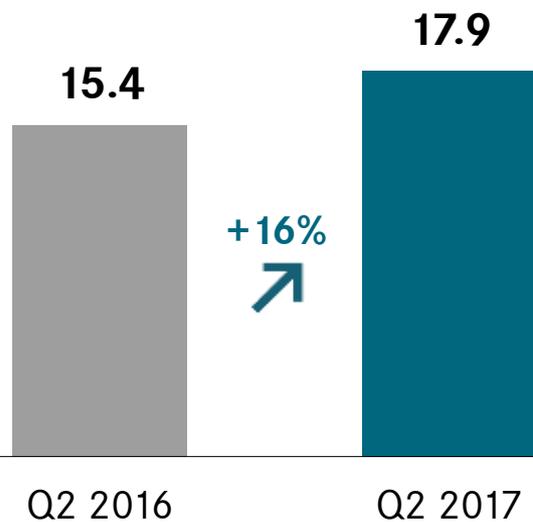


\* European Union, Switzerland and Norway

# Daimler Financial Services: further business growth

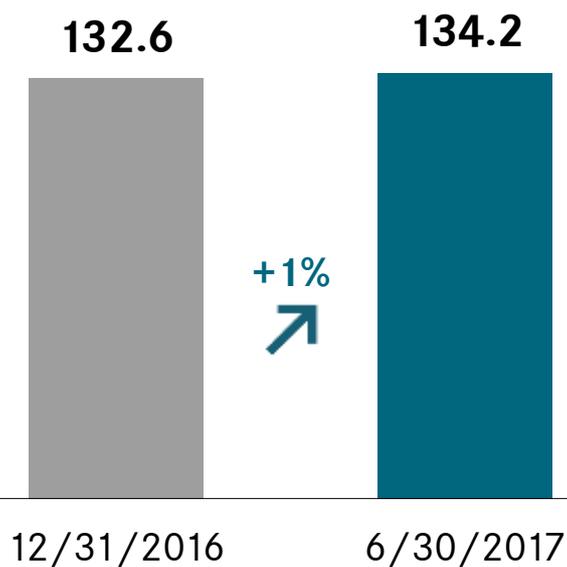
## New business

- in billions of euros -



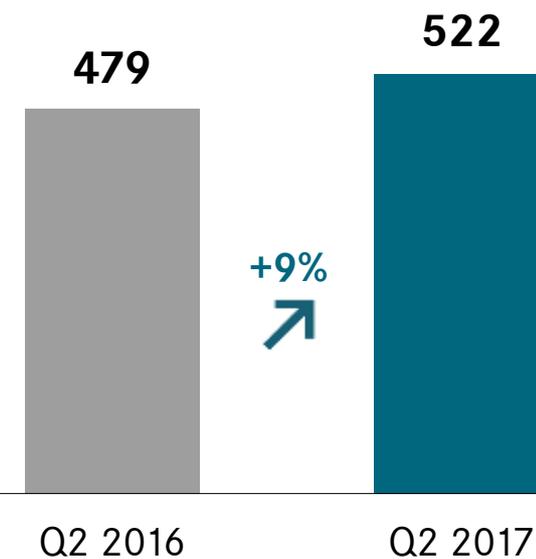
## Contract volume

- in billions of euros -



