Creative Global Investments

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Daimler (EUR 64.07) – BUY

4Q/FY15E preview (Thursday, February 4th)

Our 4Q15E EBIT estimates (ongoing business): EUR 3.57bn/9.1% at group level, EUR 2.20bn/10.4% at M-B Cars and EUR 0.78bn/8.0% at Trucks. For FY15E, we expect increases of 37% in EBIT to EUR 13.92bn/9.4% and 29% in adj. EPS to EUR 8.38. Our YE16 new target price of EUR 79 implies a 23% upside potential for Daimler shares.

4**Q15E and FY15E earnings growth** continued to be spearheaded by M-B Cars and supported by Trucks and Vans. **At M-B Cars, 4Q15E EBIT improved 25.0%/EUR 0.44bn yoy** to EUR 2.20bn/10.4%, driven by **10% higher retail sales, positive pricing**, **efficiency gains** and a **moderate forex tailwind**. In China, retail sales continued to grow strongly as M-B is in the process of establishing the full-scale of its business. **Negatives** include higher costs for new technology, products etc. (See pp.5-7.) At **Daimler Trucks, 4Q15E EBIT improved 34%/EUR 0.20bn** to EUR 0.78bn/8.0%, despite a sharp drop in South America and other key markets such as China, Russia and Indonesia. Thanks to its global reach, DT was able to benefit from a booming NA market, a strong recovery in Europe, and a forex tailwind. (See p.8-9.)

For 2016-17E, we left our estimates unchanged and expect EPS growth of 4.6% to EUR 8.77 and 10.1% to EUR 9.65 respectively. M-B Cars should remain a key earnings driver, as a strong model momentum and further efficiency gains are set to boost profit and support margin. An expected, albeit slow recovery in South America and other EMs should benefit Trucks and Buses, as the US economy decelerates. Earnings should continue to benefit from currency tailwinds through enhanced hedging opportunities. Challenges, besides increased volatility in global financial and commodity markets, include higher costs related to capacity expansion, new products and new technology, the latter in particular in view of ever tighter emission regulations. (See pp.12-13.)

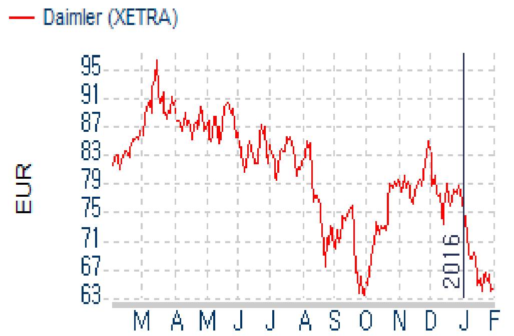
Investment opinion - BUY: Based on historic P/E valuation, we calculate a target price of EUR 79 for YE2016E, implying a 23% upside from the current share price. The new TP is 25% below our previous TP (of EUR 105) of October 23rd, reflecting the collapse in the global equity markets seen since the beginning of the year. The chart-technical outlook for Daimler share is negative. (See pp.14-15.)

Daimler– share summary (2013-17E)

Current price (EUR)	64.07				
Market cap.(EUR bn)	68.54				
December YE	**2013**	**2014**	**2015E**	**2016E**	**2017E**
EPS (EUR)-adj.	5.07	5.68	8.38	8.77	9.65
CFPS (EUR)	7.8	9.0	12.5	12.3	15.0
BVPS (EUR)	39.9	40.8	40.8	46.0	51.6
DPS (EUR)	2.25	2.45	3.40	3.60	4.00
Free CFPS (EUR)	4.53	5.12	4.09	5.03	6.47
P/E (x)	12.6	11.3	7.6	7.3	6.6
PCF (x)	8.2	7.1	5.1	5.2	4.3
Price/BV (x)	1.6	1.6	1.6	1.4	1.2
P/revenue (x)	0.58	0.53	0.46	0.42	0.39
Dividend yd (%)	3.5	3.8	5.3	5.6	6.2
Free CF yd (%)	7.1	8.0	6.4	7.9	10.1

Share price close 02.01.2015. Source: Company data and CGI ests

Daimler – share price (-1year)



Source: Euroland

Contents

Timetable – 4Q/FY15 results for Daimler

Company	Sub-sector	Country	Currency	Date	Results	Press Conference	Analyst/Investor CF -Stuttgart
Daimler	OEM	D	EUR	Thursday, 4th	08:00 CET	09:00-11:00 CET	
				Friday, 5th			09:00-10:30 CET
				Thursday, 18th	Full AA15 online		

Group results – 4Q/FY15E

Daimler – Divisional EBIT (1Q14-FY15E)

	1Q14	2Q14	3Q14	4Q1	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
Revenue (EUR m)												
Mercedes-Benz Cars	17,004	17,771	18,677	20,132	73,584	19,509	21,136	20,707	21,062	82,414	22,534	83,886
Daimler Trucks	7,121	7,966	8,463	8,839	32,389	8,414	9,441	9,650	9,710	37,215	9,742	37,247
Daimler Fin. Services	3,809	3,828	3,998	4,356	15,991	4,549	4,769	4,702	4,929	18,949	5,009	19,029
Mercedes-Benz Vans	2,212	2,494	2,515	2,747	9,968	2,415	2,829	2,752	3,467	11,463	2,969	10,965
Daimler Buses	859	1,048	1,034	1,277	4,218	877	1,037	1,018	1,455	4,387	1,181	4,113
Intra-group/reconciliations	-1,548	-1,563	-1,565	-1,602	-6,278	-1,528	-1,685	-1,553	-1,612	-6,378	-1,612	-6,378
Group	**29,457**	**31,544**	**33,122**	**35,749**	**129,872**	**34,236**	**37,527**	**37,276**	**39,011**	**148,050**	**39,823**	**148,862**
EBIT[1] (EUR m)												
Mercedes-Benz Cars[1]	1,183	1,409	1,614	1,758	5,964	1,794	2,234	2,161	2,197	8,386	2,287	8,494
Daimler Trucks[1]	346	526	618	583	2,073	536	717	805	780	2,838	782	2,840
Daimler Fin. Services[1]	397	336	355	299	1,387	409	445	378	363	1,595	391	1,623
Mercedes-Benz Vans[1]	123	181	176	158	638	221	238	196	281	936	239	896
Daimler Buses[1]	54	58	64	35	211	35	57	90	32	214	18	200
Intra-group/reconciliations	-31	-47	-40	-9	-127	-65	73	27	-85	-50	23	-50
Group (ongoing bus.)[1]	**2,072**	**2,463**	**2,787**	**2,824**	**10,146**	**2,930**	**3,764**	**3,657**	**3,568**	**13,919**	**3,741**	**14,004**
One-off items[2]	-285	632	945	-686	606	**-24**	**-46**	**4**	-99	-165	-79	-165
Headline group EBIT	**1,787**	**3,095**	**3,732**	**2,138**	**10,752**	**2,906**	**3,718**	**3,661**	**3,469**	**13,754**	**3,554**	**13,839**
Margin (%)												
Mercedes-Benz Cars[1]	7.0	7.9	8.6	8.7	8.1	9.2	10.6	10.4	10.4	10.2	10.2	10.1
Daimler Trucks[1]	4.9	6.6	7.3	6.6	6.4	6.4	7.6	8.3	8.0	7.6	8.0	7.6
Daimler Fin. Services[1]	10.4	8.8	8.9	6.9	8.7	9.0	9.3	8.0	7.4	8.4	7.8	8.5
Mercedes-Benz Vans[1]	5.6	7.3	7.0	5.8	6.4	9.2	8.4	7.1	8.1	8.2	8.1	8.2
Daimler Buses[1]	6.3	5.5	6.2	2.7	5.0	4.0	5.5	8.8	2.2	4.9	1.6	4.9
Group (ongoing bus.) [1]	**7.0**	**7.8**	**8.4**	**7.9**	**7.8**	**8.6**	**10.0**	**9.8**	**9.1**	**9.4**	**9.4**	**9.4**
Headline group	**7.0**	**9.8**	**11.3**	**6.0**	**8.3**	**8.5**	**9.9**	**9.8**	**8.9**	**9.3**	**10.2**	**10.1**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. (1) EBIT on-going business, before exceptional/one-off items. (2) In 2014, one-off items included net EUR 1.48bn income from divestments (RRPSH, Tesla) and EUR -0.60bn expenses related to EU antitrust proceedings. Source: Company data and CGI estimates

Daimler – Sales, production and inventory (1Q14-FY15E)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
(Units '000)												
Retail sales	560.4	633.0	626.2	711.0	2,530.6	626.4	705.2	704.6	-	-	-	-
Wholesales	565.8	628.9	637.4	713.9	2,546.0	641.6	714.8	720.0	764.0	2,840.3	793.5	2,869.9
Production	611.2	624.6	664.8	681.7	2,582.3	699.7	725.4	754.6	736.6	2,916.2	748.5	2,928.2
Inventory	45.4	-4.2	27.4	-32.2	36.3	58.1	10.6	34.6	-27.4	75.9	-45.0	58.3
% change yoy												
Retail sales	9.9	6.1	7.0	8.0	7.7	11.8	11.4	7.0	7.0	11.6	-	-
Wholesales	12.8	3.8	7.2	9.5	8.1	13.4	13.7	7.2	8.1	12.9	11.1	12.7
Production	10.0	0.5	12.2	10.9	8.3	14.5	16.1	12.2	-15.1	108.9	9.8	13.4
% change qoq												
Retail sales	-14.9	13.0	-1.1	13.5	-	-12.4	12.6	-0.1	-	-	-	-
Wholesales	-13.2	11.1	1.4	12.0	-	-10.1	11.4	0.7	6.1	9.1	9.1	-
Production	-0.5	2.2	6.4	2.5	-	2.6	3.7	4.0	-2.4	-1.5	10.2	-

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

Daimler – Group P&L (1Q14 – FY15E)

