Mercedes-Benz climbs to the top of the premium segment in 2016

Mercedes-Benz once again grew at a double-digit rate in 2016 and for the first time sold more than two million vehicles with the three-pointed star in one year worldwide (+11.3%). In 2016, Mercedes-Benz was the premium brand with the most new-car registrations in many countries, such as in Germany and in the USA. Mercedes-AMG set a new record last year with sales of approximately 100,000 vehicles (+44.1%). 2016, the smart brand sold more cars than ever before in one year (144,479 units, +21%).

Stuttgart – Mercedes-Benz was more successful than ever in the year 2016: The Stuttgart-based premium brand with the three-pointed star increased its unit sales by 11.3% and delivered 2,083,888 vehicles to customers all over the world. This means not only that Mercedes-Benz grew worldwide faster than its German competitors, but also that it delivered the most cars in the premium segment.

Dr Dieter Zetsche, Chairman of the Board of Management of Daimler AG and Head of Mercedes-Benz Cars: “2016 was the most successful year for Mercedes-Benz in the history of the company, and the sixth record year in succession. With new cars with pioneering design that inspire our customers and with particularly strong growth, above all in China and Europe, we have climbed to the top of the premium segment. And we are accelerating further – with new technologies, products and services.”

The model portfolio of Mercedes-Benz with the sub-brands Mercedes-AMG and Mercedes-Maybach is bigger and more diverse than ever before. And the plug-in-hybrid initiative is in full swing: with eight models, Mercedes-Benz offers the widest range in the premium segment.

“Our growth strategy is taking effect. Since 2013, Mercedes-Benz has grown every year at a double-digit rate. Mercedes-Benz is now the premium
brand with the strongest unit sales; we have achieved our goal four years
earlier than we aimed for. In 2016, Mercedes-Benz for the first time sold
more than two million cars, an increase of over eleven percent,” stated Ola
Källenius, Member of the Board of Management of Daimler AG, so far
responsible for Mercedes-Benz Cars Marketing & Sales and since January 1,
2017 responsible for Group Research and Mercedes-Benz Cars
Development.

The year 2016 ended for Mercedes-Benz with the highest-ever unit sales in
a December, which was also the 46th consecutive record month (190,269
units, +6.8%), and with the best quarter of all time (545,967 units, +10.2%).
In full-year 2016, Mercedes-Benz was the best-selling premium brand for
example in Germany, Italy, Portugal, Japan, South Korea, Australia, Taiwan,
the USA and Canada.

**Best-ever sales and double-digit growth in Europe**

Europe was the biggest sales region of Mercedes-Benz once again in 2016.
With growth of 12.4%, primarily due to strong sales of the E-Class and the
SUVs, best-ever volumes were achieved; nearly 900,000 Mercedes-Benz
vehicles were sold to customers in Europe in the past twelve months. In
Germany, a total of 293,209 customers decided in favour of a new car with
the three-pointed star, an increase of 7.2% compared with the previous
year. Mercedes-Benz achieved strong double-digit growth in 2016 in the
major markets of Great Britain (+16.6%), France (+16.7%), Italy (+16.6%)
Spain (+18.2%) and Belgium (+17.5%).

**Strongest growth in the Asia-Pacific region**

Demand for Mercedes-Benz models in the Asia-Pacific region was higher
than ever in the year 2016. 734,169 vehicles were delivered to their new
owners, an increase of 19.3%. China was once again the biggest individual
market for Mercedes-Benz, in terms of both absolute unit sales and growth:
Full-year sales there increased by more than a quarter to the new record of
472,844 units (+26.6%). The Stuttgart-based company with the three-
pointed star posted new best-ever unit sales last year also in Japan (+3.5%)
South Korea (+25%), Australia (+14.8%), Taiwan (+17.4%) and Malaysia
(+8.6%).

**Best-ever unit sales in the NAFTA region**

In the NAFTA region, nearly 400,000 Mercedes-Benz automobiles were sold
last year (+0.6%). 340,237 vehicles were delivered to customers in the USA,
where Mercedes-Benz was able to maintain the high sales level of 2015.
More vehicles were sold than ever before in one year in Canada (+4%) and Mexico (+34.4%).

Record year for Mercedes-AMG: approximately 100,000 cars delivered and over 40% growth

Mercedes-AMG grew strongly once again in the year 2016 and significantly surpassed the record year of 2015 with 44.1% growth. With 99,235 cars delivered, the sports-car and high-performance brand from Mercedes-Benz, which celebrates its 50th anniversary in 2017, continued along its successful path. This means that the Mercedes-AMG unit sales have more than tripled in the past three years. The biggest model offensive in the history of AMG took place in 2016: the product portfolio was expanded with more than ten new models. Customers worldwide were particularly attracted by the “43” models and the compact models. The strongest-selling markets for AMG automobiles were once again the USA, Germany and China in 2016.

