Daimler Financial Services at a Glance Edition 2019
## Content

<table>
<thead>
<tr>
<th>Profile</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td></td>
</tr>
<tr>
<td>Leasing and financing</td>
<td>4</td>
</tr>
<tr>
<td>Vehicle rentals</td>
<td>5</td>
</tr>
<tr>
<td>Mercedes-Benz Van Rental</td>
<td>6</td>
</tr>
<tr>
<td>Dealer financing</td>
<td>7</td>
</tr>
<tr>
<td>Fleet management</td>
<td>8</td>
</tr>
<tr>
<td>connect business</td>
<td>9</td>
</tr>
<tr>
<td>Banking services</td>
<td>10</td>
</tr>
<tr>
<td>Credit cards</td>
<td>11</td>
</tr>
<tr>
<td>Insurance services</td>
<td>12</td>
</tr>
<tr>
<td>Facts and figures</td>
<td>13</td>
</tr>
<tr>
<td>Facts and figures</td>
<td>14</td>
</tr>
<tr>
<td>Media Contacts</td>
<td>15</td>
</tr>
</tbody>
</table>
Daimler Financial Services
We finance, insure and enable mobility!

Tailor-made financing and leasing offers accelerate our automotive business. One of the most important success factors is our attractive and innovative range of vehicle financing and insurance services. Daimler Financial Services has been recording success figures for years.

We intend to continue our strategy of profitable growth consistently and at a rapid pace. Daimler Financial Services finances and leases every second new vehicle of the Daimler Group worldwide - and its international portfolio continues to grow. Daimler Financial Services once again set a new record in 2018 with a 10 percent increase in new leasing and financing contracts.

At the same time, Daimler Financial Services is systematically developing into an integrated mobility service provider. A historic step in this direction is the joint venture with the BMW Group, which now connects more than 60 million customers worldwide by bundling the mobility services of both companies. We are also working on expanding existing mobility segments and entering new ones in order to constantly expand our customer base.

Our holistic mobility ecosystem enables a new type of mobility for private customers, companies, but also for entire cities and municipalities. At the same time, we are creating the necessary key skills for business with automated and autonomous fleets - from our own resources and in cooperation with partners. Our goal: We always want to offer our customers tailor-made solutions for every situation in life - we call this Mobility at your fingertips.

As part of Project Future, we want to sustainably emphasize this claim by renaming Daimler Financial Services Daimler Mobility on July 24, 2019.
Using instead of owning: Leasing with the Mercedes-Benz Bank Group enables real flexibility. With leasing, the customer pays for the use of the vehicle – in manageable leasing installments. They can extend their leasing with a wide range of additional services: from car insurance to selected insurance or service components. At the end of the term, the vehicle is simply returned and can be switched to a new model. In this way, the customer regularly benefits from technical and optical innovations.

Financing is the new buying: With standard financing, the customer traditionally pays in convenient monthly installments until his dream car becomes his property when the last installment is paid. If he still doesn’t know today whether his Mercedes-Benz will still be the right one in a few years’ time, Plus3 financing is his choice. This gives the customer three attractive options at the end of the term: he pays the agreed final installment, takes out follow-up financing to pay the final installment, or returns the vehicle to the Mercedes-Benz partner at the contractually guaranteed residual value*.

Customers can also manage leasing and financing contracts online via a Mercedes me account.

*The return option is based on an additional agreement to the Plus3 financing contract, which is concluded directly between the customer and his dealer. For this the agreed buy-back conditions apply.
Vehicle rentals – Mercedes-Benz Rent

Mercedes-Benz Rent is a premium car rental company with currently 353 locations in Germany. All Daimler AG locations and participating Mercedes-Benz sales partners offer vehicles of the Mercedes-Benz brand for flexible daily, weekly and long-term rental. Mercedes-Benz Rent rounds off the range between classic leasing and financing as well as the SHARE NOW car sharing offer.