(EUR m)	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
Revenue – industrial ops.	25,648	27,716	29,124	31,393	113,881	29,687	32,758	32,574	34,082	129,101	34,813	129,832
Revenue – financial services	3,809	3,828	3,998	4,356	15,991	4,549	4,769	4,702	4,929	18,949	5,009	19,029
Group revenue	**29,457**	**31,544**	**33,122**	**35,749**	**129,872**	**34,236**	**37,527**	**37,276**	**39,011**	**148,050**	**39,823**	**148,862**
EBIT (headline)	**1,787**	**3,095**	**3,732**	**2,129**	**10,743**	**2,906**	**3,718**	**3,661**	**3,469**	**13,754**	**3,554**	**13,839**
Net interest income./-expenses	-142	-158	-149	-130	-579	-105	-93	-131	-136	-465	-136	-465
Pre-tax profit[1]	**1,645**	**2,937**	**3,583**	**1,999**	**10,164**	**2,801**	**3,625**	**3,530**	**3,333**	**13,289**	**3,418**	**13,374**
Less tax charge/-credit	564	739	760	820	2,883	751	1,253	1,115	915	4,034	942	4,061
Profita adter tax	**1,081**	**2,198**	**2,823**	**1,179**	**7,281**	**2,050**	**2,372**	**2,415**	**2,418**	**9,255**	**2,477**	**9,314**
Less minorities	59	92	86	91	328	87	103	30	70	290	70	290
Net profit - Daimler SHs	**1,022**	**2,106**	**2,737**	**1,088**	**6,953**	**1,963**	**2,269**	**2,385**	**2,348**	**8,965**	**2,407**	**9,024**
Net profit adj. for M&A (E)	**1,301**	**1,456**	**1,732**	**988**	**5,477**	**-**	**-**	**-**			**-**	**-**
Margin (%)												
Group EBIT	6.1	9.8	11.3	6.0	8.3	8.5	9.9	9.8	8.9	9.3	8.9	9.3
Pre-tax profit[1]	5.6	9.3	10.8	5.6	7.8	8.2	9.7	9.5	8.5	9.0	8.6	9.0
Net profit	3.5	6.7	8.3	3.0	5.4	5.7	6.0	6.4	6.0	6.1	6.0	6.1
Net profit adj. for M&A €	4.4	4.6	5.2	2.8	4.2	6.5	4.3	3.7	6.0	0.0	5.8	0.0
Tax rate (%)	34.3	25.2	21.2	41.0	28.4	26.8	34.6	31.6	27.5	30.4	27.5	30.4
Adj. tax rate (%)	29.3	32.3	29.5	43.2	33.2	-	-	-	-	-	-	-

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd . Source: Company data and CGI estimates

Daimler – Industrial operations – cash flow (1Q14 – FY15E)

(EUR m)	1Q14	2Q14	3Q14	4Q14	FY1A	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
Net profit	825	1,978	2,611	998	6,407	1,963	2,325	2,167	1,985	8,193	2,025	8,233
Depreciation & amortisation	1,211	1,221	1,218	1,314	4,964	1,349	1,269	1,312	1,880	5,810	1,912	5,842
Non-cash items	263	-921	-671	-65	-1,394	254	118	414	-1,086	-300	-36	750
CF from operations	**2,299**	**2,278**	**3,158**	**2,247**	**9,977**	**3,566**	**3,712**	**3,893**	**2,778**	**13,702**	**3,902**	**14,826**
WCR (core)	-177	-549	-325	-1,268	-2,319	-434	-859	-1,224	-776	-3,293	-776	-3,293
WCR (incl. oper. leases)	**-237**	**-253**	**363**	-2,311	-2,438	229	-826	-453	-1,043	-2,093	-1,043	-2,093
CF from oper. activities	**2,062**	**2,025**	**3,521**	**-64**	**7,539**	**3,795**	**2,886**	**3,440**	**1,735**	**11,609**	**2,859**	**12,733**
Capex (PP&E)	-1,038	-1,042	-1,163	-1,578	-4,821	-1,019	-1,041	-1,131	-2,046	-5,237	-2,027	-5,218
Net investments	-364	-257	2,115	264	1,758	-557	-650	-567	-26	-1,800	-26	-1,800
o/w M&A	*14*	*51*	*2,419*	717	3,201	-80	-139	-17	36	-200	36	-200
Other	34	27	902	35	1,003	73	-122	-279	-119	-200	-119	-200
FCF	**694**	**753**	**5,375**	**-1,343**	**5,479**	**2,292**	**1,073**	**1,463**	**-456**	**4,372**	**686**	**5,514**
FCF adj, for M&A	**680**	**702**	**2,956**	**-2,060**	**2,278**	**2,372**	**1,212**	**1,480**	**-492**	**4,572**	**650**	**5,714**
Dividends	-32	-2,375	0	0	-2,407	-44	-2,577	214	0	-2,621	0	-2,621
Other (incl. share reps/issue)	-22	-156	-196	421	47	1,321	-583	-585	387	754	245	612
Net cash decrease/-increase	-640	1,778	-5,179	922	-3,119	-3,569	2,087	-1,092	69	-2,505	-931	-3,505
Net cash/-debt	**14,474**	**12,696**	**17,875**	**16,953**	**16,953**	**20,522**	**18,435**	**19,527**	**19,458**	**19,458**	**20,458**	**20,458**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

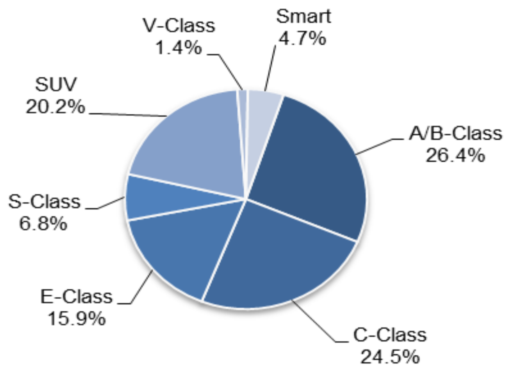
Mercedes-Benz Cars – 4Q/FY15E

Mercedes-Benz Cars – Results, sales and production (1Q14 – FY15E)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
(EUR m)												
Revenue	**17,004**	**17,771**	**18,677**	**20,132**	**73,584**	**19,509**	**21,136**	**20,707**	**21,062**	**82,414**	**22,534**	**83,886**
% change yoy	20.5	8.9	13.1	16.0	14.4	14.7	18.9	10.9	4.6	12.0	11.9	14.0
EBIT	**1,183**	**1,409**	**1,584**	**1,677**	**5,853**	**1,841**	**2,227**	**2,183**	**2,155**	**8,406**	**2,263**	**8,514**
% change yoy	157.2	35.4	32.0	28.5	46.1	55.6	58.1	37.8	28.5	43.6	35.0	45.5
EBIT margin (%)	**7.0**	**7.9**	**8.5**	**8.3**	**8.0**	**9.4**	**10.5**	**10.5**	**10.2**	**10.2**	**10.0**	**10.2**
One-offs	0	0	-30	-81	-111	47	-7	22	-42	20	-24	20
Adj. EBIT	**1,183**	**1,409**	**1,614**	**1,758**	**5,964**	**1,794**	**2,234**	**2,161**	**2,197**	**8,386**	**2,287**	**8,494**
% change yoy	157.2	30.0	29.0	26.9	42.7	51.6	58.6	33.9	25.0	40.6	30.1	42.4
Adj. EBIT margin (%)	**7.0**	**7.9**	**8.6**	**8.7**	**8.1**	**9.2**	**10.6**	**10.4**	**10.4**	**10.2**	**10.2**	**10.1**
Impl. unit/rev.(% - yoy)	5.7	5.2	3.7	1.9	3.4	-2.8	-0.5	-6.0	-2.5	-2.9	-3.1	-3.1
Units ('000)												
Retail sales	**397.7**	**432.6**	**431.7**	**477.8**	**1,739.9**	**458.3**	**502.2**	**503.9**	**526.5**	**1,990.9**	**-**	**-**
% change yoy	13.5	9.3	10.7	12.2	11.4	15.2	16.1	16.7	10.2	14.4	-	-
Wholesales	**389.5**	**418.7**	**431.0**	**483.4**	**1,722.6**	**459.7**	**500.7**	**508.4**	**518.5**	**1,987.3**	**558.1**	**2,026.8**
% change yoy	14.0	3.5	9.0	13.9	10.0	18.0	19.6	17.9	7.3	15.4	15.5	17.7
Production	**407.5**	**406.6**	**459.3**	**480.8**	**1,754.1**	**495.0**	**504.0**	**540.2**	**518.1**	**2,057.3**	**542.7**	**2,081.8**
% change yoy	8.9	-1.3	17.2	17.1	10.4	21.5	23.9	17.6	7.8	17.3	12.9	18.7
Over-production	**18.0**	**-12.0**	**28.2**	**-2.6**	**31.6**	**35.3**	**3.3**	**31.9**	**-0.4**	**70.0**	**-15.4**	**55.0**

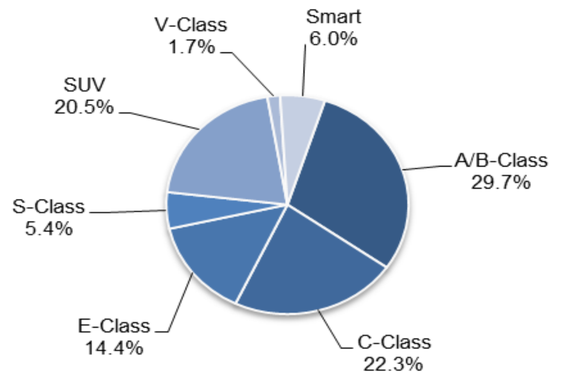
Note: 4Q15 retail sales were announced on January 8th. Note: Old FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

M-B Cars – Model mix retail sales (4Q14)



Source: Company data and CGI calculations

M-B Cars – Model mix retail sales (4Q15)



Source: Company data and CGI calculations

Management guidance 2015 (Jul 23)

Market assumptions: passenger vehicles

- Global: around +2%
- Western Europe: slight growth
- USA: slight growth
- China: significant growth

Mercedes-Benz Cars: sales outlook

- Significantly higher unit sales based on young and attractive product portfolio
- Strong momentum from full availabilityof new C-Class and smart models
- Launch of all-new Mercedes-Maybach, Mercedes-AMG GT, CLA Shooting Brake and GLE Coupé

Mercedes-Benz Cars: EBIT outlook

- Significantly above the prior-year level

Management guidance 2015 (Oct 22)

