

Daimler Trucks sells over half a million trucks in 2015

January 7, 2016

- **As planned, the leading truck manufacturer reaches the target which it has aimed at for many years**
- **Despite a difficult environment, unit sales in 2015 slightly above previous year level**
- **Market position in key markets further consolidated**
- **Offensive in growth markets with six new regional centres**
- **Dr. Wolfgang Bernhard: "2015 we have sold over 500,000 trucks and have increased our unit sales for the third year in a row. Thanks to our leading products we will deliver one of the best years in the history of Daimler Trucks despite some very challenging markets. This is a great achievement by our global team. I thank all employees for their outstanding efforts."**

Stuttgart – Despite partly difficult markets Daimler Trucks has increased its global sales to over 500,000 units in 2015 based on first December figures. In 2014 Daimler Trucks sold 495,700 vehicles worldwide under the Mercedes-Benz, FUSO, Freightliner, Western Star, Thomas Built Buses and BharatBenz brands. The final sales figures for 2015 will be presented on February 4th 2016 at Daimler's annual press conference.

Daimler Trucks reached its goals in a very heterogeneous and challenging market environment: Although the truck markets in North America and Europe grew significantly, the important markets of Brazil and Indonesia slumped. Also in Turkey the market decreased during the last few months due to political insecurities. In particular, in November and December, market conditions have further deteriorated significantly. Nevertheless Daimler Trucks managed to reach its sales target thanks to strong products and an excellent performance in sales.

Dr. Wolfgang Bernhard, member of the Daimler Board of Management, responsible for Daimler Trucks & Buses, commented: "2015 we have sold over 500,000 trucks and have increased our unit sales for the third year in a

row. Thanks to our leading products we will deliver one of the best years in the history of Daimler Trucks despite some very challenging markets. This is a great achievement by our global team. I thank all employees for their outstanding efforts."

On the subject of the future prospects for Daimler Trucks, he noted:

"Conditions in the truck market will remain challenging in 2016.

Nevertheless, our sights remain set on our next sales target of 700,000 trucks in 2020."

Bernhard continued: "To sit back is not an option for us. We remain focused on the implementation of our strategy. For this purpose, we will again demonstrate our technology leadership in the IAA year 2016. For example we will proceed with important developments for example in terms of vehicle connectivity but also when it comes to efficiency, active safety and autonomous driving. We are also expanding our global presence and will get even closer to our customers with six new regional centres. And I see large potential in expanding the global platform strategy beyond just the powertrain."

Clear increase in unit sales in North America

The global increase has largely been driven by the **NAFTA region**, where Daimler Trucks is on the way to record sales thanks to robust market growth and a strong product range. Between January and November 2015 sales were up 20 percent to 176,100 units (p.y. 147,200). Daimler Trucks has further extended its market leadership in weight classes 6-8, with market share rising to 39.1 percent (p.y. 37.3). In 2016, the North American market for trucks in the classes 6-8 is expected to be below the very high level of 2015.

One of the key reasons for the success of Daimler Trucks products in the North American market is that customers are increasingly recognising the benefits of the integral powertrain of Daimler trucks. With its perfectly coordinated combination of engine, transmission and axles, it delivers clear efficiency advantages. Daimler Trucks was the first manufacturer to offer this powertrain on the North American market. The DT12 automatic transmission system is central to that success. More than 40 percent of Freightliner Cascadia and Western Star 5700 XE are now sold with automatic transmission systems – around twice as many as in 2014. In order to be able to serve the growing demand in the region more quickly, local production of the DT12 transmission system for the North American market began in Detroit in November. From 2018, medium-duty engines for the NAFTA market will also be manufactured in Detroit. In total Daimler is investing around 450 million Euros.

In **Western Europe** too, Daimler Trucks increased sales in the first eleven months to 56,000 units (p.y. 50,500). The pace of growth increased noticeably over the course of the year. Mercedes-Benz continues to lead the market in the medium-duty and heavy-duty segment with a market share of 21.9 percent (p.y. 24.6). Despite a weaker economy and political instability in the region, unit sales in **Turkey** surpassed the high level of the previous year (18,900) to 20,400 trucks from January to November 2015. This was due in part to the effect of spending brought forward ahead of the EURO VI emissions standard coming into effect on January 1st 2016. However, the momentum tailed off over the year, a trend which is expected to continue in 2016.

