



# Creative Global Investments

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Objectivity  
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## Daimler (EUR 72.33) – BUY

3Q15E preview (Thursday, October 22<sup>nd</sup>)

**Our 3Q15E EBIT (ongoing business) estimates: EUR 3.65bn/9.6% for the group, EUR 2.24bn/10.4% at M-B Cars and EUR 0.76bn/8.0% at Trucks. In 2015-17E, we expect EPS to grow at a 14.1% CAGR to reach EUR 9.66 in FY17E. We confirm our YE16 target price of EUR 103, a 43% upside potential for Daimler shares.**

**EBIT at M-B Cars is expected to grow 39%/EUR 0.63bn yoy to EUR 2.24bn/10.4%, driven by a 17% increase in car sales, a positive model momentum and thus pricing, efficiency gains and forex (the latter in the order of EUR 200-300m). We expect a marginally negative model mix, reflecting the renewal and expansion of the SUV offerings in 3Q15 and the pending renewal of the E-Class in 2016E. In China, retail sales continued to grow strongly as M-B is still in the process of establishing the full-scale of its business, though pricing pressures have intensified. **Negatives** should include higher costs for new technology, products etc. (See pp.5-7.)**

**Daimler Trucks** is expected to report a 23%/EUR 0.14bn yoy increase in EBIT to EUR 0.76bn/8.0%, despite a sharp drop in South America and key markets such as China, Russia and Indonesia. Thanks to its global reach, DT was able to benefit from a booming NA market and a strong recovery in Europe. (See pp.8-9.)

**FY15E outlook:** We expect M-B's EBIT will increase 42% to EUR 8.47bn/10.%, driven by an accelerating model momentum and a EUR 0.6bn forex tailwind. We see group **EBIT grow 36.7% to EUR 13.87bn/9.3% and EPS 29.1% to EUR 8.39. For 2016-17E, we expect EPS growth of 4.4% (EUR 8.76) and 10.3% (EUR 9.66)** respectively. M-B Cars should continue to be a key earnings driver, as a strong model momentum and further efficiency gains are set to boost profit and 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 include higher costs related to new technology, products and capacity expansion, 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 103 for YE16. This implies a 43% upside from the current share price of EUR 72.33. (See p.14.)

### Daimler – share summary (2013-17E)

Current price (EUR)	72.33				
Market cap.(EUR bn)	77.38				
<b>December YE</b>	<b>2013</b>	<b>2014</b>	<b>2015E</b>	<b>2016E</b>	<b>2017E</b>
EPS (EUR)-adj.	5.07	5.68	8.39	8.76	9.66
CFPS (EUR)	7.8	9.0	13.1	12.3	15.0
BVPS (EUR)	2.25	2.45	40.8	46.1	51.7
DPS (EUR)	4.53	5.12	3.35	3.50	4.00
Free CFPS (EUR)	13.3	13.1	5.01	4.93	6.50
P/E (x)	14.5	12.7	8.6	8.3	7.5
PCF (x)	9.3	8.0	5.5	5.9	4.8
Price/BV (x)	1.8	1.8	1.8	1.6	1.4
P/revenue (x)	0.66	0.60	0.52	0.48	0.44
Dividend yd (%)	3.1	3.4	4.6	4.8	5.5
Free CF yd (%)	6.3	7.1	6.9	6.8	9.0

Share price 07.21.2015. Source: Company data and CGI estimates

### Daimler – share price (-1year)



Source: Euroland

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### Timetable – 3Q15 results for Daimler

Company	Sub-sector	Country	Currency	Date	Results	Press Conference	Analyst/Investor CF Call
Daimler	OEM	D	EUR	Thurs, 22 <sup>nd</sup> Oct	07:30 CEST	08:00-08:45 CEST	14:00-15:30 CEST

## Group results – 3Q/FY15E

## Daimler – Divisional EBIT (1Q14-FY15E)

	1Q14	2Q14	3Q14	4Q1	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
<b>Revenue (EUR m)</b>										
Mercedes-Benz Cars	17,004	17,771	18,677	20,132	73,584	19,509	21,136	21,572	22,405	84,622
Daimler Trucks	7,121	7,966	8,463	8,839	32,389	8,414	9,441	9,479	9,914	37,247
Daimler Fin. Services	3,809	3,828	3,998	4,356	15,991	4,549	4,769	4,878	4,994	19,189
Mercedes-Benz Vans	2,212	2,494	2,515	2,747	9,968	2,415	2,829	2,716	3,005	10,965
Daimler Buses	859	1,048	1,034	1,277	4,218	877	1,037	1,029	1,191	4,134
Intra-group/reconciliations	-1,548	-1,563	-1,565	-1,602	-6,278	-1,528	-1,685	-1,700	-1,865	-6,778
<b>Group</b>	<b>29,457</b>	<b>31,544</b>	<b>33,122</b>	<b>35,749</b>	<b>129,872</b>	<b>34,236</b>	<b>37,527</b>	<b>37,973</b>	<b>39,643</b>	<b>149,379</b>
<b>EBIT<sup>1</sup> (EUR m)</b>										
Mercedes-Benz Cars <sup>1</sup>	1,183	1,409	1,614	1,758	5,964	1,794	2,252	2,240	2,186	8,473
Daimler Trucks <sup>1</sup>	346	526	618	583	2,073	536	717	760	754	2,767
Daimler Fin. Services <sup>1</sup>	397	336	355	299	1,387	409	445	433	350	1,637
Mercedes-Benz Vans <sup>1</sup>	123	181	176	158	638	221	240	222	223	906
Daimler Buses <sup>1</sup>	54	58	64	35	211	35	57	45	48	185
Intra-group/reconciliations	-31	-47	-40	-9	-127	-65	73	-50	50	-100
<b>Group (ongoing bus.)<sup>1</sup></b>	<b>2,072</b>	<b>2,463</b>	<b>2,787</b>	<b>2,824</b>	<b>10,146</b>	<b>2,930</b>	<b>3,784</b>	<b>3,650</b>	<b>3,612</b>	<b>13,868</b>
One-off items <sup>2</sup>	-285	632	945	-686	606	-24	-66	-85	-140	-315
<b>Headline group EBIT</b>	<b>1,787</b>	<b>3,095</b>	<b>3,732</b>	<b>2,138</b>	<b>10,752</b>	<b>2,906</b>	<b>3,718</b>	<b>3,565</b>	<b>3,364</b>	<b>13,553</b>
<b>Margin (%)</b>										
Mercedes-Benz Cars <sup>1</sup>	7.0	7.9	8.6	8.7	8.1	9.2	10.7	10.4	9.8	10.0
Daimler Trucks <sup>1</sup>	4.9	6.6	7.3	6.6	6.4	6.4	7.6	8.0	7.6	7.4
Daimler Fin. Services <sup>1</sup>	10.4	8.8	8.9	6.9	8.7	9.0	9.3	8.9	7.0	8.5
Mercedes-Benz Vans <sup>1</sup>	5.6	7.3	7.0	5.8	6.4	9.2	8.5	8.2	7.4	8.3
Daimler Buses <sup>1</sup>	6.3	5.5	6.2	2.7	5.0	4.0	5.5	4.4	4.0	4.5
<b>Group (ongoing bus.)<sup>1</sup></b>	<b>7.0</b>	<b>7.8</b>	<b>8.4</b>	<b>7.9</b>	<b>7.8</b>	<b>8.6</b>	<b>10.1</b>	<b>9.6</b>	<b>9.1</b>	<b>9.3</b>
<b>Headline group</b>	<b>7.0</b>	<b>9.8</b>	<b>11.3</b>	<b>6.0</b>	<b>8.3</b>	<b>8.5</b>	<b>9.9</b>	<b>9.4</b>	<b>8.5</b>	<b>9.1</b>