Market assumptions: passenger vehicles

- Global: around the prior year level
- Western Europe: significant growth
- USA: slight growth
- China: slight growth

Mercedes-Benz Cars: sales outlook

- Significantly higher unit sales based on young and attractive product portfolio
- Strong momentum from full availability of new C-Class and smart models
- Launch of all-new Mercedes-Maybach, Mercedes-AMG GT, CLA Shooting Brake and GLE Coupé

Mercedes-Benz Cars: EBIT outlook

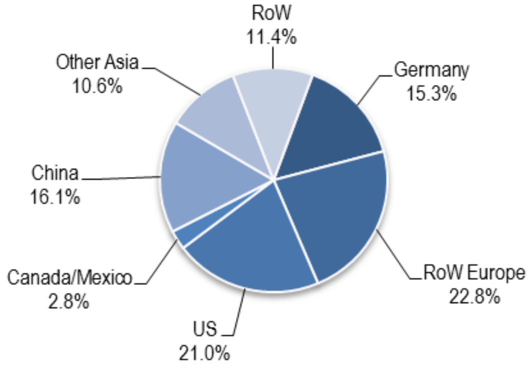
- Significantly above the prior-year level

Mercedes-Benz Cars –Wholesales by region (1Q14 – FY15E)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
Units ('000)												
- Germany	59.1	73.2	66.2	73.9	272.5	65.4	78.7	73.4	79.5	297.0	79.5	297.0
- R of W Europe	93.2	98.7	94.1	110.2	396.1	111.0	122.3	117.7	127.7	478.6	137.7	488.6
Western Europe	**152.3**	**171.9**	**160.3**	**184.1**	**668.6**	**176.3**	**200.9**	**191.1**	**207.1**	**775.6**	**217.2**	**785.6**
- US	76.9	81.9	84.1	101.5	344.4	87.7	90.4	88.1	98.9	365.0	107.1	373.3
- Canada/Mexico	9.5	12.7	10.8	13.4	46.4	11.6	15.9	12.3	12.6	52.4	14.0	53.8
NAFTA	**86.4**	**94.6**	**94.9**	**114.9**	**390.7**	**99.3**	**106.2**	**100.3**	**111.5**	**417.4**	**121.2**	**427.1**
- China	**70.3**	**68.1**	**76.2**	**78.0**	**292.7**	**87.4**	91.2	105.7	**93.3**	**377.5**	**102.1**	**386.3**
- Other Asia	43.8	36.3	51.5	51.3	183.0	52.8	51.1	57.7	50.8	212.2	56.2	217.7
Asia	**114.2**	**104.3**	**127.7**	**129.4**	**475.6**	**140.2**	**142.2**	**163.3**	**144.0**	**589.8**	**158.3**	**604.1**
Rest of World	**36.6**	**47.9**	**48.2**	**55.0**	**187.6**	**43.9**	**51.3**	**53.6**	**55.8**	**204.5**	**61.5**	**210.1**
M-B Cars	**389.5**	**418.7**	**431.0**	**483.4**	**1,722.6**	**459.7**	**500.7**	**508.4**	**518.5**	**1,987.3**	**558.1**	**2,026.8**
% chge yoy												
- Germany	-3.3	-8.2	-5.3	7.0	-2.7	10.6	7.5	10.9	7.5	9.0	7.5	9.0
- R of W Europe	5.3	0.2	15.4	20.1	10.0	19.0	23.9	25.1	15.9	20.8	25.0	23.3
Western Europe	**1.8**	**-3.6**	**5.8**	**14.5**	**4.4**	**15.8**	**16.9**	**19.3**	**12.5**	**16.0**	**18.0**	**17.5**
- US	13.0	7.1	5.0	8.1	8.1	14.1	10.3	4.7	-2.6	6.0	5.5	8.4
- Canada/Mexico	-2.8	5.2	-7.4	21.0	4.0	22.3	24.9	13.6	-5.4	13.0	5.0	16.0
NAFTA	**11.0**	**6.8**	**3.4**	**9.4**	**7.6**	**15.0**	**12.3**	**5.8**	**-2.9**	**6.8**	**5.5**	**9.3**
- China	51.6	13.4	17.6	15.7	22.6	24.3	33.9	38.6	**19.6**	**29.0**	30.8	32.0
- Other Asia	35.6	9.7	20.8	19.5	21.2	20.3	40.8	11.9	-1.1	16.0	9.5	19.0
Asia	**45.0**	**12.1**	**18.9**	**17.1**	**22.0**	**22.8**	**36.3**	**27.9**	**11.3**	**24.0**	**22.4**	**27.0**
Rest of World	**3.7**	**6.8**	**7.5**	**13.8**	**8.3**	**19.8**	**7.2**	**11.2**	**1.5**	**9.0**	**11.7**	**12.0**
M-B Cars	**14.0**	**3.5**	**9.0**	**13.9**	**10.0**	**18.0**	**19.6**	**17.9**	**7.3**	**15.4**	**15.5**	**17.7**
Share (%)												
- Germany	15.2	17.5	15.4	15.3	15.8	14.2	15.7	14.4	15.3	14.9	14.2	14.7
- R of W Europe	23.9	23.6	21.8	22.8	23.0	24.1	24.4	23.1	24.6	24.1	24.7	24.1
Western Europe	**39.1**	**41.1**	**37.2**	**38.1**	**38.8**	**38.4**	**40.1**	**37.6**	**39.9**	**39.0**	**38.9**	**38.8**
- US	19.7	19.6	19.5	21.0	20.0	19.1	18.1	17.3	19.1	18.4	19.2	18.4
- Canada/Mexico	2.4	3.0	2.5	2.8	2.7	2.5	3.2	2.4	2.4	2.6	2.5	2.7
NAFTA	**22.2**	**22.6**	**22.0**	**23.8**	**22.7**	**21.6**	**21.2**	**19.7**	**21.5**	**21.0**	**21.7**	**21.1**
- China	18.1	16.3	17.7	16.1	17.0	19.0	18.2	20.8	18.0	19.0	18.3	19.1
- Other Asia	11.3	8.7	12.0	10.6	10.6	11.5	10.2	11.3	9.8	10.7	10.1	10.7
Asia	**29.3**	**24.9**	**29.6**	**26.8**	**27.6**	**30.5**	**28.4**	**32.1**	**27.8**	**29.7**	**28.4**	**29.8**
Rest of World	**9.4**	**11.4**	**11.2**	**11.4**	**10.9**	**9.5**	**10.2**	**10.5**	**10.8**	**10.3**	**11.0**	**10.4**
M-B Cars	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

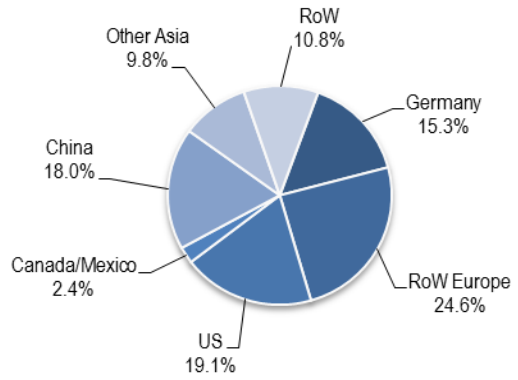
Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

M-B Cars – Geographic split wholesales (4Q14)



Source: Company data and CGI calculations

M-B Cars – Geographic split wholesales (4Q15E)



Source: Company data and CGI calculations

Mercedes-Benz Cars – Retail sales by model (1Q14 – FY15A)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	4Q15A	FY15A
Units ('000)										
A-/B-Class, incl. GLA	98.8	116.4	120.0	128.0	463.2	123.8	146.2	156.1	156.5	582.5
C-Class, incl. SLK	82.8	78.4	84.3	118.9	364.4	119.2	118.3	125.6	117.5	480.6
E-/CLS-Class	82.7	91.0	87.3	77.2	338.2	72.0	77.2	76.5	75.8	301.5
S-Class, incl. SL	27.1	28.4	29.0	33.1	117.5	30.5	31.5	27.3	28.3	117.7
SUVs, excl. GLA	77.6	89.1	84.2	97.7	341.8	77.5	87.1	85.2	107.9	357.7
V-Class[1]	5.3	5.9	6.9	6.8	25.0	6.7	8.6	7.3	8.9	31.5
Mercedes-Benz	**374.3**	**409.2**	**411.6**	**454.9**	**1,650.0**	**429.6**	**468.8**	**478.0**	**495.1**	**1,871.5**
Smart	**23.4**	**23.4**	**20.1**	**23.0**	**89.8**	**28.7**	**33.4**	**25.9**	**31.4**	**119.4**
M-B Cars	**397.7**	**432.6**	**431.7**	**477.8**	**1,739.9**	**458.3**	**502.2**	**503.9**	**526.5**	**1,990.9**
% change yoy										
A-/B-Class, incl. GLA	28.2	20.9	27.5	23.1	24.7	25.3	25.6	30.1	22.3	25.8
C-Class, incl. SLK	-8.2	-19.4	-6.9	38.7	0.2	44.0	50.8	49.0	-1.2	31.9
E-/CLS-Class	28.1	14.9	-1.2	-20.8	2.6	-12.9	-15.2	-12.3	-1.8	-10.8
S-Class, incl. SL	70.9	59.1	91.4	41.7	62.8	12.6	11.1	-5.8	-14.3	0.1
SUVs, excl. GLA	0.5	13.1	5.1	10.4	5.3	-0.2	-2.2	1.2	10.4	4.7
V-Class[1]	-	-	-	-	-	24.9	45.9	35.9	30.8	26.2
Mercedes-Benz	**15.2**	**10.7**	**11.8**	**14.0**	**12.9**	**14.8**	**14.6**	**16.1**	**8.8**	**13.4**
Smart	**-8.6**	**-10.9**	**-8.5**	**-14.9**	**-10.9**	**22.7**	**42.9**	**28.9**	**36.6**	**32.9**
M-B Cars	**13.5**	**9.3**	**10.7**	**12.2**	**11.4**	**15.2**	**16.1**	**16.7**	**10.2**	**14.4**
Share (%)										
A-/B-Class, incl. GLA	24.8	26.9	27.8	26.8	26.6	27.0	29.1	31.0	29.7	29.3
C-Class, incl. SLK	20.8	18.1	19.5	24.9	20.9	26.0	23.5	24.9	22.3	24.1
E-/CLS-Class	20.8	21.0	20.2	16.2	19.4	15.7	15.4	15.2	14.4	15.1
S-Class, incl. SL	6.8	6.6	6.7	6.9	6.8	6.7	6.3	5.4	5.4	5.9
SUVs, excl. GLA	19.5	20.6	19.5	20.5	19.6	16.9	17.3	16.9	20.5	18.0
V-Class[1]	1.3	1.4	1.6	1.4	1.4	1.5	1.7	1.5	1.7	1.6
Mercedes-Benz	**94.1**	**94.6**	**95.4**	**95.2**	**94.8**	**93.7**	**93.3**	**94.9**	**94.0**	**94.0**
Smart	**5.9**	**5.4**	**4.6**	**4.8**	**5.2**	**6.3**	**6.7**	**5.1**	**6.0**	**6.0**

