Ad hoc Release:  
**Significant increase of Group Net Income as a result of the tax reform in the U.S.**

Stuttgart, Germany – The law signed by the President of the USA for a comprehensive tax reform ("Tax Cuts and Jobs Act"), includes the reduction of the nationwide federal corporate income tax rate from 35% to 21%, starting January 01, 2018. Due to the broadly based U.S. industrial and financial services business, combined with a material value added, Daimler — similar to many other local U.S. companies — benefits from the decided tax reform.

At the U.S. subsidiaries of Daimler, the deferred tax liabilities exceed the deferred tax assets — both calculated with the nationwide federal corporate income tax rate of 35%. The reduction of the federal corporate income tax rate from 35% to 21% requires the revaluation of the net deferred tax liabilities and results in an income tax benefit increasing the Net Income of the Group for the year 2017 by approximately €1.7 billion. The positive income tax benefit will not impact the Free Cash Flow of the Industrial Business or the Group EBIT for the year 2017.

Furthermore, the law includes several other measures. The impact of the other measures on Daimler are analyzed in detail at the moment.

Opposite to the positive impact from the U.S. tax reform, we currently expect other issues not connected with the U.S. tax reform, which will increase the tax expenses and will lead to an overall increase of Group Net Income by approximately only €1 billion net.
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.

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