(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 estimat

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
<b>(Units '000)</b>										
Retail sales	560.4	633.0	626.2	711.0	2,530.6	626.4	705.2	-	-	-
Wholesales	565.8	628.9	637.4	713.9	2,546.0	641.6	714.8	723.5	800.8	2,880.7
Production	611.2	624.6	664.8	681.7	2,582.3	699.7	725.4	673.9	821.3	2,920.3
Inventory	45.4	-4.2	27.4	-32.2	36.3	58.1	10.6	-49.6	20.5	39.6
<b>% change yoy</b>										
Retail sales	9.9	6.1	7.0	8.0	7.7	11.8	11.4	-	-	-
Wholesales	12.8	3.8	7.2	9.5	8.1	13.4	13.7	13.5	12.2	13.1
Production	10.0	0.5	12.2	10.9	8.3	14.5	16.1	1.4	20.5	13.1
<b>% change qoq</b>										
Retail sales	-14.9	13.0	-1.1	13.5	-	-12.4	12.6	-	-	-
Wholesales	-13.2	11.1	1.4	12.0	-	-10.1	11.4	1.2	10.7	-
Production	-0.5	2.2	6.4	2.5	-	2.6	3.7	-7.1	21.9	-

Source: Company data and CGI estimates

**Daimler – Group P&L (1Q14 – FY15E)**

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
(EUR m)										
Revenue – industrial operations	25,648	27,716	29,124	31,393	113,881	29,687	32,758	33,096	34,649	130,189
Revenue – financial services	3,809	3,828	3,998	4,356	15,991	4,549	4,769	4,878	4,994	19,189
<b>Group revenue</b>	<b>29,457</b>	<b>31,544</b>	<b>33,122</b>	<b>35,749</b>	<b>129,872</b>	<b>34,236</b>	<b>37,527</b>	<b>37,973</b>	<b>39,643</b>	<b>149,379</b>
<b>EBIT (headline)</b>	<b>1,787</b>	<b>3,095</b>	<b>3,732</b>	<b>2,129</b>	<b>10,743</b>	<b>2,906</b>	<b>3,718</b>	<b>3,565</b>	<b>3,364</b>	<b>13,553</b>
Net interest income./-expenses	-142	-158	-149	-130	-579	-105	-93	-95	-127	-420
<b>Pre-tax profit<sup>1</sup></b>	<b>1,645</b>	<b>2,937</b>	<b>3,583</b>	<b>1,999</b>	<b>10,164</b>	<b>2,801</b>	<b>3,625</b>	<b>3,470</b>	<b>3,237</b>	<b>13,133</b>
Less tax charge/-credit	564	739	760	820	2,883	751	1,253	998	815	3,816
<b>Profita adter tax</b>	<b>1,081</b>	<b>2,198</b>	<b>2,823</b>	<b>1,179</b>	<b>7,281</b>	<b>2,050</b>	<b>2,372</b>	<b>2,473</b>	<b>2,422</b>	<b>9,317</b>
Less minorities	59	92	86	91	328	87	103	86	64	340
<b>Net profit - Daimler SHs</b>	<b>1,022</b>	<b>2,106</b>	<b>2,737</b>	<b>1,088</b>	<b>6,953</b>	<b>1,963</b>	<b>2,269</b>	<b>2,387</b>	<b>2,358</b>	<b>8,977</b>
<b>Net profit adj. for M&amp;A (E)</b>	<b>1,301</b>	<b>1,456</b>	<b>1,732</b>	<b>988</b>	<b>5,477</b>	-	-	-	-	-
<b>Margin (%)</b>										
Group EBIT	6.1	9.8	11.3	6.0	8.3	8.5	9.9	9.4	8.5	9.1
Pre-tax profit <sup>1</sup>	5.6	9.3	10.8	5.6	7.8	8.2	9.7	9.1	8.2	8.8
Net profit	3.5	6.7	8.3	3.0	5.4	5.7	6.0	6.3	5.9	6.0
Net profit adj. for M&A €	4.4	4.6	5.2	2.8	4.2	6.5	4.3	3.6	5.7	0.0
Tax rate (%)	34.3	25.2	21.2	41.0	28.4	26.8	34.6	28.7	25.2	29.1
Adj. tax rate (%)	29.3	32.3	29.5	43.2	33.2	-	-	-	-	-