Mercedes-Benz Cars – Retail sales by region (1Q14 – FY15A)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15A	2Q15	3Q15	4Q15A	FY15A
Units ('000)										
- Germany	61.6	75.2	69.6	76.0	282.3	68.4	82.2	76.8	82.6	310.0
- Rest of W Europe	96.9	105.0	97.6	99.2	398.7	119.6	122.9	116.9	125.4	488.1
Western Europe	**158.5**	**180.2**	**167.2**	**175.1**	**681.0**	**188.1**	**205.1**	**193.6**	**208.0**	**798.136**
- US	74.8	81.4	85.1	99.3	340.6	79.8	88.9	86.7	95.1	350.5
- Canada/Mexico	10.1	11.9	11.7	13.4	47.0	10.9	14.3	13.1	13.0	51.2
NAFTA	**84.9**	**93.3**	**96.8**	**112.7**	**387.7**	**90.6**	**103.2**	**99.8**	**108.1**	**401.7**
- Japan	18.1	9.8	16.7	17.1	61.8	18.8	13.9	17.0	16.3	66.0
- China	**71.7**	**73.5**	**72.1**	**82.2**	**299.416**	**82.6**	**91.1**	**102.7**	**110.2**	**386.6**
- Other Asia/Pacific	33.9	35.8	38.2	41.7	149.6	41.7	45.1	44.3	46.5	177.5
Asia/Pacific	**123.7**	**119.0**	**127.0**	**141.1**	**510.8**	**143.1**	**150.0**	**164.0**	**173.0**	**630.1**
Rest of World	**30.6**	**40.2**	**40.6**	**49.0**	**160.4**	**36.5**	**43.9**	**46.5**	**37.3**	**160.9**
M-B Cars	**397.7**	**432.6**	**431.7**	**477.8**	**1,739.9**	**458.3**	**502.2**	**503.9**	**194.0**	**209.3**
% chge yoy										
- Germany	1.9	-4.4	-2.3	5.9	0.1	11.1	9.4	10.2	8.7	9.8
- Rest of W Europe	6.0	10.6	12.1	14.8	10.8	23.4	17.0	19.8	26.5	22.4
Western Europe	**4.4**	**3.8**	**5.6**	**10.7**	**6.1**	**18.7**	**13.8**	**15.8**	**18.8**	**17.2**
- US	4.8	8.3	12.7	-0.5	5.8	6.6	9.2	1.9	-4.2	2.9
- Canada/Mexico	4.8	4.4	3.2	13.2	6.5	7.6	20.4	11.6	-3.0	8.8
NAFTA	**4.8**	**7.8**	**11.4**	**1.0**	**5.9**	**6.7**	**10.7**	**3.0**	**-4.0**	**3.6**
- Japan	49.5	28.0	12.1	17.3	13.7	3.9	41.7	1.4	-4.7	6.8
- China	**43.2**	**27.9**	**17.4**	**23.2**	**27.1**	**15.3**	**24.0**	**42.5**	**34.1**	**29.1**
- Other Asia/Pacific	27.5	24.9	22.4	22.7	24.2	23.0	26.1	15.8	11.4	18.7
Asia/Pacific	**39.3**	**20.5**	**18.1**	**22.3**	**24.4**	**15.7**	**26.1**	**29.1**	**22.7**	**23.4**
Rest of World	**5.9**	**9.0**	**8.9**	**19.4**	**11.3**	**19.2**	**9.2**	**14.4**	**-23.8**	**0.3**
M-B Cars	**13.5**	**9.3**	**10.7**	**12.2**	**11.4**	**15.2**	**16.1**	**16.7**	**10.2**	**14.4**
Share (%)										
- Germany	15.5	17.4	16.1	15.9	16.2	14.9	16.4	15.2	15.7	15.6
- Rest of W Europe	24.4	24.3	22.6	20.8	22.9	26.1	24.5	23.2	23.8	24.5
Western Europe	**39.9**	**41.6**	**38.7**	**36.7**	**39.1**	**41.0**	**40.8**	**38.4**	**39.5**	**40.1**
- US	18.8	18.8	19.7	20.8	19.6	17.4	17.7	17.2	18.1	17.6
- Canada/Mexico	2.5	2.7	2.7	2.8	2.7	2.4	2.8	2.6	2.5	2.6
NAFTA	**21.3**	**21.6**	**22.4**	**23.6**	**22.3**	**19.8**	**20.6**	**19.8**	**20.5**	**20.2**
- Japan	4.6	2.3	3.9	3.6	3.6	4.1	2.8	3.4	3.1	3.3
- China	18.0	17.0	16.7	17.2	17.2	18.0	18.1	20.4	20.9	19.4
- Other Asia/Pacific	8.5	8.3	8.9	8.7	8.6	9.1	9.0	8.8	8.8	8.9
Asia/Pacific	**31.1**	**27.5**	**29.4**	**29.5**	**29.4**	**31.2**	**29.9**	**32.5**	**32.9**	**31.7**
Rest of World	**7.7**	**9.3**	**9.4**	**10.2**	**9.2**	**8.0**	**8.7**	**9.2**	**7.1**	**8.1**

Note: 4Q15 retail sales were announced on January 8th. (1) V-segment wholesales and revenue are included in Vans. Source: Company data and CGI estimates

Daimler Trucks – 4Q/FY15E

Daimler Trucks – Results, sales and production (1Q14 – FY15E)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
(EUR m)												
Revenue	**7,121**	**7,966**	**8,463**	**8,839**	**32,389**	**8,414**	**9,441**	**9,650**	**9,710**	**37,215**	**9,742**	**37,247**
% change yoy	1.4	0.0	6.0	4.0	2.9	18.2	18.5	14.0	9.9	14.9	10.2	15.0
EBIT¹	**341**	**455**	**588**	**494**	**1,878**	**472**	**682**	**791**	**753**	**2,698**	**755**	**2,700**
% change yoy	194.0	4.8	12.6	-12.6	14.7	38.4	49.9	34.5	52.4	43.7	52.9	43.8
EBIT margin (%)	**4.8**	**5.7**	**6.9**	**5.6**	**5.8**	**5.6**	**7.2**	**8.2**	**7.8**	**7.3**	**7.8**	**7.3**
One-offs	-5	-71	-30	-89	-195	-64	-35	-14	-27	-140	-27	-140
Adj. EBIT¹	**346**	**526**	**618**	**583**	**2,073**	**536**	**717**	**805**	**780**	**2,838**	**782**	**2,840**
% change yoy	168.2	1.9	16.6	0.9	18.3	54.9	36.3	30.3	33.8	36.9	34.2	37.0
Adj. EBIT margin (%)	**4.9**	**6.6**	**7.3**	**6.6**	**6.4**	**6.4**	**7.6**	**8.3**	**8.0**	**7.6**	**8.0**	**7.6**
Impl. unit/revenue (% chge yoy)	-5.2	-1.8	5.1	3.2	0.5	14.1	19.4	11.4	9.5	13.5	7.9	13.0
Units ('000)												
Incoming orders	**134.0**	**124.7**	**125.9**	**172.9**	**550.5**	**129.9**	**123.5**	**106.4-**	**-**	**-**	**-**	**-**
% change yoy	6.2	-0.9	0.0	43.7	10.5	-3.1	-0.9	-10.6	-	-	-	-
Wholesales	**108.5**	**126.1**	**125.6**	**135.5**	**495.7**	**112.4**	**125.1**	**128.5**	**135.9**	**502.0**	**138.4**	**504.4**
% change yoy	7.0	1.9	0.9	0.7	2.4	3.6	-0.8	2.3	0.3	1.3	2.1	1.8
Production	**122.1**	**127.7**	**124.4**	**123.6**	**497.7**	**122.2**	**127.0**	**129.9**	**125.0**	**504.1**	**127.4**	**506.5**
% change yoy	9.8	0.2	-3.1	0.1	1.5	0.1	-0.5	4.4	1.1	1.3	3.1	1.8
Over-production	**13.6**	**1.6**	**-1.2**	**-11.9**	**2.0**	**9.8**	**1.9**	**1.4**	**-11.0**	**2.1**	**-11.0**	**2.1**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