Interested parties can reserve their dream Mercedes-Benz car online from a comprehensive model range: from the S-Class limousine for weddings, the T-models or convertibles for weekend trips to the comfortable V-Class for family holidays. Of course, the Mercedes-Benz Rent product also includes test drives so that those interested can test their dream car in everyday life before buying it, as well as the provision of a replacement vehicle in the event of repair or after an accident, so that our customers are mobile.

Mercedes-Benz Rent offers a high degree of flexibility for rental customers thanks to transparent rental costs, fast provision and the premium customer service of the Mercedes-Benz partners.

Mercedes-Benz Rent is offered abroad in the following countries: France, Switzerland, Sweden, Korea, Russia, and South Africa
In volatile markets and times, speed and flexibility are essential factors for the success of a business. The market for transport services in particular – the so-called CEP sector (Courier, Express, and Parcel) – is growing rapidly. Package and parcel volume has doubled since the turn of the century and is expected to grow further. Many parcel delivery companies experience order peaks that are difficult to manage with their existing vehicle fleets. Demand for flexible van rental solutions is therefore on the rise. Mercedes-Benz Vans Mobility GmbH (MBVM) is meeting this demand with its Mercedes-Benz Van Rental service.

No standardized products: Instead, customized services from a single source

Mercedes-Benz Vans Mobility GmbH (MBVM), which is headquartered in Berlin, was established within the framework of Mercedes-Benz Vans’ future-oriented strategic initiative adVANCE. The company is part of Daimler Financial Services AG. MBVM therefore not only possesses a high degree of van expertise; it’s also a specialist for vehicle rental services. MBVM has put together a fleet consisting of the complete range of Mercedes-Benz Vans products, with an extensive mix of both standard and sector-specific vehicles.

The company is thus addressing a broad range of commercial customers in the heterogeneous van market – e.g. courier, express, and parcel delivery companies, firms in the skilled trades, passenger transport companies and vehicle hailing firms, various types of service providers, and companies from the fast-growing grocery delivery sector (eGrocery). At the same time, MBVM stands out from competitors that mainly offer highly standardized vans for rent.

Extensive flexibility ensures optimal management of order peaks

Daimler subsidiary MBVM launched an innovative and highly flexible rental service in July 2017: Mercedes-Benz Van Rental. Mercedes-Benz Van Rental is the first rental service that specializes exclusively in van rentals for periods ranging from 24 hours to 24 months.

The company offers two rental rates that differ in terms of their flexibility and customization options: The Flex Rate is designed for short-term rentals. It offers customers maximum flexibility when it comes to exchanging the vehicle or returning it early if the van is not needed for as long as originally planned. A special weekend price also makes the Flex Rate attractive to private customers who want to rent a van for only a short period of time.

The Fix Rate, on the other hand, offers longer-term rental periods of three months or more with a high degree of customization regarding the vans that are rented. More specifically, this rate offers individual sector solutions (e.g. refrigerated vans), customer decals, and many other possibilities.

Additional rental options will be gradually added to the portfolio in the near future, thereby making it even more flexible. These add-on services will include, for example, insurance options that cover international trips, additional drivers, and one-way rentals.
Managers of car dealerships have to keep a lot of things in mind. As a partner who knows this business inside and out, Mercedes-Benz Bank helps dealers respond to their customers’ wishes quickly and flexibly, while also achieving business success. To make this possible, our dealer financing concept offers both inventory of vehicles and real-estate financing, as well as loans for operating materials and business expansion.
Fleet management

Innovative fleet management with Athlon

The importance of mobility and flexibility for corporate customers continues to grow. More and more companies today are focusing on their core business and leaving the efficient management of their vehicle fleets to specialists. Athlon is one of the leading providers of vehicle leasing and fleet management in Europe and is responsible for more than 395,000 vehicles. For more than 100 years, the company has been developing innovative and cost-efficient fleet solutions for business customers and steering the new challenges of its customers through integrated and sustainable fleet and mobility solutions. Athlon is represented in over 20 countries in Europe and North America. Athlon has been part of the Daimler Group since the end of 2016.