Source: Company data and CGI estimates

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
(EUR m)										
Net profit	825	1,978	2,611	998	6,407	1,963	2,325	2,188	1,998	8,227
Depreciation & amortisation	1,211	1,221	1,218	1,314	4,964	1,349	1,269	1,482	1,759	5,859
Non-cash items	263	-921	-671	-65	-1,394	254	118	-985	863	250
<b>CF from operations</b>	<b>2,299</b>	<b>2,278</b>	<b>3,158</b>	<b>2,247</b>	<b>9,977</b>	<b>3,566</b>	<b>3,712</b>	<b>2,685</b>	<b>4,619</b>	<b>14,335</b>
WCR (core)	-177	-549	-325	-1,268	-2,319	-434	-859	242	-381	-1,432
<b>WCR (incl. oper. leases)</b>	<b>-237</b>	<b>-253</b>	<b>363</b>	<b>-2,311</b>	<b>-2,438</b>	<b>229</b>	<b>-826</b>	<b>470</b>	<b>-1,405</b>	<b>-1,532</b>
<b>CF from oper. activities</b>	<b>2,062</b>	<b>2,025</b>	<b>3,521</b>	<b>-64</b>	<b>7,539</b>	<b>3,795</b>	<b>2,886</b>	<b>3,155</b>	<b>3,214</b>	<b>12,803</b>
Capex (PP&E)	-1,038	-1,042	-1,163	-1,578	-4,821	-1,019	-1,041	-1,370	-2,014	-5,444
Net investments	-364	-257	2,115	264	1,758	-557	-650	-253	-340	-1,800
<i>o/w M&amp;A</i>	14	51	2,419	717	3,201	-80	-139	-41	60	-200
Other	34	27	902	35	1,003	73	-122	-83	-315	-200
<b>FCF</b>	<b>694</b>	<b>753</b>	<b>5,375</b>	<b>-1,343</b>	<b>5,479</b>	<b>2,292</b>	<b>1,073</b>	<b>1,449</b>	<b>546</b>	<b>5,360</b>
<b>FCF adj. for M&amp;A</b>	<b>680</b>	<b>702</b>	<b>2,956</b>	<b>-2,060</b>	<b>2,278</b>	<b>2,372</b>	<b>1,212</b>	<b>1,490</b>	<b>486</b>	<b>5,560</b>
Dividends	-32	-2,375	0	0	-2,407	-44	-2,577	214	-214	-2,621
Other (incl. share reps/issue)	-22	-156	-196	421	47	1,321	-583	-531	-139	68
Net cash decrease/-increase	-640	1,778	-5,179	922	-3,119	-3,569	2,087	-1,132	-193	-2,807
<b>Net cash/-debt</b>	<b>14,474</b>	<b>12,696</b>	<b>17,875</b>	<b>16,953</b>	<b>16,953</b>	<b>20,522</b>	<b>18,435</b>	<b>19,567</b>	<b>19,760</b>	<b>19,760</b>

Note: Old FY15E estimates refer to our Daimler report of July 22<sup>nd</sup>. Source: Company data and CGI estimates

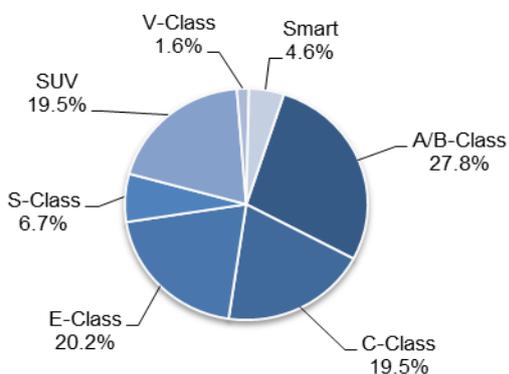
## Mercedes-Benz Cars – 3Q/FY15E

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
<b>(EUR m)</b>										
Revenue	17,004	17,771	18,677	20,132	73,584	19,509	21,136	21,572	22,405	84,622
% change yoy	20.5	8.9	13.1	16.0	14.4	14.7	18.9	15.5	11.3	15.0
EBIT	1,183	1,409	1,584	1,677	5,853	1,841	2,227	2,200	2,109	8,378
% change yoy	157.2	35.4	32.0	28.5	46.1	55.6	58.1	38.9	25.8	43.1
EBIT margin (%)	7.0	7.9	8.5	8.3	8.0	9.4	10.5	10.2	9.4	9.9
One-offs	0	0	-30	-81	-111	47	-25	-40	-77	-95
Adj. EBIT	1,183	1,409	1,614	1,758	5,964	1,794	2,252	2,240	2,186	8,473
% change yoy	157.2	30.0	29.0	26.9	42.7	51.6	59.8	38.8	24.4	42.1
Adj. EBIT margin (%)	7.0	7.9	8.6	8.7	8.1	9.2	10.7	10.4	9.8	10.0
Impl. unit/rev.(% - yoy)	5.7	5.2	3.7	1.9	3.4	-2.8	-0.5	-1.7	-3.0	-2.0
<b>Units ('000)</b>										
Retail sales	397.7	432.6	431.7	477.8	1,739.9	458.3	502.2	503.9	-	-
% change yoy	13.5	9.3	10.7	12.2	11.4	15.2	16.1	16.7	-	-
Wholesales	389.5	418.7	431.0	483.4	1,722.6	459.7	500.7	506.5	554.7	2,021.6
% change yoy	14.0	3.5	9.0	13.9	10.0	18.0	19.6	17.5	14.8	17.4
Production	407.5	406.6	459.3	480.8	1,754.1	495.0	504.0	459.3	598.4	2,056.6
% change yoy	8.9	-1.3	17.2	17.1	10.4	21.5	23.9	0.0	24.5	17.2
Over-production	18.0	-12.0	28.2	-2.6	31.6	35.3	3.3	-47.2	43.7	35.0