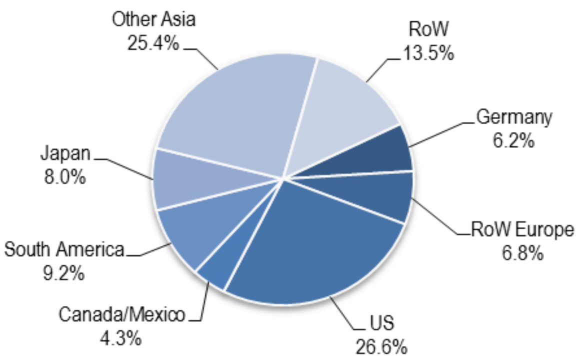
Daimler Trucks – Wholesales by market (1Q14 – FY15E)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
Units ('000)												
- Germany	6.5	7.1	6.9	8.5	29.0	5.0	7.6	8.0	10.0	30.6	10.0	30.6
- Rest W Europe	5.1	6.1	6.7	9.3	28.4	6.4	7.7	8.6	10.4	33.1	11.5	34.2
Western Europe	**11.6**	**13.2**	**13.7**	**17.7**	**57.4**	**11.5**	**15.2**	**16.6**	**20.4**	**63.7**	**21.6**	**64.9**
- US	30.6	35.8	36.6	36.1	141.6	35.7	43.7	45.6	43.5	168.5	42.1	167.1
- Canada/Mexico	4.0	5.3	4.5	6.0	19.9	5.1	5.7	6.6	7.9	25.3	7.7	25.1
NAFTA	**34.6**	**41.1**	**41.0**	**41.9**	**161.5**	**40.8**	**49.4**	**52.2**	**51.4**	**193.8**	**49.8**	**192.2**
South America	**10.2**	**11.9**	**12.7**	**12.5**	**47.1**	**7.2**	**8.5**	**7.8**	**7.5**	**31.1**	**7.5**	**31.1**
- Japan	13.4	8.9	10.6	10.8	43.9	12.3	10.4	11.7	11.2	45.6	11.0	45.4
- Other Asia	27.2	33.9	26.3	34.4	123.4	25.0	25.0	24.4	27.1	101.5	29.1	103.4
Asia	**40.6**	**42.8**	**36.9**	**45.2**	**167.2**	**37.3**	**35.4**	**36.1**	**38.4**	**147.2**	**40.1**	**148.8**
Rest of World	**11.5**	**16.9**	**15.1**	**18.3**	**62.5**	**15.6**	**16.5**	**15.8**	**18.3**	**66.2**	**19.5**	**67.5**
Daimler Trucks	**108.5**	**126.1**	**119.4**	**135.5**	**495.7**	**112.4**	**125.1**	**128.5**	**135.9**	**502.0**	**138.4**	**504.4**
% chge yoy												
- Germany	4.7	-6.5	-11.6	-28.3	-13.3	-22.5	6.0	15.3	18.5	5.5	18.5	5.5
- Rest W Europe	-10.9	-8.0	-10.5	-17.1	-12.4	25.0	25.6	9.2	12.3	16.6	24.7	20.7
Western Europe	**-2.8**	**-7.2**	**-11.0**	**-22.9**	**-12.8**	**-1.5**	**15.1**	**12.1**	**15.3**	**11.0**	**21.8**	**13.0**
- US	14.8	19.3	27.6	18.5	20.2	16.8	22.1	16.6	20.4	19.0	16.5	18.0
- Canada/Mexico	-0.9	8.7	3.1	47.5	14.1	28.7	6.5	38.6	35.7	27.1	32.3	26.1
NAFTA	**12.8**	**17.8**	**24.9**	**21.5**	**19.4**	**18.2**	**20.0**	**19.0**	**22.5**	**20.0**	**18.7**	**19.0**
South America	**-21.8**	**-25.7**	**-22.7**	**-11.4**	**-20.6**	**-28.7**	**-28.3**	**-37.5**	**-40.2**	**-34.0**	**-40.2**	**-34.0**
- Japan	51.6	2.1	5.9	1.4	14.4	-8.5	16.3	9.6	4.2	4.1	1.8	3.5
- Other Asia	3.2	2.1	-10.1	1.9	-0.8	-8.2	-26.2	-12.6	-21.1	-17.7	-15.4	-16.2
Asia	**15.4**	**2.1**	**-6.2**	**1.8**	**2.8**	**-8.3**	**-17.3**	**-6.5**	**-15.0**	**-12.0**	**-11.3**	**-11.0**
Rest of World	**8.8**	**2.1**	**2.6**	**-2.0**	**2.1**	**35.2**	**-2.3**	**0.2**	**0.2**	**6.0**	**7.0**	**8.0**
Daimler Trucks	**7.0**	**1.9**	**0.9**	**0.7**	**2.4**	**3.6**	**-0.8**	**2.3**	**0.3**	**1.3**	**2.1**	**1.8**
Share (%)												
- Germany	6.0	5.7	5.5	6.2	5.9	4.5	6.0	6.2	7.4	6.1	7.2	6.1
- Rest W Europe	4.7	4.8	6.3	6.8	5.7	5.7	6.1	6.7	7.7	6.6	8.3	6.8
Western Europe	**10.7**	**10.5**	**11.8**	**13.1**	**11.6**	**10.2**	**12.2**	**12.9**	**15.0**	**12.7**	**15.6**	**12.9**
- US	28.2	28.4	31.2	26.6	28.6	31.8	34.9	35.5	32.0	33.6	30.4	33.1
- Canada/Mexico	3.7	4.2	3.7	4.4	4.0	4.5	4.5	5.1	5.8	5.0	5.6	5.0
NAFTA	**31.8**	**32.6**	**34.9**	**30.9**	**32.6**	**36.3**	**39.5**	**40.6**	**37.8**	**38.6**	**36.0**	**38.1**
South America	**9.4**	**9.5**	**10.0**	**9.2**	**9.5**	**6.4**	**6.8**	**6.1**	**5.5**	**6.2**	**5.4**	**6.2**
- Japan	12.4	7.1	8.5	8.0	8.8	10.9	8.3	9.1	8.3	9.1	7.9	9.0
- Other Asia	25.1	26.9	22.2	25.4	24.9	22.2	20.0	19.0	20.0	20.2	21.0	20.5
Asia	**37.4**	**34.0**	**30.7**	**33.3**	**33.7**	**33.2**	**28.3**	**28.1**	**28.2**	**29.3**	**28.9**	**29.5**
Rest of World	**10.6**	**13.4**	**12.5**	**13.5**	**12.6**	**13.9**	**13.2**	**12.3**	**13.5**	**13.2**	**14.1**	**13.4**
Daimler Trucks	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

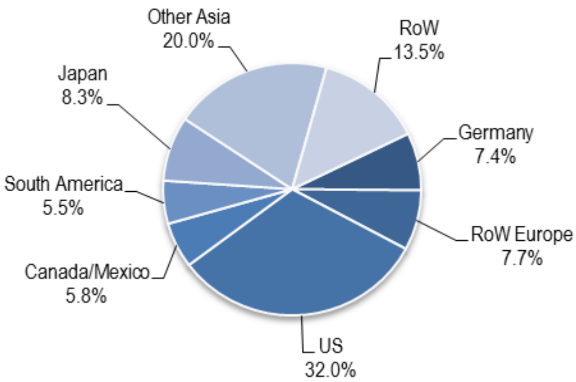
Management guidance 2015 (Jul 23)	Management guidance 2015 (Oct 22)
Market assumptions: truck markets	**Market assumptions: truck markets**
• NAFTA region: +10% to 15%	• NAFTA region: +10% to 15%
• Europe: +10% to 15%	• Europe: +10% to 15%
• Japan: around the prior-year level	• Japan: around the prior-year level
• Brazil: around -40%	• Brazil: up to -50%
• Indonesia (incl. light-duty): araound -20%	• Indonesia (incl. light-duty): up to -35%
Daimler Trucks: sales outlook	**Daimler Trucks: sales outlook**
• Significantly higher unit sales due to strong product portfolio	• Slightly higher unit sales due to strong product portfolio
• Continued strong sales development in NAFTA region	• Continued strong sales development in NAFTA region
• Growth potential due to new Asia Business Model	• Further growth due to product launches in India
Daimler Trucks : EBIT outlook	**Daimler Trucks : EBIT outlook**
• Significantly above the prior-year level .	• Significantly above the prior-year level

Daimler Trucks – Geographic split unit sales[1] (4Q14)



(1) Wholesales. Source :Company data and CGI calculations

Daimler Trucks – Geographic split unit sales[1] (4Q15E)



(1) Wholesales. Source: Company data and CGI estimates

Daimler Trucks – Incoming orders by market (1Q13 – 1Q-3Q15)

	1Q13	2Q13	3Q13	4Q13	FY13	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15	1-3Q15A
Units ('000)														
- Germany	7.6	7.4	12.5	5.2	33.4	6.3	5.9	5.8	6.5	24.5	8.2	7.5	7.2	22.9
- Rest W Europe	7.6	7.2	9.8	4.7	31.4	6.3	8.5	7.5	8.1	30.4	9.0	9.5	7.9	26.5
Western Europe	**15.3**	**14.6**	**22.3**	**9.9**	**64.7**	**12.6**	**14.4**	**13.3**	**14.6**	**54.9**	**17.3**	**17.0**	**15.1**	**49.4**
- US	31.2	28.0	30.3	37.5	125.9	45.2	35.0	34.1	75.6	189.8	47.9	34.8	28.7	111.5
- Canada/Mexico	4.7	4.8	2.8	4.5	16.8	7.0	4.9	5.1	9.8	26.8	4.4	5.0	5.7	15.1
NAFTA	**35.9**	**32.8**	**33.0**	**42.1**	**142.7**	**52.2**	**39.9**	**39.2**	**85.3**	**216.6**	**52.3**	**39.8**	**34.4**	**126.6**
South America	**13.1**	**14.1**	**14.8**	**10.5**	**53.6**	**9.8**	**12.2**	**10.6**	**13.4**	**46.0**	**3.0**	**8.1**	**6.9**	**17.9**
- Japan	9.9	7.6	10.7	11.7	44.1	11.0	12.0	11.3	10.1	44.4	11.1	12.6	11.8	35.5
- Other Asia	35.5	31.9	27.0	31.7	125.9	32.8	28.2	28.1	31.2	120.2	25.9	25.2	23.6	74.7
Asia	**45.4**	**39.5**	**37.7**	**43.4**	**170.0**	**43.7**	**40.2**	**39.4**	**41.3**	**164.6**	**37.0**	**37.8**	**35.5**	**110.3**
Rest of World	**16.5**	**20.3**	**18.1**	**14.5**	**67.0**	**15.7**	**18.1**	**16.6**	**18.2**	**68.6**	**20.3**	**20.8**	**14.5**	**55.6**
Daimler Trucks	**126.2**	**121.3**	**125.9**	**120.3**	**498.1**	**134.0**	**124.7**	**119.0**	**172.9**	**550.5**	**129.9**	**123.5**	**106.4**	**359.8**
% chge yoy														
- Germany	-13.5	-5.7	96.2	-20.2	15.8	-16.8	-26.7	-53.9	24.9	-26.7	29.5	27.4	24.3	27.1
- Rest W Europe	25.4	5.4	75.4	-37.2	21.7	-17.7	-7.8	-23.8	72.9	-3.1	43.9	11.5	6.2	18.9
Western Europe	**2.4**	**-0.6**	**86.5**	**-29.3**	**18.6**	**-17.2**	**-16.6**	**-40.7**	**47.8**	**-15.3**	**36.6**	**18.0**	**14.1**	**22.6**
- US	31.8	84.3	46.4	17.7	32.1	44.9	29.8	12.6	101.4	50.7	6.0	-0.5	-15.6	-2.4
- Canada/Mexico	10.7	6.4	-8.2	37.2	21.2	47.1	3.0	85.3	115.2	59.3	-36.7	2.2	11.8	-10.9
NAFTA	**28.6**	**66.5**	**39.5**	**19.5**	**30.7**	**45.2**	**25.7**	**18.6**	**102.9**	**51.7**	**0.3**	**-0.2**	**-12.0**	**-3.5**
South America	**32.7**	**4.1**	**26.8**	**-13.2**	**26.0**	**-25.1**	**-20.2**	**-28.2**	**27.3**	**-14.3**	**-69.7**	**-33.7**	**-35.1**	**-45.0**
- Japan	11.0	7.3	27.6	36.8	25.8	10.7	1.7	5.8	-13.3	0.7	1.6	4.9	4.7	3.8
- Other Asia	16.0	12.6	13.3	21.0	8.5	-7.8	-11.1	3.9	-1.6	-4.6	-21.1	-10.5	-15.8	-16.1
Asia	**14.9**	**11.6**	**17.1**	**24.8**	**12.5**	**-3.7**	**-7.7**	**4.4**	**-4.8**	**-3.2**	**-15.4**	**-5.9**	**-10.0**	**-10.6**
Rest of World	**14.6**	**43.0**	**13.5**	**11.6**	**12.5**	**-4.7**	**0.1**	**-8.2**	**26.1**	**2.3**	**29.4**	**15.3**	**-12.6**	**10.5**
Daimler Trucks	**18.3**	**24.4**	**31.9**	**10.4**	**19.4**	**6.2**	**-0.9**	**-5.5**	**43.7**	**10.5**	**-3.1**	**-0.9**	**-10.6**	**-4.7**