A passion for customer satisfaction

Fleet managers feel supported by Athlon’s innovative service concept. On the one hand, this is due to the sustainable advice that provides individual mobility solutions. On the other hand, there is the sustainability that the company achieves economically and ecologically. Above all, however, our customers appreciate the fact that Athlon offers personal contacts for all aspects of fleet leasing and management. From consulting and planning to finance leasing, service leasing, financing, comprehensive fleet management, maintenance and return for cars and commercial vehicles.

Drive ahead instead of running along

We capture the idea of mobility holistically, meaning socially and economically. We take environmental protection seriously and respond with sustainable leasing concepts. We see the efficiency of your fleet processes as a permanent challenge. With Athlonline, the network for professionals, we offer optimal support. Wherever you want to go, with our products and services you are always one step ahead.
Fleet management is nothing to be done incidentally, especially with larger fleets. Although the increasing digitalization in the fleet allows everyday work to become easier, controlling an entire vehicle fleet via Excel tables can nevertheless mean a lot of administrative work and a high risk of errors. We have recognized the relevance of digital solutions for the fleet market and therefore founded Mercedes-Benz Connectivity Services GmbH in spring 2016. As a subsidiary of Daimler Mobility, the GmbH seizes these changes as an opportunity for a new customer experience. As a corporate start-up, it develops and markets innovative connectivity and telematics products.

Fleet and business customers can increase the efficiency and transparency of their fleet and save money with the digital solutions around the networked vehicle from “connect business” - regardless of the size of the fleet. Anytime, anywhere: Fleet managers manage their fleets in the web-based portal on the basis of real-time data and thus benefit in many areas. Relevant KPIs and reliable odometer values can be retrieved at the push of a button, and the electronic logbook provides comprehensive tax benefits for companies and employees. In addition, continuous condition monitoring can ensure a reliable condition for the vehicles and the fleet can be controlled proactively.

Further information on “connect business” is available on the Internet.
Security, transparency, and reliability are our top priorities when we develop Mercedes-Benz Bank products. Customers in Germany benefit from consistently fair terms for money market deposits and time deposits. Deposits at Mercedes-Benz Bank are also protected by a deposit insurance fund. Customer deposits at Mercedes-Benz Bank are currently insured to a value of more than €482 million per investor. Accounts can be opened quickly and easily in a paperless electronic system. Contracts are completed online and the customer’s identity is verified via video.
Credit cards

Customers around the globe can use the MercedesCard* in Gold or Silver to make payments conveniently. They also benefit from the travel, insurance, and vehicle services the cards offer, not to mention their attractive rewards programs. In addition, MercedesCard customers can take advantage of optional insurance packages for travel and shopping, for example. Emergency vehicle services offer quick assistance on the road to cardholders and authorized occupants of vehicles registered in the cardholder’s name in the event of an accident or breakdown.

*MercedesCard credit cards are issued by our contractual partner, Landesbank Baden-Württemberg/BW-Bank.
Insurance services

Daimler Insurance Services’ global offering combines various services such as: motor vehicle insurance, leasing and financing installments, fleet insurance, complete car dealership insurance for end customers and the retail trade. Mercedes-Benz Versicherung AG has successfully established itself as a guarantee insurer in Germany since its launch in 2016 and already has more than 350,000 contracts in its portfolio. The motor vehicle insurance solutions we have developed with the insurance industry provide comprehensive protection for Daimler customers in over 40 markets.

In Germany, known under the name „InScore“, telematics-based car insurance enables customers to reduce their insurance premiums by adopting a responsible driving style. Via the Mercedes me portal, the so-called Driver Score can be viewed immediately after the end of the journey. Telematics-based insurance solutions were successfully introduced in France, Belgium and Germany in 2017 followed by the Netherlands and Great Britain in 2018.