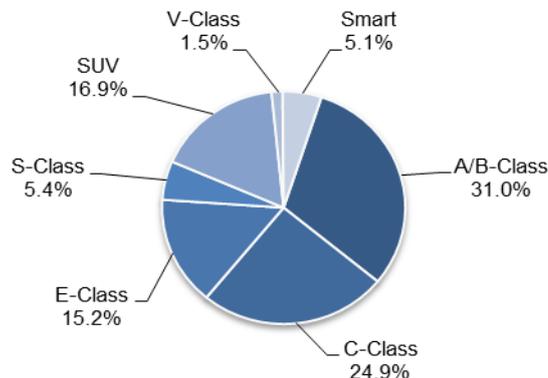
Note: 3Q15 retail sales were announced on October 6<sup>th</sup>. Source: Company data and CGI estimates

## M-B Cars – Model mix retail sales (3Q14)



Source: Company data and CGI calculations

## M-B Cars – Model mix retail sales (3Q15)



Source: Company data and CGI calculations

## Management guidance 2015 (Apr 28)

## Market assumptions: passenger vehicles

- Global: around +3%
- 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 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

## 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 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 – Retail sales by model (1Q14 – 1-3Q15A)**

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15A	1-3Q15A
<b>Units ('000)</b>									
A-/B-Class, incl. GLA	98.8	116.4	120.0	128.0	463.2	123.8	146.2	156.1	426.0
C-Class, incl. SLK	82.8	78.4	84.3	118.9	364.4	119.2	118.3	125.6	363.1
E-/CLS-Class	82.7	91.0	87.3	77.2	338.2	72.0	77.2	76.5	225.7
S-Class, incl. SL	27.1	28.4	29.0	33.1	117.5	30.5	31.5	27.3	89.3
SUVs, excl. GLA	77.6	89.1	84.2	97.7	341.8	77.5	87.1	85.2	249.7
V-Class <sup>1</sup>	5.3	5.9	6.9	6.8	25.0	6.7	8.6	7.3	22.6
<b>Mercedes-Benz</b>	<b>374.3</b>	<b>409.2</b>	<b>411.6</b>	<b>454.9</b>	<b>1,650.0</b>	<b>429.6</b>	<b>468.8</b>	<b>478.0</b>	<b>1,376.4</b>
<b>Smart</b>	<b>23.4</b>	<b>23.4</b>	<b>20.1</b>	<b>23.0</b>	<b>89.8</b>	<b>28.7</b>	<b>33.4</b>	<b>25.9</b>	<b>88.0</b>
<b>M-B Cars</b>	<b>397.7</b>	<b>432.6</b>	<b>431.7</b>	<b>477.8</b>	<b>1,739.9</b>	<b>458.3</b>	<b>502.2</b>	<b>503.9</b>	<b>1,464.4</b>
<b>% change yoy</b>									
A-/B-Class, incl. GLA	28.2	20.9	27.5	23.1	24.7	25.3	25.6	30.1	27.1
C-Class, incl. SLK	-8.2	-19.4	-6.9	38.7	0.2	44.0	50.8	49.0	47.9
E-/CLS-Class	28.1	14.9	-1.2	-20.8	2.6	-12.9	-15.2	-12.3	-13.5
S-Class, incl. SL	70.9	59.1	91.4	41.7	62.8	12.6	11.1	-5.8	5.8
SUVs, excl. GLA	0.5	13.1	5.1	10.4	5.3	-0.2	-2.2	1.2	-0.5
<b>Mercedes-Benz</b>	<b>15.2</b>	<b>10.7</b>	<b>11.8</b>	<b>14.0</b>	<b>12.9</b>	<b>14.8</b>	<b>14.6</b>	<b>16.1</b>	<b>15.2</b>
<b>Smart</b>	<b>-8.6</b>	<b>-10.9</b>	<b>-8.5</b>	<b>-14.9</b>	<b>-10.9</b>	<b>22.7</b>	<b>42.9</b>	<b>28.9</b>	<b>31.6</b>
<b>M-B Cars</b>	<b>13.5</b>	<b>9.3</b>	<b>10.7</b>	<b>12.2</b>	<b>11.4</b>	<b>15.2</b>	<b>16.1</b>	<b>16.7</b>	<b>16.0</b>
<b>Share (%)</b>									
A-/B-Class, incl. GLA	24.8	26.9	27.8	26.8	26.6	27.0	29.1	31.0	29.1
C-Class, incl. SLK	20.8	18.1	19.5	24.9	20.9	26.0	23.5	24.9	24.8
E-/CLS-Class	20.8	21.0	20.2	16.2	19.4	15.7	15.4	15.2	15.4
S-Class, incl. SL	6.8	6.6	6.7	6.9	6.8	6.7	6.3	5.4	6.1
SUVs, excl. GLA	19.5	20.6	19.5	20.5	19.6	16.9	17.3	16.9	17.1
V-Class <sup>1</sup>	1.3	1.4	1.6	1.4	1.4	1.5	1.7	1.5	1.5
<b>Mercedes-Benz</b>	<b>94.1</b>	<b>94.6</b>	<b>95.4</b>	<b>95.2</b>	<b>94.8</b>	<b>93.7</b>	<b>93.3</b>	<b>94.9</b>	<b>94.0</b>
<b>Smart</b>	<b>5.9</b>	<b>5.4</b>	<b>4.6</b>	<b>4.8</b>	<b>5.2</b>	<b>6.3</b>	<b>6.7</b>	<b>5.1</b>	<b>6.0</b>