Source: Company data and CGI calculation

Mercedes-Benz Vans & Daimler Buses – 4Q/FY15E

Mercedes-Benz Vans – Results, sales and production (1Q14 – FY15E)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
(EUR m)												
Revenue	**2,212**	**2,494**	**2,515**	**2,747**	**9,968**	**2,415**	**2,829**	**2,752**	**3,467**	**11,463**	**2,969**	**10,965**
% change yoy	11.4	2.5	11.6	1.9	6.4	9.2	13.4	9.4	26.2	15.0	8.1	10.0
EBIT	**123**	**242**	**176**	**141**	**682**	**215**	**234**	**193**	**264**	**906**	**224**	**866**
% change yoy	51.9	18.6	15.8	-27.3	8.1	74.8	-3.3	9.7	86.9	32.8	59.0	27.0
EBIT margin (%)	**5.6**	**9.7**	**7.0**	**5.1**	**6.8**	**8.9**	**8.3**	**7.0**	**7.6**	**7.9**	**7.6**	**7.9**
One-offs	0	61	0	-17	44	-6	-6	-3	-15	-30	-15	-30
Adj. EBIT[1]	**123**	**181**	**176**	**158**	**638**	**221**	**240.0**	**196**	**279**	**936**	**239**	**896**
% change yoy	51.9	-11.3	15.8	-18.6	1.1	79.7	32.6	11.4	76.3	46.6	51.4	40.5
Adj. EBIT margin (%)	**5.6**	**7.3**	**7.0**	**5.8**	**6.4**	**9.2**	**8.5**	**7.1**	**8.0**	**8.2**	**8.1**	**8.2**
Impl. unit/rev. (% yoy)	-4.1	-6.4	1.0	-1.1	-2.4	4.6	5.6	4.3	7.8	5.6	3.9	4.6
Units ('000)												
Retail sales	**53.9**	**68.5**	**66.5**	**77.4**	**266.3**	**57.6**	**73.7**	**69.7**	**65.4**	**266.3**	**-**	**-**
% change yoy	2.2	-0.2	-0.7	-3.4	-0.8	6.8	7.5	4.8	-15.5	0.0	-	-
Wholesales	**61.1**	**76.0**	**72.2**	**85.3**	**294.6**	**63.8**	**81.6**	**75.7**	**99.8**	**321.0**	**88.6**	**309.8**
% change yoy	16.1	9.5	10.6	3.0	9.1	4.4	7.4	4.9	17.1	8.9	4.0	5.2
Production	**73.9**	**81.5**	**73.1**	**70.4**	**299.0**	**74.7**	**86.5**	**77.4**	**86.3**	**325.0**	**73.1**	**311.8**
% change yoy	17.0	11.9	16.4	-2.2	10.4	1.1	6.2	5.9	22.5	8.7	3.8	4.3
Over-production	**12.8**	**5.5**	**0.9**	**-14.8**	**4.4**	**10.9**	**4.9**	**1.7**	**-13.5**	**4.0**	**-15.5**	**2.0**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

Management guidance 2015 (Jul 23)	Management guidance 2015 (Oct 22)
Market assumptions: van markets	**Market assumptions: van markets**
• Europe: significant growth	Europe: mid-size/large vans: significant growth • small vans: slight growth
Mercedes-Benz Vans: sales outlook	**Mercedes-Benz Vans: sales outlook**
• Significantly higher unit sales • Strong momentum - full availability of new Vito and V-Class • Product expansion to North and South America	• Significantly higher unit sales • Strong momentum - full availability of new Vito and V-Class • Product expansion to North and South America
Mercedes-Benz Vans: EBIT outlook	**Mercedes-Benz Vans: EBIT outlook**
• Significantly above the prior-year level	• Significantly above the prior-year level

Daimler Buses – Results, sales and production (1Q14 – FY15E)

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	New 4Q15E	New FY15E	Old 4Q15E	Old FY15E
(EUR m)												
Revenue	**859**	**1,048**	**1,034**	**1,277**	**4,218**	**877**	**1,037**	**1,018**	**1,455**	**4,387**	**1,181**	**4,113**
% change yoy	14.4	12.2	-8.3	-1.2	2.8	2.1	-1.0	-1.5	13.9	4.0	-7.6	-2.5
EBIT	**53**	**50**	**64**	**30**	**197**	**34**	**57**	**89**	**19**	**199**	**5**	**185**
% change yoy	NM	85.2	8.5	-56.5	58.9	-35.8	14.0	39.1	-36.7	1.0	-81.8	-5.9
EBIT margin (%)	**6.2**	**4.8**	**6.2**	**2.3**	**4.7**	**3.9**	**5.5**	**8.7**	**1.3**	**4.5**	**0.5**	**4.5**
One-offs	-1	-8	0	-5	-14	-1	0	-1	-13	-15	-13	-15
Adj. EBIT[1]	**54**	**58**	**64**	**35**	**211**	**35**	**57**	**90**	**32**	**214**	**18**	**200**
% change yoy	NM	23.4	4.9	-57.3	29.4	-35.2	-1.7	40.6	-8.6	1.4	-47.3	-5.0
Adj. EBIT margin (%)	**6.3**	**5.5**	**6.2**	**2.7**	**5.0**	**4.0**	**5.5**	**8.8**	**2.2**	**4.9**	**1.6**	**4.9**
Impl.unit/rev.(% yoy)	11.0	9.7	2.7	2.2	2.2	11.0	9.1	14.1	14.5	14.3	7.6	12.1
Units ('000)												
Wholesales	**6.7**	**8.1**	**8.6**	**9.8**	**33.2**	**5.7**	**7.3**	**7.4**	**9.7**	**30.2**	**8.4**	**28.9**
% change yoy	10.6	2.3	-10.7	-3.4	-1.6	-15.0	-9.3	-13.7	-0.5	-9.0	-14.1	-13.0
Production	**7.7**	**8.9**	**8.0**	**6.9**	**31.5**	**7.8**	**8.0**	**7.1**	**7.2**	**30.0**	**5.3**	**28.1**
% change yoy	5.1	-4.5	-15.3	-17.9	-8.7	0.3	-10.0	-12.0	4.6	-4.8	-23.5	-10.9
Over-production	**1.1**	**0.8**	**-0.6**	**-2.9**	**-1.7**	**2.1**	**0.6**	**-0.4**	**-2.5**	**-0.2**	**-3.1**	**-0.8**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

Management guidance 2015 (Jul 23)	Management guidance 2015 (Oct 22)
Market assumptions: bus markets	**Market assumptions: bus markets**
• Europe: slight growth • Brazil: at least -25%	• Europe: slight growth • Brazil: at least -35%
Daimler Buses: sales outlook	**Daimler Buses: sales outlook**
• Significant decrease in unit sales • Maintain market leadership in Western Europe and Brazil • Stable sales development in Europe, significant sales decrease in Latin America	• Significant decrease in unit sales • Maintain market leadership in Western Europe and Brazil • Positive sales development in Europe, significant sales decrease in Latin America
Daimler Buses: EBIT outlook (Oct 14)	**Daimler Buses: EBIT outlook**
• Significantly below the prior-year level	• Slightly below the prior-year level