With the Mercedes-AMG GT R and the two open versions AMG GT Roadster and AMG GT C Roadster, AMG expanded the GT model range that it developed in-house with especially dynamic automobiles in 2016. Orders have been taken for all three of these models since late 2016 and deliveries will start this spring.

smart achieves best-ever unit sales

The smart brand increased its sales by 21% to 144,479 units in the past twelve months. This means that more smart fortwo and forfour cars were sold than ever before in one year. Germany and Italy were once again the biggest markets for the urban microcar. In its third-largest market, China, unit sales of the smart models increased by 60% in 2016. Since March 2016, the new smart cabrio has been available as a supplement to the current smart generation. With the launch of the electric versions of the smart models this spring, smart will be the only car manufacturer to offer its model range with both combustion engines and with pure battery-electric drive.

In addition, smart had the beta launch of “ready to drop” last year. With this innovative service, the smart becomes a mobile delivery address for online orders. Further car-related services are being planned so that the smart can be developed into a centre for service providing in the future.

The smart is successful also with car2go, which is now the world’s biggest car-sharing company and the market leader in the segment of station-independent car sharing. The fleet comprises more than 14,200
smart and Mercedes-Benz cars at 26 locations. Meanwhile, car2go has more than two million customers.

Digitization in sales: ordering a car with a mouse click

With the launch of the Germany-wide Mercedes-Benz online store in summer 2016, the premium brand has taken a further step towards the sales in the future. At www.online-store.mercedes-benz.de, customers all over Germany can select from a large number of preconfigured new Mercedes-Benz vehicles. The online platform offers all the functions required for a convenient and complete purchasing experience on the Internet. For the first time, customer legitimation is possible using video identification. This means that the sales process can be fully carried out online and on seven days of the week – from the comfort of one’s own home or while on the move.

The online store appeals in particular to young and media-related customers and is an integral component of the broad-based “Best Customer Experience” marketing and sales strategy at the Mercedes-Benz Cars division.

Sales Mercedes-Benz Cars in December 2016

<table>
<thead>
<tr>
<th></th>
<th>December 2016</th>
<th>December 2015</th>
<th>Change in %</th>
<th>YTD 2016</th>
<th>YTD 2015</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mercedes-Benz</td>
<td>190,269</td>
<td>178,105</td>
<td>+6.8</td>
<td>2,083,888</td>
<td>1,871,599</td>
<td>+11.3</td>
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<tr>
<td>of which:* A-/B-Class</td>
<td>37,020</td>
<td>35,970</td>
<td>+2.9</td>
<td>438,575</td>
<td>414,365</td>
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<td>C-Class</td>
<td>41,832</td>
<td>39,074</td>
<td>+7.1</td>
<td>480,537</td>
<td>460,497</td>
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<td>E-Class</td>
<td>31,272</td>
<td>27,467</td>
<td>+13.9</td>
<td>295,324</td>
<td>301,566</td>
<td>-1.7</td>
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<td>S-Class</td>
<td>7,487</td>
<td>9,198</td>
<td>-18.6</td>
<td>88,520</td>
<td>107,335</td>
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<td>SUVs**</td>
<td>65,824</td>
<td>60,556</td>
<td>+8.7</td>
<td>706,170</td>
<td>525,894</td>
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<td>Sports Cars</td>
<td>2,196</td>
<td>2,235</td>
<td>-1.7</td>
<td>27,067</td>
<td>30,441</td>
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<td>V-Class</td>
<td>4,638</td>
<td>3,605</td>
<td>+28.7</td>
<td>46,695</td>
<td>31,501</td>
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<tr>
<td>smart</td>
<td>14,709</td>
<td>10,007</td>
<td>+47.0</td>
<td>144,479</td>
<td>119,382</td>
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<tr>
<td>Mercedes-Benz Cars</td>
<td>204,978</td>
<td>188,112</td>
<td>+9.0</td>
<td>2,228,367</td>
<td>1,990,981</td>
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<tr>
<td>Europe</td>
<td>88,773</td>
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<td>1,006,380</td>
<td>893,849</td>
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<tr>
<td>of which: Germany</td>
<td>29,447</td>
<td>27,321</td>
<td>+7.8</td>
<td>330,846</td>
<td>309,989</td>
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<td>NAFTA</td>
<td>38,547</td>
<td>39,266</td>
<td>-1.8</td>
<td>404,225</td>
<td>401,712</td>
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<td>of which: USA</td>
<td>33,203</td>
<td>34,857</td>
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<td>346,451</td>
<td>350,526</td>
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<td>71,583</td>
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<td>+13.1</td>
<td>761,045</td>
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<td>of which: Japan</td>
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<td>7,078</td>
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<td>71,741</td>
<td>65,983</td>
<td>+8.7</td>
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<td>of which: China (incl. Hong Kong)</td>
<td>45,719</td>
<td>38,874</td>
<td>+17.6</td>
<td>493,929</td>
<td>386,635</td>
<td>+27.8</td>
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Note:
Mercedes-Benz’s unit sales by region and market as well as by model represent merely an excerpt from Mercedes-Benz’s total unit sales, it being possible for a model to be included in different segments. With regard to Mercedes-Benz’s total unit sales, there is no possibility of models being double-counted.
Forward-looking statements:
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 cooperation 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.

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