Our Vision: Be the Undisputed Leader of the Truck & Bus World

OUR STRENGTHS

INNOVATION DNA
GLOBAL MINDSET
LEVERAGING PLATFORMS
Solid strategic foundation for continuous confidence & success!

- **CUSTOMER FOCUS**
  - We optimize total cost of ownership and shape future transportation
  - We maximize economies of scale and speed up innovation
  - Efficient & electric, safe & automated, reliable & connected
  - We have a global reach and meet local needs
Our Mission: Make our customers more successful
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Best-in-class products in all regions

Customer experience as differentiator

- Service and Parts Network
- Continuous Process Improvement
- Customer-focused product development

Services beyond the hardware

- Extended Warranty & Service Products
- Connectivity & Uptime
- End-to-End Support & Consulting

Measurable Benefits + Ease of Doing Business + Trusted Partner
We have a History and a Future of Innovation
We continuously invest in our products and have kept our R&D spending high! \(~12\text{ billion over 10 years!}\)
And we will continue the investment story in 2018 and 2019

**Total R&D investment**
(2018–2019)

> 2.5 bn €

**Investment in Connectivity, Automated, Electric**
(2018–2019)

> 500 mn €
CA(S)E: Since the Capital Market Day in 2017...

- **Connectivity**
  - Gain Headline

- **Electric**
  - Gain Knowledge
  - MB Uptime
  - DETROIT CONNECT

- **Automated**
  - Gain Business
  - Platooning
  - Active Safety
... we have made a lot of progress and there is more to come

Connectivity

Electric

Automated

Gain Headline

Gain Knowledge

Gain Business

Platooning

Active Safety
Different animals, same gene pool: global platforms make everyone better!

- Economies of scale for lower cost and faster time to market
- Designed to meet local customer requirements
- Enabler of new technologies across all brands
Heavy Duty Engine Platform –
A truly global platform shared by all regions

- First global engine platform fully rolled-out in all triade markets
- Fuel Economy and Performance Champion
- Most robust design and stable engine system
- Undisputed market leadership (US market)
- Next HDEP generation in the pipeline
We are leveraging our global synergies in distinct engineering fields

- Active Safety
- Global TufTrac
- Truck Data Center
- Global Production
We continue to grow and strengthen our position in our core markets

- **#1 NAFTA**: Freightliner, Western Star
- **#1 EU 30**: Mercedes
- **#3 JAPAN**: Fuso
- **#2 BRAZIL**: Mercedes
- **#4 INDIA**: Mercedes, Tata
NAFTA

- **39.8%**
  Record market share 2017

- **46,000**
  Orders for new Cascadia

- **52%**
  Increase in incoming orders
BRAZIL

Accelo
Market launch in 2017

Actros
+50% sales in 2017

27.6%
Market share 2017
JAPAN

FUSO Super Great
Launched in 2017

Input from 1,000 customers during development phase

19.6%
Market share 2017
INDIA

9.1%
Market share 2017

60,000 trucks
Made in India for India

5 years
BharatBenz
EUROPE

-3%
Actros fuel consumption

Arocs
Expanded & updated portfolio

21.0%
Market share 2017
We have a strong global presence beyond our core markets
CHINA: We are well prepared to tap into the biggest market

Biggest market of commercial vehicles and promising growth perspective.

Market shifting towards premium segment and new technologies.

Strong, committed partnership with Foton

Product Launches 2017

Our Joint venture BFDA delivers strong sales. Over 100k trucks sold in 2017.
Our success is rooted in a strong and evolving culture
Efficient & Agile

Successful through same spirit!
Our Ambition: Be the undisputed leader in the truck industry achieving 8% Return on Sales sustainably over the cycle

8% + Over the Cycle

Including all Investments in Future Technologies
Our top priorities to achieve our profitability targets

- Offer best in class products
  - drive cost & quality leadership in Europe
- Pioneer new technologies
  - focus on gaining business jointly with our customer
- Leverage global synergies
  - continue roll-out of platforms and global network

- Be dominant player in all core markets
  - shift Brazil and India into profitability
- Entrepreneurial spirit
  - drive continuous improvement and excellence
Disclaimer

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.