Daimler management guidance for 2015

Market assumptions 2015 (Jul 23)	Market assumptions 2015 (Oct 22)
Passenger vehicle markets	**Passenger vehicle markets**
• Global: around +2% • Western Europe: slight growth • USA: slight growth • China: significant growth	• Global: around the prior year level • Western Europe: significant growth • USA: slight growth • China: slight growth
Truck markets	**Truck markets**
• NAFTA region: +10% to 15% • Europe: +10% to 15% • Japan: around the prior-year level • Brazil: around -40% • Indonesia (incl. light-duty): araound -20%	• NAFTA region: +10% to 15% • Europe: +10% to 15% • Japan: around the prior-year level • Brazil: up to -50% • Indonesia (incl. light-duty): up to -35%
Van markets	**Van markets**
• Europe: significant growth	Europe: • mid-size/large vans: significant growth • small vans: slight growth
Bus markets	**Bus markets**
• Europe: slight growth • Brazil: at least -25%	• Europe: slight growth • Brazil: at least -35%
Sales outlook FY15 (Jul 23)	**Sales outlook FY15 (Oct 22)**
Mercedes-Benz Cars	**Mercedes-Benz Cars**
• Significantly higher unit sales based on young and attractive product portfolio • Strong momentum from full availabilityof new C-Class and smart models • Launch of all-new Mercedes-Maybach, Mercedes-AMG GT, CLA Shooting Brake and GLE Coupé	• Significantly higher unit sales based on young and attractive product portfolio • Strong momentum from full availability of new C-Class and smart models • Launch of all-new Mercedes-Maybach, Mercedes-AMG GT, CLA Shooting Brake and GLE Coupé
Daimler Trucks	**Daimler Trucks**
• Significantly higher unit sales due to strong product portfolio • Continued strong sales development in NAFTA region • Growth potential due to new Asia Business Model	• Slightly higher unit sales due to strong product portfolio • Continued strong sales development in NAFTA region • Further growth due to product launches in India
Mercedes-Benz Vans	**Mercedes-Benz Vans**
• Significantly higher unit sales • Strong momentum - full availability of new Vito and V-Class • Product expansion to North and South America	• Significantly higher unit sales • Strong momentum - full availability of new Vito and V-Class • Product expansion to North and South America
Daimler Buses	**Daimler Buses**
• Significant decrease in unit sales • Maintain market leadership in Western Europe and Brazil • Stable sales development in Europe, significant sales decrease in Latin America	• Significant decrease in unit sales • Maintain market leadership in Western Europe and Brazil • Positive sales development in Europe, significant sales decrease in Latin America
EBIT outlook FY15 (Jul 23)	**EBIT outlook FY15 (Oct 22)**
Group	**Group**
• We expect Group EBIT for FY 2015 to increase significantly	• We expect Group EBIT for FY 2015 to increase significantly
Mercedes-Benz Cars	**Mercedes-Benz Cars**
• Significantly above the prior-year level	• Significantly above the prior-year level
Daimler Trucks	**Daimler Trucks**
• Significantly above the prior-year level	• Significantly above the prior-year level
Mercedes-Benz Vans	**Mercedes-Benz Vans**
• Significantly above the prior-year level	• Significantly above the prior-year level
Daimler Buses	**Daimler Buses**
• Significantly below the prior-year level	• Slightly below the prior-year level
Daimler Financial Services	**Daimler Financial Services**
• Significantly above the prior- year level	• Significantly above the prior- year level

Group estimates 2015E-17E

Daimler – Divisional EBIT (2010-2017E)

	2010	2011	2012	2013	2014	New 2015E	New 2016E	New 2017E	Old 2015E	Old 2016E	Old 2017E
Revenue (EUR m)											
Mercedes-Benz Cars	53,426	57,410	61,660	64,307	73,310	82,414	90,597	97,844	83,886	90,597	97,844
Daimler Trucks	24,024	28,751	31,389	31,473	32,417	37,215	40,972	44,250	37,247	40,972	44,250
Daimler Financial Services	12,788	12,080	13,550	14,522	15,539	18,949	20,844	23,346	19,029	20,932	23,444
Mercedes-Benz Vans	7,812	9,179	9,070	9,369	10,306	11,463	11,710	12,495	10,965	11,710	12,495
Daimler Buses	4,558	4,418	3,929	4,105	4,105	4,387	4,957	5,651	4,113	4,339	4,859
Intra-group/reconciliations	-4,847	-5,298	-5,301	-5,794	-6,244	-6,378	-6,878	-7,378	-6,378	-6,878	-7,378
Group	**97,761**	**106,540**	**114,297**	**117,982**	**129,433**	**148,050**	**162,202**	**176,208**	**148,862**	**161,672**	**175,515**
EBIT (EUR m)											
Mercedes-Benz Cars	4,656	5,192	4,442	4,180	5,964	8,386	9,008	9,687	8,494	9,008	9,687
Daimler Trucks	1,212	1,978	1,695	1,753	2,073	2,838	3,090	3,274	2,840	3,090	3,274
Daimler Financial Services	922	1,322	1,293	1,268	1,387	1,595	1,510	1,580	1,623	1,510	1,580
Mercedes-Benz Vans	451	835	607	631	638	936	1,020	1,062	896	1,020	1,062
Daimler Buses	215	162	-66	163	211	214	220	255	200	185	220
Intra-group/reconciliations	-244	-512	410	-74	-127	-50	-100	-100	-50	-100	-100
Group EBIT (on-going bus.)	**7,212**	**8,977**	**8,381**	**7,921**	**10,146**	**13,919**	**14,748**	**15,758**	**14,004**	**14,713**	**15,723**
One-offs	62	-222	439	2,894	606	-165	-380	0	-165	-380	0
Group EBIT (headline)	**7,274**	**8,755**	**8,820**	**10,815**	**10,752**	**13,754**	**14,368**	**15,758**	**13,839**	**14,333**	**15,723**
Margin (%)											
Mercedes-Benz Cars	8.7	9.0	7.2	6.5	**7.9**	**10.2**	**9.9**	**9.9**	10.1	9.9	9.9
Daimler Trucks	5.0	6.9	5.4	5.6	**6.4**	**7.6**	**7.5**	**7.4**	7.6	7.5	7.4
Daimler Financial Services	7.2	10.9	9.5	8.7	**9.1**	**8.4**	**7.2**	**6.8**	8.5	7.2	6.7
Mercedes-Benz Vans	5.8	9.1	6.7	6.7	**6.6**	**8.2**	**8.7**	**8.5**	8.2	8.7	8.5
Daimler Buses	4.7	3.7	-1.7	4.0	**4.5**	**4.9**	**4.4**	**4.5**	4.9	4.3	4.5
Group EBIT (on-going bus.)	**7.4**	**8.4**	**7.3**	**6.7**	**7.8**	**9.4**	**9.1**	**8.9**	**9.4**	**9.1**	**9.0**
Group EBIT (headline)	**7.4**	**8.2**	**7.7**	**9.2**	**8.3**	**9.3**	**8.9**	**8.9**	**9.3**	**8.9**	**9.0**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

Daimler –Wholesales by division (2010-2017E)

	2010	2011	2012	2013	2014	New 2015E	New 2016E	New 2017E	Old 2015E	Old 2016E	Old 2017E
Units ('000)											
Mercedes-Benz Cars	1,276.8	1,381.4	1,451.6	1,566.2	1,722.6	1,987.3	2,166.4	2,322.8	2,026.8	2,166.4	2,322.8
Daimler Trucks	355.3	425.8	461.9	484.2	495.7	502.0	543.9	594.0	504.4	545.7	582.2
Mercedes-Benz Vans	224.2	264.2	252.4	270.1	294.6	321.0	347.7	382.6	309.8	341.1	375.2
Daimler Buses	39.1	39.7	32.1	33.7	33.2	30.2	33.2	38.2	28.9	30.3	33.3
Group	**1,895.4**	**2,111.1**	**2,197.9**	**2,354.3**	**2,546.0**	**2,840.3**	**3,091.2**	**3,337.6**	**2,869.9**	**3,083.5**	**3,313.5**
%-change yoy											
Mercedes-Benz Cars	16.7	8.2	5.1	7.9	10.0	15.4	9.0	7.2	17.7	6.9	7.2
Daimler Trucks	37.0	19.8	8.5	4.8	2.4	1.3	8.4	9.2	1.8	8.2	6.7
Mercedes-Benz Vans	35.4	17.8	-4.5	7.0	9.1	8.9	8.3	10.1	5.2	10.1	10.0
Daimler Buses	20.4	1.6	-19.3	5.0	-1.6	-9.0	10.0	15.0	-13.0	5.0	10.0
Group	**22.2**	**11.4**	**4.1**	**7.1**	**8.1**	**11.6**	**8.8**	**8.0**	**12.7**	**7.4**	**7.5**

Note: Old 4Q/FY15E estimates refer to our Daimler report of October 23rd. Source: Company data and CGI estimates

Overview

Daimler– overview (2010-17E)