In addition, the new short-term insurance „CoverOn“ was launched in Germany in February 2019. This digital insurance solution allows to insure additional drivers flexibly for a limited period of time.

In the course of 2018, around 2.3 million cross-product insurance policies were concluded – a growth of 8 percent over the previous year.

The divisions of Daimler Insurance Services:

- **Global Automotive Insurance (GAI)**
  GAI provides tailor-made insurance solutions for end customers and dealers such as car insurance, warranty extension, GAP, purchase price protection or residual debt insurance for vehicle segments in the Daimler Group.

- **Corporate Insurance and Daimler ReBrokers**
  As in-house brokers for Daimler AG, the two divisions procure insurance cover for the Group’s global insurance programs from primary insurers and reinsurers. The aim is to protect the Group against material damage to property, plant and equipment and any resulting loss of earnings, as well as against third-party liability claims.

- **Mercedes-Benz Versicherung AG**
  Mercedes-Benz Versicherung AG is the first Group-owned insurance company in Germany to insure passenger cars and vans against warranty promises made by Mercedes Benz and smart dealers in Germany and abroad as well as the mobility promise made by Daimler AG. MBV operates the insurance types “repair cost insurance of motor vehicles” as well as “guarantee insurance of motor vehicles” of the insurance classes “technical insurance” and “other property damage insurance” within the scope of its permission.

- **Daimler Reinsurance**
  The aim of Daimler Reinsurance is to guarantee the insured client that the insurer can meet his (financial) needs at any time by having the company’s own reinsurance participate in the insurance cover arranged.

- **Daimler Pension Plans and Insurance Service**
  For more than 15 years, Daimler VVD has been providing individual insurance solutions for employees of the Daimler Group and its subsidiaries.
Mobility Services

With our services around autonomous mobility, our digital payment service “Mercedes pay” and the Urban Mobility Team, we are pioneers in the field of innovative mobility. Our digital concepts support the development of flexible and environmentally friendly mobility solutions.

The cooperation and portfolio management at controls investments in companies such as Blacklane, Bolt, Flixmobility, Turo, VIA and the new Mobility joint ventures between Daimler AG and the BMW Group.

With these, the mobility services car2go, mytaxi and moovel were combined with the services of the BMW Group. The network comprises the joint ventures SHARE NOW (car sharing), REACH NOW (multimodal), FREE NOW (ride-hailing), CHARGE NOW (charging) and PARK NOW (parking). This ensures that urban mobility is implemented sustainably and consistently for the benefit of customers.
Facts and figures

<table>
<thead>
<tr>
<th></th>
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<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue$^1$</td>
<td>26,268</td>
<td>24,530</td>
</tr>
<tr>
<td>EBIT$^1$</td>
<td>1,384</td>
<td>1,970</td>
</tr>
<tr>
<td>Return on equity (in %)</td>
<td>11.1</td>
<td>17.7</td>
</tr>
<tr>
<td>New business$^1$</td>
<td>71,927</td>
<td>70,721</td>
</tr>
<tr>
<td>Contract volume (Dec. 31)$^1$</td>
<td>154,072</td>
<td>139,907</td>
</tr>
<tr>
<td>Investment in property, plant and equipment$^1$</td>
<td>64</td>
<td>43</td>
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<td>Employees (Dec. 31)</td>
<td>14,070</td>
<td>13,012</td>
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</tbody>
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$^1$ Amounts in millions of €

**Contract volume by market$^1$**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Europe</td>
<td>64.2</td>
<td>59.7</td>
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<tr>
<td>Americas</td>
<td>56.1</td>
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<tr>
<td>AAP</td>
<td>18.3</td>
<td>17.2</td>
</tr>
<tr>
<td>China</td>
<td>15.4</td>
<td>12.2</td>
</tr>
</tbody>
</table>

in millions of € | $^1$Excluding Athlon Car Lease International
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