**Mercedes-Benz Cars – Retail sales by region (1Q14 – 1-3Q15A)**

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15A	2Q15	3Q15A	1-3Q15A
<b>Units ('000)</b>									
- Germany	61.6	75.2	69.6	76.0	282.3	68.4	82.2	76.8	227.4
- Rest of W Europe	96.9	105.0	97.6	99.2	398.7	119.6	122.9	116.9	359.4
<b>Western Europe</b>	<b>158.5</b>	<b>180.2</b>	<b>167.2</b>	<b>175.1</b>	<b>681.0</b>	<b>188.1</b>	<b>205.1</b>	<b>193.6</b>	<b>586.8</b>
- US	74.8	81.4	85.1	99.3	340.6	79.8	88.9	86.7	255.4
- Canada/Mexico	10.1	11.9	11.7	13.4	47.0	10.9	14.3	13.1	38.2
<b>NAFTA</b>	<b>84.9</b>	<b>93.3</b>	<b>96.8</b>	<b>112.7</b>	<b>387.7</b>	<b>90.6</b>	<b>103.2</b>	<b>99.8</b>	<b>293.6</b>
- Japan	18.1	9.8	16.7	17.1	61.8	18.8	13.9	17.0	49.7
- China	71.7	73.5	72.1	82.2	299.416	82.6	91.1	102.7	276.4
- Other Asia/Pacific	33.9	35.8	38.2	41.7	149.6	41.7	45.1	44.3	131.0
<b>Asia/Pacific</b>	<b>123.7</b>	<b>119.0</b>	<b>127.0</b>	<b>141.1</b>	<b>510.8</b>	<b>143.1</b>	<b>150.0</b>	<b>164.0</b>	<b>457.1</b>
<b>Rest of World</b>	<b>30.6</b>	<b>40.2</b>	<b>40.6</b>	<b>49.0</b>	<b>160.4</b>	<b>36.5</b>	<b>43.9</b>	<b>46.5</b>	<b>126.9</b>
<b>M-B Cars</b>	<b>397.7</b>	<b>432.6</b>	<b>431.7</b>	<b>477.8</b>	<b>1,739.9</b>	<b>458.3</b>	<b>502.2</b>	<b>503.9</b>	<b>1,464.4</b>
<b>% chge yoy</b>									
- Germany	1.9	-4.4	-2.3	5.9	0.1	11.1	9.4	10.2	10.2
- Rest of W Europe	6.0	10.6	12.1	14.8	10.8	23.4	17.0	19.8	20.0
<b>Western Europe</b>	<b>4.4</b>	<b>3.8</b>	<b>5.6</b>	<b>10.7</b>	<b>6.1</b>	<b>18.7</b>	<b>13.8</b>	<b>15.8</b>	<b>16.0</b>
- US	4.8	8.3	12.7	-0.5	5.8	6.6	9.2	1.9	5.8
- Canada/Mexico	4.8	4.4	3.2	13.2	6.5	7.6	20.4	11.6	13.5
<b>NAFTA</b>	<b>4.8</b>	<b>7.8</b>	<b>11.4</b>	<b>1.0</b>	<b>5.9</b>	<b>6.7</b>	<b>10.7</b>	<b>3.0</b>	<b>6.8</b>
- Japan	49.5	28.0	12.1	17.3	13.7	3.9	41.7	1.4	11.2
- China	43.2	27.9	17.4	23.2	27.1	15.3	24.0	42.5	27.3
- Other Asia/Pacific	27.5	24.9	22.4	22.7	24.2	23.0	26.1	15.8	21.5
<b>Asia/Pacific</b>	<b>39.3</b>	<b>20.5</b>	<b>18.1</b>	<b>22.3</b>	<b>24.4</b>	<b>15.7</b>	<b>26.1</b>	<b>29.1</b>	<b>23.6</b>
<b>Rest of World</b>	<b>5.9</b>	<b>9.0</b>	<b>8.9</b>	<b>19.4</b>	<b>11.3</b>	<b>19.2</b>	<b>9.2</b>	<b>14.4</b>	<b>13.9</b>
<b>M-B Cars</b>	<b>13.5</b>	<b>9.3</b>	<b>10.7</b>	<b>12.2</b>	<b>11.4</b>	<b>15.2</b>	<b>16.1</b>	<b>16.7</b>	<b>16.0</b>
<b>Share (%)</b>									
- Germany	15.5	17.4	16.1	15.9	16.2	14.9	16.4	15.2	15.5
- Rest of W Europe	24.4	24.3	22.6	20.8	22.9	26.1	24.5	23.2	24.5
<b>Western Europe</b>	<b>39.9</b>	<b>41.6</b>	<b>38.7</b>	<b>36.7</b>	<b>39.1</b>	<b>41.0</b>	<b>40.8</b>	<b>38.4</b>	<b>40.1</b>
- US	18.8	18.8	19.7	20.8	19.6	17.4	17.7	17.2	17.4
- Canada/Mexico	2.5	2.7	2.7	2.8	2.7	2.4	2.8	2.6	2.6
<b>NAFTA</b>	<b>21.3</b>	<b>21.6</b>	<b>22.4</b>	<b>23.6</b>	<b>22.3</b>	<b>19.8</b>	<b>20.6</b>	<b>19.8</b>	<b>20.1</b>
- Japan	4.6	2.3	3.9	3.6	3.6	4.1	2.8	3.4	3.4
- China	18.0	17.0	16.7	17.2	17.2	18.0	18.1	20.4	18.9
- Other Asia/Pacific	8.5	8.3	8.9	8.7	8.6	9.1	9.0	8.8	8.9
<b>Asia/Pacific</b>	<b>31.1</b>	<b>27.5</b>	<b>29.4</b>	<b>29.5</b>	<b>29.4</b>	<b>31.2</b>	<b>29.9</b>	<b>32.5</b>	<b>31.2</b>
<b>Rest of World</b>	<b>7.7</b>	<b>9.3</b>	<b>9.4</b>	<b>10.2</b>	<b>9.2</b>	<b>8.0</b>	<b>8.7</b>	<b>9.2</b>	<b>8.7</b>