Current price (EUR)	64.07							
Market capitalisation (EUR bn)	68.54							
Shares (m)	1,069.8							
Values per share (EUR)	**2010**	**2011**	**2012**	**2013**	**2014E**	**2015E**	**2016E**	**2017E**
EPS	4.28	5.32	6.02	6.40	6.50	8.38	8.77	9.65
EPS - adjusted	4.28	5.32	5.16	5.00	5.68	8.38	8.77	9.65
CFPS	7.71	8.44	8.41	7.79	9.03	12.52	12.32	15.01
BVPS	34.14	37.16	35.50	39.90	40.82	40.82	45.98	51.63
DPS	1.85	2.20	2.20	2.25	2.45	3.40	3.60	4.00
Free CFPS - industrial	5.17	0.93	1.36	4.53	5.12	4.09	5.03	6.47
Stock market ratios (x)								
P/E	18.4	14.8	13.1	12.3	12.1	7.6	7.3	6.6
P/E – adjusted	18.4	14.8	15.3	15.7	13.9	7.6	7.3	6.6
P/CF	10.2	9.3	9.4	10.1	8.7	5.1	5.2	4.3
P/BV	2.3	2.1	2.2	2.0	1.9	1.6	1.4	1.2
P/revenue	0.86	0.79	0.74	0.71	0.65	0.46	0.42	0.39
Dividend yield (%)	2.3	2.8	2.8	2.9	3.1	5.3	5.6	6.2
Free CF yield (%)	6.6	1.2	1.7	5.8	6.5	6.4	7.9	10.1
EV (EUR m)	69,002	69,036	69,025	65,643	62,818	44,414	42,552	40,909
EV/revenue – industrial (%)	81.2	73.1	68.5	63.4	55.2	34.4	30.1	26.8
EV/EBITDA - industrial	7.1	6.3	6.0	4.7	4.4	2.5	2.2	1.9
Group P&L (EUR m)								
Revenue	**97,761**	**106,540**	**114,297**	**117,982**	**129,872**	**148,050**	**162,202**	**176,208**
- Industrial operations	84,973	94,460	100,747	103,460	113,881	129,101	141,358	152,862
- Financial services	12,788	12,080	13,550	14,522	15,991	18,949	20,844	23,346
EBIT	**7,274**	**8,755**	**8,820**	**10,815**	**10,743**	**13,754**	**14,368**	**15,758**
- Industrial business	6,443	7,443	7,527	9,547	9,356	12,159	12,858	14,178
- Financial services	831	1,312	1,293	1,268	1,387	1,595	1,510	1,580
EBITDA	10,638	12,330	12,887	15,183	15,742	19,589	20,754	22,637
Net interest	-646	-306	-704	-676	-579	-465	-450	-430
Pre-tax profit	**6,628**	**8,449**	**8,116**	**10,139**	**10,164**	**13,289**	**13,918**	**15,328**
Less tax charge/-credit	1,954	2,420	1,286	1,419	2,883	4,034	4,220	4,646
Net profit - continuing operations,	**4,674**	**6,029**	**6,830**	**8,720**	**7,281**	**9,255**	**9,698**	**10,683**
Less minorities	176	362	402	1,875	328	290	320	360
Group NI - Daimler SHs (cont.ops)	**4,498**	**5,667**	**6,428**	**6,845**	**6,953**	**8,965**	**9,378**	**10,323**
Combined net income – Daimler SHs	4,498	5,667	6,428	6,845	6,953	8,965	9,378	10,323
CF - industrial business (EUR m)								
CF from operations	**8,933**	**9,498**	**8,086**	**8,989**	**9,977**	**13,702**	**13,554**	**15,010**
Working capital	1,133	-2,152	-559	1,324	-2,438	-2,093	-900	-900
CF from operating activities	**10,066**	**7,346**	**7,527**	**10,313**	**7,539**	**11,609**	**12,654**	**14,110**
Capital expenditure (excl. R&D)	-3,641	-4,137	-4,804	-4,956	-4,821	-5,237	-5,468	-5,386
Other	-993	-2,220	-1,271	-515	2,761	-2,000	-1,800	-1,800
Free CF	**5,432**	**989**	**1,452**	**4,842**	**5,479**	**4,372**	**5,386**	**6,923**
BS - industrial business (EUR m)								
Gross Liquidity	**10,793**	**10,079**	**13,728**	**15,148**	**13,497**	**14,700**	**15,800**	**16,900**
ST financing liabilities	4,525	12,525	8,067	12,218	13,518	19,758	19,958	20,158
LT liabilities	-3,480	-10,250	-10,950	-13,542	-10,325	-15,000	-15,000	-15,000
Financing liabilities	**1,045**	**2,275**	**-2,883**	**-1,324**	**3,193**	**4,758**	**4,958**	**5,158**
Market valuation/currency hedging	100	-373	663	10	263	0	0	0
Financial liabilities (nominal)	**1,145**	**1,902**	**-2,220**	**-1,314**	**3,456**	**4,758**	**4,958**	**5,158**
Net liquidity	**11,938**	**11,981**	**11,508**	**13,834**	**16,953**	**19,458**	**20,758**	**22,058**
Shareholders' funds	33,088	35,964	33,238	36,767	36,967	36,967	39,595	44,391
Profitability and financial ratios (%)								
EBIT	7.4	8.2	7.7	9.2	8.3	9.3	8.9	8.9
- Industrial business	7.6	7.9	7.5	9.2	8.2	9.4	9.1	9.3
- Financial services	6.5	10.9	9.5	8.7	8.7	8.4	7.2	6.8
EBITDA	10.9	11.6	11.3	12.9	12.1	13.2	12.8	12.8
Pre-tax profit	6.8	7.9	7.1	8.6	7.8	9.0	8.6	8.7
Net profit - continuing operations	4.8	5.7	6.0	7.4	5.6	6.3	6.0	6.1
Tax rate (%)	29.5	28.6	15.8	14.0	28.4	30.4	30.3	30.3

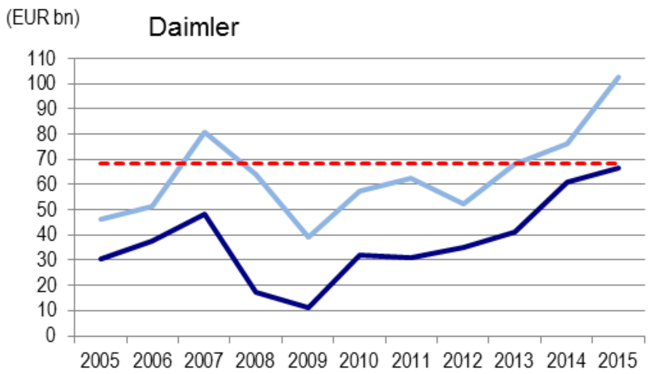
Source: Company data and CGI estimates

Daimler shares – valuation

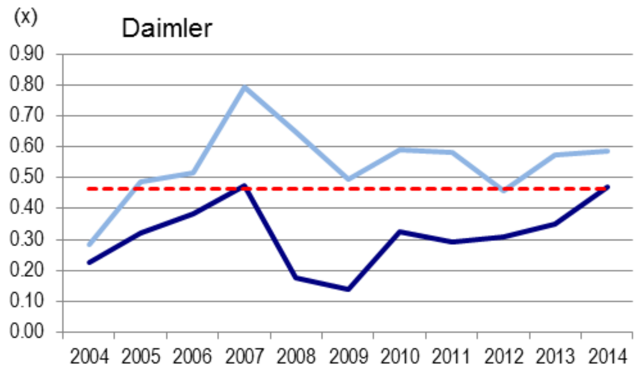
Investment opinion – BUY

At EUR 64.07, Daimler shares are currently valued 6.6x 2017E earnings, at a 19% discount to the 10-year historic low valuation of 8.2x. This is inconsistent with the implication that 2017E EPS (EUR 9.65) are 116% higher than the 10-year avg. (EUR 4.46). A valuation in line with the 10-year historic low valuation (8.2x) implies a share price of EUR 78.90 at YE2017E and time-discounted (10-yr Bund) a target price of EUR 79 at YE2016E. Although the TP of EUR 78.90 implies a 23% upside from the current share price, it is 25% below our previous TP (of EUR 105) of October 23rd, reflecting the collapse in the global equity markets seen since the beginning of the year.

Daimler – Market capalisation – historic range (2005-15) vs. current valuation



Daimler – Price/revenue – historic range (2004-14) vs. current valuation (2015E)



Daimler – Historic valuation (2002-14)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	5- yr avg[1]	10-yr av[1]
EPS (EUR)	**5.06**	**0.44**	**2.43**	**2.16**	**3.66**	**3.83**	**1.71**	**-2.63**	**4.28**	**5.32**	**5.16**	**5.07**	**5.68**	**5.10**	**4.46**
P/E -high	11.0	85.4	16.3	21.2	16.4	16.7	38.9	NM	12.8	11.0	9.5	12.5	12.5	11.5	13.2
P/E-low	5.6	53.9	13.0	14.0	12.1	9.9	10.5	NM	7.1	5.5	6.4	7.6	10.0	7.0	8.2
P/E-avrage	**8.3**	**69.6**	**14.6**	**17.6**	**14.2**	**13.3**	**24.7**	NM	**10.0**	**8.2**	**7.9**	**10.1**	**11.3**	**9.3**	**10.8**

(1) 10-year average 2002-14, excl.2003,8-9. Source: Company data and CGI estimates

Daimler – Current valuation (2006-17E)

		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015E	2016E	2017E
Daimler EPS (EUR)		**3.66**	**3.83**	**1.71**	**-2.63**	**4.28**	**5.32**	**5.16**	**5.07**	**5.68**	**8.38**	**8.77**	**9.65**
Current Daimler PE (x)		**20.9**	**13.7**	**37.5**	**-24.4**	**15.0**	**12.0**	**12.4**	**12.6**	**11.3**	**7.6**	**7.3**	**6.6**
% vs. 10-yr* high	(13.2x)	58	4	183	-284	13	-9	-6	-5	-15	-42	-45	-50
% vs.10-yr* low	**(8.2x)**	**156**	**68**	**358**	**-398**	**83**	**47**	**52**	**54**	**38**	**-6**	**-11**	**-19**
% vs. 10-yr *average	(10.8x)	94	27	248	-326	39	12	15	17	5	-29	-32	**-38**

(*) 10-year average 2002-14, excl.2003,8-9. Source: Company data and CGI estimates

Daimler – Valuation summary

Current share price	Current P/E 2017E	Target P/E 2017E	Implied Price Y/E 2017E	Target price Y/E 2016E*	Potential Target price vs. current price
EUR 64.07	6.6x	8.2x	EUR 78.90	EUR 78.64	22.7%

Share price close 02.01.2016. (*) Time-discounted 10-year Bund yield. Source: Company data and CGI estimates

Daimler– share price (- 5 years)

Daimler vs. DAX 30 Index (- 5 years)

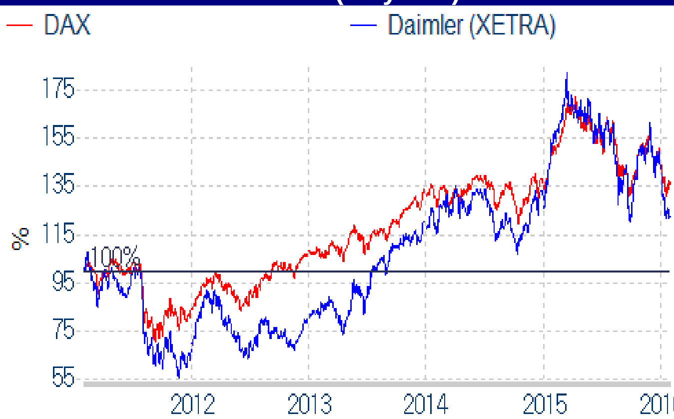


Chart technical view by Carlo R. Besenius

Short-term technical outlook negative

Daimler shares are very oversold. Short-term indicators such as MACD and RSI are bottoming. However, Daimler shares are trading below their 15-, 50- and 200- day averages.

Daimler shares likely will rally back to the 50-day moving average of EUR 74/sh. The medium- to long-term outlook for Daimler shares is negative.

Daimler shares short-term technical outlook is negative.

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