Mercedes-Benz starts second half of the year with record month and 20% growth

Stuttgart – Mercedes-Benz reported its best-ever July results and started the second half of the year successfully by selling 116,790 units and generating growth of 20.0%. It has delivered 811,227 vehicles to customers since the beginning of the year (+8.1%). The success of its new E-Class and its new compact models contributed particularly to the brand’s strong sales growth. In July, it generated especially strong growth in the United States, China and Russia. In Europe, the company continued to increase its sales and won market shares in nearly all European markets. Since the beginning of the year, Mercedes-Benz is the premium brand number one in Germany and the United States.

“Having performed impressively in the first six months of this year, we shifted up another gear in July. The new E-Class has proved a resounding success, our compact models are more popular than ever and, since mid-July, we have also been delivering our new S-Class to customers in Europe. This young model mix will enable us to generate further growth in the second half of this year,” commented Dr. Joachim Schmidt, Executive Vice President Sales and Marketing, Mercedes-Benz Cars. “Our target for 2013 as a whole is to raise the sales of passenger cars to more than 1.4 million Mercedes-Benz vehicles.”
Despite the tough market conditions prevailing in Europe, Mercedes-Benz increased its sales in July by a further 15.5% to 54,096 units, winning a larger share of nearly all its markets. The company’s compact models attracted especially strong demand in Europe, the new E-Class also significantly boosted sales in the last month. The month of July saw particularly robust growth in the United Kingdom (+15.4%), Belgium (+16.9%), and Turkey (+192.1%). Mercedes-Benz even achieved growth for July in the stagnating German market: With 22,501 units sold in July (+9.8%) and a market share of 9.9%, Mercedes-Benz has been the top-selling premium brand here since the beginning of this year.

In the United States the company sold 23,648 vehicles in July (+22.5%), which was yet another all-time record and enabled it to win further market share. Mercedes-Benz is the premium brand with the highest sales in the United States since the beginning of 2013. Across the NAFTA region Mercedes-Benz has generated growth of 10.9 percent since the beginning of this year.

In the Asia/Pacific region Mercedes-Benz sold 31,146 vehicles in July, which was a quarter more than in the corresponding month of 2012. In Japan it has delivered 27,539 vehicles to customers since January and has therefore been the top-selling premium brand among importers since the beginning of this year. In the last month, Mercedes-Benz raised the number of units sold in China by 31.2% to 18,530 vehicles. End of 2012 Mercedes-Benz had more than 260 dealerships located in 115 cities across China. This year 75 new dealerships will be opened successively. 36 of which will be in locations where the company has not had a presence to date. Its dealer network is set to grow by an annual average of 50 new dealerships over the coming years.
The Mercedes-Benz compact models are now more popular than ever with customers: 28,787 vehicles of the A-Class, B-Class and CLA-Class were sold in July, which was twice as many units as in the previous year. The compact models provide many new customers with their first introduction to the brand with the star: For example, around 50 percent of A-Class customers in Europe previously drove a vehicle by a different carmaker.

The new E-Class is also an outstanding success. 21,051 sedans and estates were delivered to customers in July, which represented an increase of 25.5%. The E-Class has been fully available in the United States – its largest market – since July and will be introduced in China end of August. The new E-Class coupe and cabrio have also proved very popular, with the number of vehicles delivered to customers worldwide in the last month rising by nearly a fifth.

Mercedes-Benz SUVs reported further record sales: 181,380 units have been delivered to customers since the beginning of 2013 (+19.5%). The M-Class has been the top-selling model in its segment since the beginning of the year. More than 200,000 vehicles from its latest model series have now been supplied to customers since this line was launched in 2011.

The new S-Class has been available in the European market for the past two weeks. More than 20,000 orders had been placed for this luxury sedan even before it was launched. Production will continue throughout the summer in order to meet the strong demand for this model.

59,546 units of the compact two-seater smart have been delivered to customers since the beginning of this year (p.Y. 63,713 units). The smart fortwo electric drive, which is manufactured in Hambach and has a market share of around 40 percent, was the clear market leader among all electric passenger cars newly registered in Germany in the first half of 2013. The smart plant in Hambach,
France, is now preparing for the next generation of the current smart fortwo, which is due to be launched in 2014. Production is being suspended for almost two months, starting in July, so that the necessary retrofitting of the plant can be carried out.

New products are not the only factors that will drive long-term sales growth going forward. The company is also reconfiguring its sales organisation to bring it into line with customers’ changing preferences as part of its Mercedes-Benz 2020 growth strategy, which is aimed at making the brand even more appealing to new, modern target groups while retaining the loyalty of existing customers. To this end the company recently presented the core sales and marketing aspects of its Mercedes-Benz 2020 growth strategy under the heading ‘Best Customer Experience’. Mercedes-Benz is increasingly using city centre formats that bring it into direct contact with existing and prospective customers. Some 20 urban touch points in cities such as Berlin, Paris, Milan, New York, Beijing and Tokyo are already captivating their visitors by offering them an extensive brand experience. The number of these ‘Mercedes-Benz Connections’ is set to more than double worldwide by 2020. Digital channels such as online shops will also continue to simplify access to the company’s brand. Nonetheless, the Mercedes-Benz dealers – authorised agents and company-owned sales and service outlets – will remain customers’ main point of contact in future.
This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “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; a deterioration of our funding possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates; a shift in consumer preference towards smaller, lower margin vehicles; or a possible lack of acceptance of our products or services which limits our ability to achieve prices as well as to adequately utilize our production capacities; price increases in 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 of 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 governmental 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 Report” in Daimler’s most recent Annual Report. If any of these risks and uncertainties materialize, or if the assumptions underlying any of our forward-looking statements prove incorrect, then our 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. Any forward-looking statement speaks only as of the date on which it is made.
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