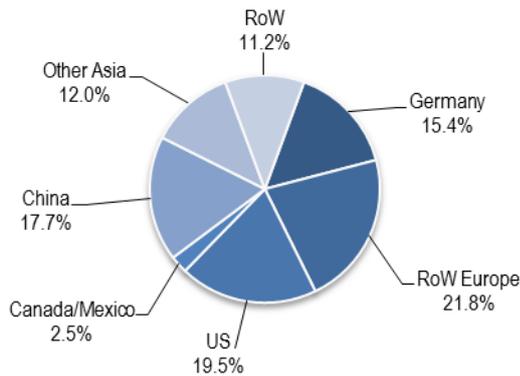
Note: 3Q15 retail sales were announced on October 6<sup>th</sup>. (1) V-segment wholesales and revenue are included in Vans. Source: Company data and CGI estimates

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
<b>Units ('000)</b>										
- Germany	59.1	73.2	66.2	73.9	272.5	65.4	78.7	72.2	78.0	294.3
- R of W Europe	93.2	98.7	94.1	110.2	396.1	111.0	122.3	110.5	130.9	474.6
<b>Western Europe</b>	<b>152.3</b>	<b>171.9</b>	<b>160.3</b>	<b>184.1</b>	<b>668.6</b>	<b>176.3</b>	<b>200.9</b>	<b>182.7</b>	<b>208.9</b>	<b>768.9</b>
- US	76.9	81.9	84.1	101.5	344.4	87.7	90.4	86.6	107.2	371.9
- Canada/Mexico	9.5	12.7	10.8	13.4	46.4	11.6	15.9	12.1	13.8	53.3
<b>NAFTA</b>	<b>86.4</b>	<b>94.6</b>	<b>94.9</b>	<b>114.9</b>	<b>390.7</b>	<b>99.3</b>	<b>106.2</b>	<b>98.7</b>	<b>121.0</b>	<b>425.2</b>
- China	70.3	68.1	76.2	78.0	292.7	87.4	91.2	102.9	99.0	380.5
- Other Asia	43.8	36.3	51.5	51.3	183.0	52.8	51.1	63.2	66.1	233.1
<b>Asia</b>	<b>114.2</b>	<b>104.3</b>	<b>127.7</b>	<b>129.4</b>	<b>475.6</b>	<b>140.2</b>	<b>142.2</b>	<b>166.1</b>	<b>165.1</b>	<b>613.6</b>
<b>Rest of World</b>	<b>36.6</b>	<b>47.9</b>	<b>48.2</b>	<b>55.0</b>	<b>187.6</b>	<b>43.9</b>	<b>51.3</b>	<b>59.0</b>	<b>59.7</b>	<b>213.9</b>
<b>M-B Cars</b>	<b>389.5</b>	<b>418.7</b>	<b>431.0</b>	<b>483.4</b>	<b>1,722.6</b>	<b>459.7</b>	<b>500.7</b>	<b>506.5</b>	<b>554.7</b>	<b>2,021.6</b>
<b>% chge yoy</b>										
- Germany	-3.3	-8.2	-5.3	7.0	-2.7	10.6	7.5	9.0	5.5	8.0
- R of W Europe	5.3	0.2	15.4	20.1	10.0	19.0	23.9	17.5	18.8	19.8
<b>Western Europe</b>	<b>1.8</b>	<b>-3.6</b>	<b>5.8</b>	<b>14.5</b>	<b>4.4</b>	<b>15.8</b>	<b>16.9</b>	<b>14.0</b>	<b>13.5</b>	<b>15.0</b>
- US	13.0	7.1	5.0	8.1	8.1	14.1	10.3	3.0	5.6	8.0
- Canada/Mexico	-2.8	5.2	-7.4	21.0	4.0	22.3	24.9	11.8	3.0	15.0
<b>NAFTA</b>	<b>11.0</b>	<b>6.8</b>	<b>3.4</b>	<b>9.4</b>	<b>7.6</b>	<b>15.0</b>	<b>12.3</b>	<b>4.0</b>	<b>5.3</b>	<b>8.8</b>
- China	51.6	13.4	17.6	15.7	22.6	24.3	33.9	35.0	26.8	30.0
- Other Asia	35.6	9.7	20.8	19.5	21.2	20.3	40.8	22.6	28.8	27.4
<b>Asia</b>	<b>45.0</b>	<b>12.1</b>	<b>18.9</b>	<b>17.1</b>	<b>22.0</b>	<b>22.8</b>	<b>36.3</b>	<b>30.0</b>	<b>27.6</b>	<b>29.0</b>
<b>Rest of World</b>	<b>3.7</b>	<b>6.8</b>	<b>7.5</b>	<b>13.8</b>	<b>8.3</b>	<b>19.8</b>	<b>7.2</b>	<b>22.6</b>	<b>8.6</b>	<b>14.0</b>
<b>M-B Cars</b>	<b>14.0</b>	<b>3.5</b>	<b>9.0</b>	<b>13.9</b>	<b>10.0</b>	<b>18.0</b>	<b>19.6</b>	<b>17.5</b>	<b>14.8</b>	<b>17.4</b>
<b>Share (%)</b>										
- Germany	15.2	17.5	15.4	15.3	15.8	14.2	15.7	14.2	14.1	14.6
- R of W Europe	23.9	23.6	21.8	22.8	23.0	24.1	24.4	21.8	23.6	23.5
<b>Western Europe</b>	<b>39.1</b>	<b>41.1</b>	<b>37.2</b>	<b>38.1</b>	<b>38.8</b>	<b>38.4</b>	<b>40.1</b>	<b>36.1</b>	<b>37.7</b>	<b>38.0</b>
- US	19.7	19.6	19.5	21.0	20.0	19.1	18.1	17.1	19.3	18.4
- Canada/Mexico	2.4	3.0	2.5	2.8	2.7	2.5	3.2	2.4	2.5	2.6
<b>NAFTA</b>	<b>22.2</b>	<b>22.6</b>	<b>22.0</b>	<b>23.8</b>	<b>22.7</b>	<b>21.6</b>	<b>21.2</b>	<b>19.5</b>	<b>21.8</b>	<b>21.0</b>
- China	18.1	16.3	17.7	16.1	17.0	19.0	18.2	20.3	17.8	18.8
- Other Asia	11.3	8.7	12.0	10.6	10.6	11.5	10.2	12.5	11.9	11.5
<b>Asia</b>	<b>29.3</b>	<b>24.9</b>	<b>29.6</b>	<b>26.8</b>	<b>27.6</b>	<b>30.5</b>	<b>28.4</b>	<b>32.8</b>	<b>29.8</b>	<b>30.4</b>
<b>Rest of World</b>	<b>9.4</b>	<b>11.4</b>	<b>11.2</b>	<b>11.4</b>	<b>10.9</b>	<b>9.5</b>	<b>10.2</b>	<b>11.7</b>	<b>10.8</b>	<b>10.6</b>
<b>M-B Cars</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