Market share further increased in Brazil despite market weakness

In **Latin America** the unit sales of Daimler Trucks decreased to 27,900 (p.y. 44,500) units in the first eleven months, primarily as a result of the dramatic downturn in the Brazilian market. In **Brazil** 15,200 vehicles were delivered between January and November, compared to 31,300 in the same period in the previous year. In this extremely tough market environment Daimler Trucks succeeded in increasing market share in the medium- and heavy-duty segment in Brazil to 26.6 percent (p.y. 26.0). Despite the current market weakness Daimler Trucks continues to invest in order to increase its competitiveness in the local market in the longer term. Between 2014 and 2018 around 500 million Euros will be invested in Brazil in customised products, technologies and services as well as the modernisation of the production network. In October this year Mercedes-Benz in Brazil launched a number of product innovations onto the market, including further refinements to the locally manufactured truck models Accelo, Atego, Axor and Actros in terms of comfort, fuel consumption and total cost of ownership. Also for 2016 there is no recovery of the market situation to be expected.

Mixed sales performance in Asian markets

The **Asian** markets showed significant differences in performance in 2015. In **Japan** the FUSO brand increased sales by 4 percent to 41,600 vehicles (p.y. 39,000). The share of the truck market in Japan increased further to 20.7 percent (p.y. 20.3). In a sharp declining **Indonesian market**, sales fell to 29,400 units (p.y. 51,400). However, Daimler Trucks increased its market share to 48.2 percent (p.y. 47.2).

In **India** Daimler Trucks could increase sales by 29 percent to 12,500 vehicles (p.y. 9,700). More than 30,000 BharatBenz trucks have been delivered to customers since the company first entered the market in September 2012. The launch of new models also helped BharatBenz to increase its market share in the upper medium- and heavy-duty truck segment to 7.1 percent (p.y. 5.9). An important new product this year was the heavy-duty BharatBenz 3143, which has been specially designed for use in mining and on construction sites. The Indian-made vehicles will play a key role in opening up important growth markets in Asia and Africa. In 2015 Daimler Trucks began exporting to more than a dozen additional markets from the plant in Chennai. Trucks from the plant now are being shipped to more than 20 markets in total. In 2016 the company plans to move into several additional markets with FUSO trucks that have been specially adapted to the needs of these countries.

Greater global reach with six new regional centres

Going forward, Daimler will position itself even more closely to its customers in Africa, Asia and Latin America so that it can benefit from the opportunities for growth in these highly promising markets. In October the first of the six planned regional centres was opened in Dubai. These centres will focus entirely on sales and after-sales for Daimler commercial vehicles. In the first quarter of 2016 further regional centres will open in Kenya for central Africa, in Pretoria (South Africa) for southern Africa and in Singapore for South East Asia. These new regional centres will enable Daimler to respond even faster and in a more targeted manner to the needs of customers in these markets.

Technology highlight of 2015 – Highway Pilot enables semi-autonomous driving

In 2015, Daimler Trucks further emphasized its pioneering role in the area of autonomous driving. In May, Daimler received a public driving licence for the Freightliner Inspiration Truck in the US state of Nevada – the first time a self-driving truck had ever been licensed for use on the road anywhere in the world. Just five months later, Daimler Trucks began testing the first autonomously driving series-produced truck in Germany on public roads. The truck used is a standard Mercedes-Benz Actros equipped with the intelligent Highway Pilot system to test autonomous driving on public roads. The Highway Pilot enables semi-autonomous driving, which means that while the Highway Pilot is able to steer the truck by itself on motorways, the driver retains full responsibility, needs to monitor the traffic at all times and must be able to intervene at any time. The Highway Pilot can therefore be compared to the autopilot commonly used in aviation. The system includes front-mounted radar and a stereo camera, as well as well-proven assistance

systems such as Adaptive Cruise Control +. The technology was adapted for use on public roads and has been extensively tested to ensure that all the components work perfectly with one another. The Highway Pilot has already completed around 20,000 kilometres on test routes in Germany and the USA. It is conceivable that the technology will be ready to go into production in the next two to three years.

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 worsening of the sovereign-debt crisis in the euro zone; an increase in political tension in Eastern Europe; a deterioration of our refinancing 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 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 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.

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