Investor Relations Release
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Daimler adjusts its earnings guidance – preliminary results for the third quarter 2018

Stuttgart, Germany - As a result of recent developments, Daimler AG today reassessed its earnings outlook for the year 2018 for the Mercedes-Benz Cars and Daimler Buses divisions and for the Daimler Group. This reassessment is based on a number of factors:

The main factor is an increase in expected expenses in connection with ongoing governmental proceedings and measures in various regions with regard to Mercedes-Benz diesel vehicles.

In addition, Mercedes-Benz Vans records lower unit sales due to delays in vehicle deliveries.

Furthermore, against the backdrop of a recent ruling by the European Court of Justice, provisions have been recognized for the potential need to take action on certain vehicles still operating with the previously used refrigerant R134a.

Additionally, Daimler Buses records decreasing demand in some markets.

The aforementioned factors have been taken into account in the results of operations for the third quarter. As a result, earnings are now significantly below market expectations:

Group EBIT amounts to €2,488 million (Q3 2017: €3,409 million).

EBIT for the divisions amount to:

Mercedes-Benz Cars: €1,372 million (Q3 2017: €2,105 million)
Daimler Trucks: €850 million (Q3 2017: €614 million)
Mercedes-Benz Vans: minus €93 million (Q3 2017: €214 million)
Daimler Buses: €30 million (Q3 2017: €32 million)
Daimler Financial Services: €392 million (Q3 2017: €508 million)
Reconciliation: minus €63 million (Q3 2017: minus €64 million)

Free cash flow of the industrial business for the period of January through September 2018 amounts to minus €60 million (Q3 2017: plus €5,771 million)
All the stated figures are provisional and unaudited.

As a result, Daimler now has the following expectations for EBIT in the year 2018:

Mercedes-Benz Cars: significantly below the prior-year level
Daimler Trucks: significantly above the prior-year level (unchanged)
Mercedes-Benz Vans: significantly below the prior-year level (unchanged)
Daimler Buses: significantly below the prior-year level
Daimler Financial Services: in the prior year magnitude (unchanged) and
Daimler Group: significantly below the prior-year level

The expectation for the free cash flow of the industrial business for business year 2018 remains unchanged.

EBIT (earnings before interest and taxes) is the measure of operating profit at Daimler.

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 and tariff regulations; 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.

If you have any questions, please contact our Investor Relations Team: https://www.daimler.com/investors/services/contacts.html

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