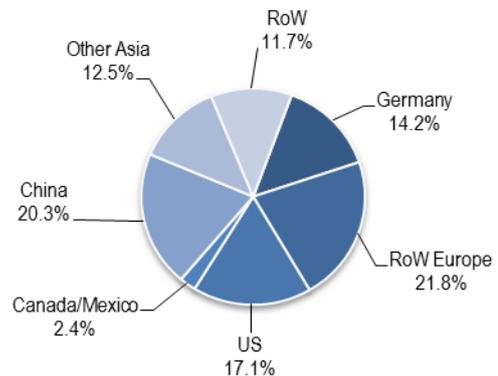
Source: Company data and CGI estimates

**M-B Cars – Geographic split wholesales (3Q14)**



Source: Company data and CGI calculations

**M-B Cars – Geographic split wholesales (3Q15E)**



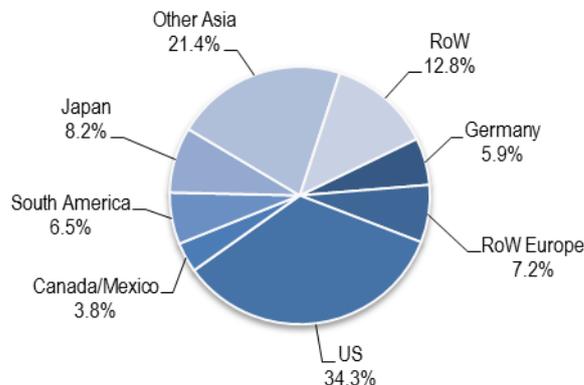
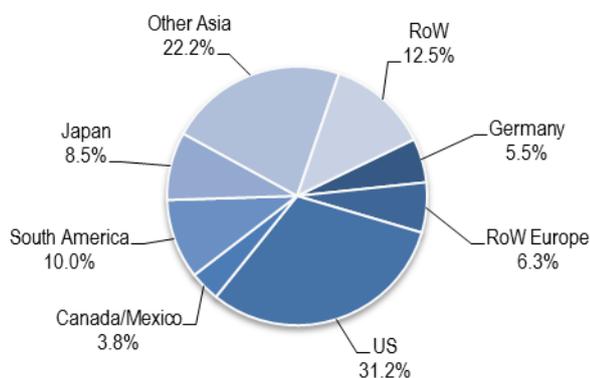
Source: Company data and CGI calculations

## Daimler Trucks – 3Q/FY15E

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
<b>(EUR m)</b>										
Revenue	7,121	7,966	8,463	8,839	32,389	8,414	9,441	9,479	9,914	37,247
% change yoy	1.4	0.0	6.0	4.0	2.9	18.2	18.5	12.0	12.2	15.0
EBIT <sup>1</sup>	341	455	588	494	1,878	472	682	730	723	2,607
% change yoy	194.0	4.8	12.6	-12.6	14.7	38.4	49.9	24.1	46.5	38.8
EBIT margin (%)	4.8	5.7	6.9	5.6	5.8	5.6	7.2	7.7	7.3	7.0
One-offs	-5	-71	-30	-89	-195	-64	-35	-30	-31	-160
Adj. EBIT <sup>1</sup>	346	526	618	583	2,073	536	717	760	754	2,767
% change yoy	168.2	1.9	16.6	0.9	18.3	54.9	36.3	23.0	29.4	33.5
Adj. EBIT margin (%)	4.9	6.6	7.3	6.6	6.4	6.4	7.6	8.0	7.6	7.4
Impl. unit/revenue (% chge yoy)	-5.2	-1.8	5.1	3.2	0.5	14.1	19.4	6.7	5.4	11.0
<b>Units ('000)</b>										
Incoming orders	134.0	124.7	125.9	172.9	550.5	129.9	123.5	-	-	-
% change yoy	6.2	-0.9	0.0	43.7	10.5	-3.1	-0.9	-	-	-
Wholesales	108.5	126.1	125.6	135.5	495.7	112.4	125.1	131.8	144.2	513.6
% change yoy	7.0	1.9	0.9	0.7	2.4	3.6	-0.8	5.0	6.4	3.6
Production	122.1	127.7	124.4	123.6	497.7	122.2	127.0	130.3	136.1	515.7
% change yoy	9.8	0.2	-3.1	0.1	1.5	0.1	-0.5	4.8	10.2	3.6
Over-production	13.6	1.6	-1.2	-11.9	2.0	9.8	1.9	-1.5	-8.1	2.1

Source: Company data and CGI estimates

Daimler Trucks – Geographic split unit sales<sup>1</sup> (3Q14)Daimler Trucks – Geographic split unit sales<sup>1</sup> (3Q15E)