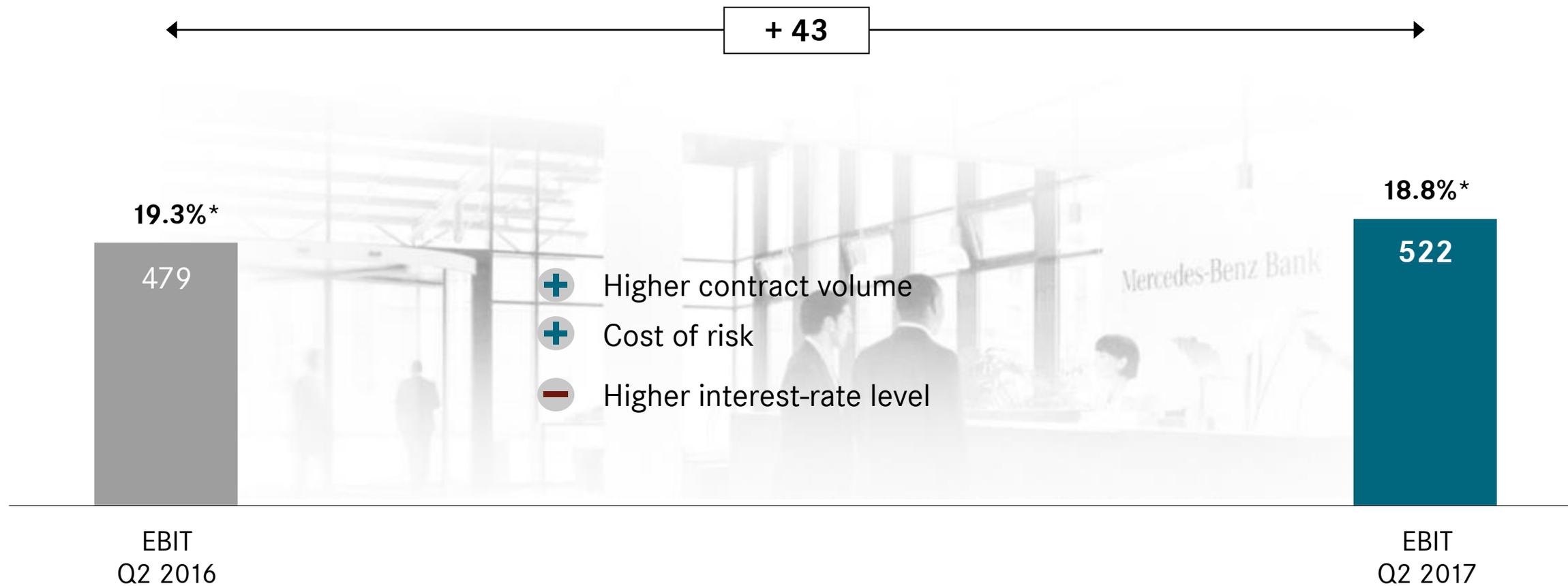
## EBIT

- in millions of euros -



# Daimler Financial Services: EBIT

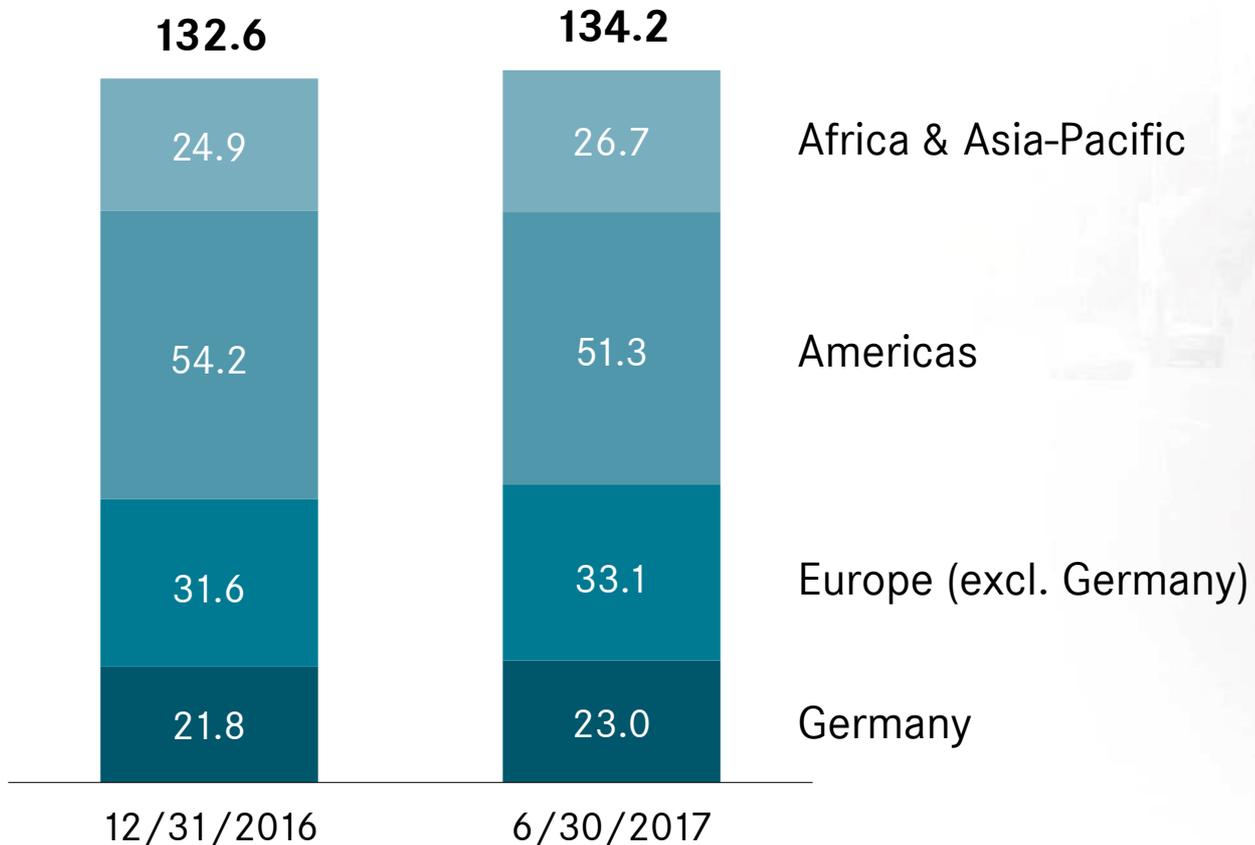
- in millions of euros -



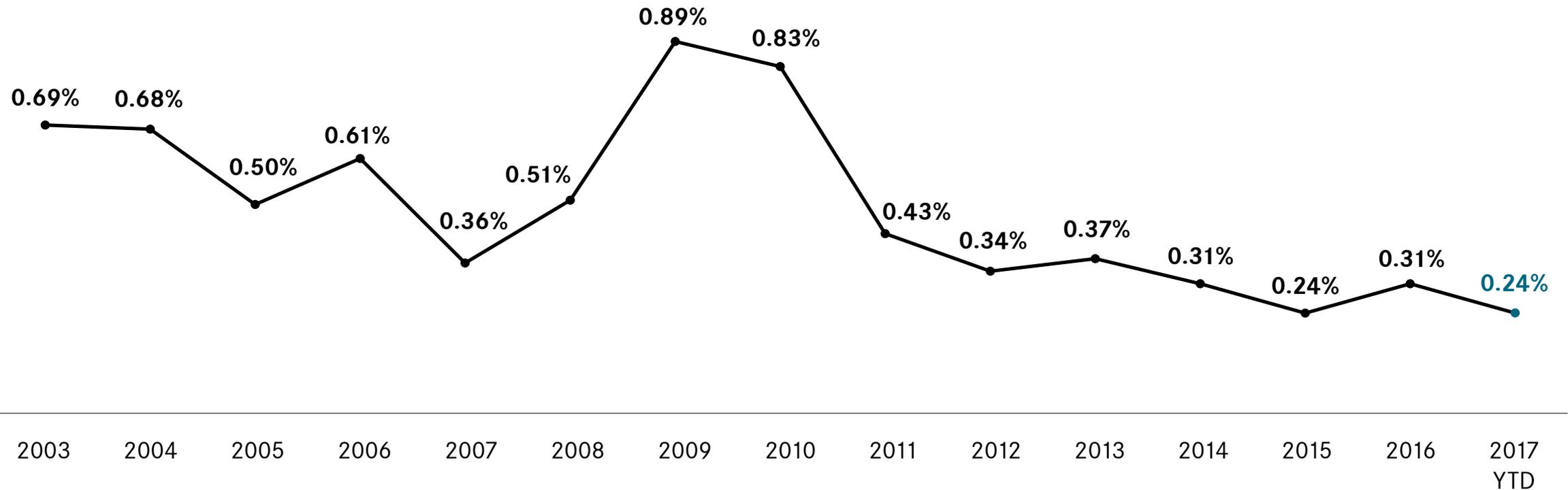
\* Return on equity

# Daimler Financial Services: further increase in contract volume to 134.2 billion euros (+1%)

- in billions of euros -



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



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

# Disclaimer

This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates; 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.