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

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

## Management guidance 2015 (Apr 28)

## Market assumptions: truck markets

- NAFTA region: +10% to 15%
- Europe: +5% to 10%
- Japan: around the prior-year level
- Brazil: around -30%
- Indonesia (incl. light-duty): around -20%

## Daimler Trucks: sales outlook

- Significantly higher unit sales due to strong product portfolio
- Strong order backlog, especially in NAFTA region
- Growth potential due to new Asia Business Model

## Daimler Trucks : EBIT outlook

- Significantly above the prior-year level

## Management guidance 2015 (Jul 23)

## Market assumptions: truck markets

- NAFTA region: +10% to 15%
- Europe: +10% to 15%
- Japan: around the prior-year level
- Brazil: around -40%
- Indonesia (incl. light-duty): around -20%

## Daimler Trucks: sales outlook

- Significantly higher unit sales due to strong product portfolio
- Continued strong sales development in NAFTA region
- Growth potential due to new Asia Business Model

## Daimler Trucks : EBIT outlook

- Significantly above the prior-year level .

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
<b>Units ('000)</b>										
- Germany	6.5	7.1	6.9	8.5	29.0	5.0	7.6	7.8	9.8	30.2
- Rest W Europe	5.1	6.1	6.7	9.3	28.4	6.4	7.7	9.5	10.8	34.4
<b>Western Europe</b>	<b>11.6</b>	<b>13.2</b>	<b>13.7</b>	<b>17.7</b>	<b>57.4</b>	<b>11.5</b>	<b>15.2</b>	<b>17.3</b>	<b>20.6</b>	<b>64.6</b>
- US	30.6	35.8	36.6	36.1	141.6	35.7	43.7	45.2	41.8	166.4
- Canada/Mexico	4.0	5.3	4.5	6.0	19.9	5.1	5.7	5.0	6.8	22.5
<b>NAFTA</b>	<b>34.6</b>	<b>41.1</b>	<b>41.0</b>	<b>41.9</b>	<b>161.5</b>	<b>40.8</b>	<b>49.4</b>	<b>50.1</b>	<b>48.6</b>	<b>188.9</b>
<b>South America</b>	<b>10.2</b>	<b>11.9</b>	<b>12.7</b>	<b>12.5</b>	<b>47.1</b>	<b>7.2</b>	<b>8.5</b>	<b>8.5</b>	<b>8.2</b>	<b>32.5</b>
- Japan	13.4	8.9	10.6	10.8	43.9	12.3	10.4	10.8	11.1	44.6
- Other Asia	27.2	33.9	26.3	34.4	123.4	25.0	25.0	28.2	36.0	114.2
<b>Asia</b>	<b>40.6</b>	<b>42.8</b>	<b>36.9</b>	<b>45.2</b>	<b>167.2</b>	<b>37.3</b>	<b>35.4</b>	<b>39.1</b>	<b>47.1</b>	<b>158.9</b>
<b>Rest of World</b>	<b>11.5</b>	<b>16.9</b>	<b>15.1</b>	<b>18.3</b>	<b>62.5</b>	<b>15.6</b>	<b>16.5</b>	<b>16.8</b>	<b>19.7</b>	<b>68.7</b>
<b>Daimler Trucks</b>	<b>108.5</b>	<b>126.1</b>	<b>119.4</b>	<b>135.5</b>	<b>495.7</b>	<b>112.4</b>	<b>125.1</b>	<b>131.8</b>	<b>144.2</b>	<b>513.6</b>
<b>% chge yoy</b>										
- Germany	4.7	-6.5	-11.6	-28.3	-13.3	-22.5	6.0	12.0	16.1	4.0
- Rest W Europe	-10.9	-8.0	-10.5	-17.1	-12.4	25.0	25.6	20.5	16.8	21.2
<b>Western Europe</b>	<b>-2.8</b>	<b>-7.2</b>	<b>-11.0</b>	<b>-22.9</b>	<b>-12.8</b>	<b>-1.5</b>	<b>15.1</b>	<b>16.5</b>	<b>16.5</b>	<b>12.5</b>
- US	14.8	19.3	27.6	18.5	20.2	16.8	22.1	15.5	15.7	17.5
- Canada/Mexico	-0.9	8.7	3.1	47.5	14.1	28.7	6.5	4.4	16.8	13.4
<b>NAFTA</b>	<b>12.8</b>	<b>17.8</b>	<b>24.9</b>	<b>21.5</b>	<b>19.4</b>	<b>18.2</b>	<b>20.0</b>	<b>14.3</b>	<b>15.9</b>	<b>17.0</b>
<b>South America</b>	<b>-21.8</b>	<b>-25.7</b>	<b>-22.7</b>	<b>-11.4</b>	<b>-20.6</b>	<b>-28.7</b>	<b>-28.3</b>	<b>-32.0</b>	<b>-34.4</b>	<b>-31.0</b>
- Japan	51.6	2.1	5.9	1.4	14.4	-8.5	16.3	1.5	2.9	1.8
- Other Asia	3.2	2.1	-10.1	1.9	-0.8	-8.2	-26.2	1.2	4.7	-7.4
<b>Asia</b>	<b>15.4</b>	<b>2.1</b>	<b>-6.2</b>	<b>1.8</b>	<b>2.8</b>	<b>-8.3</b>	<b>-17.3</b>	<b>1.3</b>	<b>4.3</b>	<b>-5.0</b>
<b>Rest of World</b>	<b>8.8</b>	<b>2.1</b>	<b>2.6</b>	<b>-2.0</b>	<b>2.1</b>	<b>35.2</b>	<b>-2.3</b>	<b>6.9</b>	<b>8.1</b>	<b>10.0</b>
<b>Daimler Trucks</b>	<b>7.0</b>	<b>1.9</b>	<b>0.9</b>	<b>0.7</b>	<b>2.4</b>	<b>3.6</b>	<b>-0.8</b>	<b>5.0</b>	<b>6.4</b>	<b>3.6</b>
<b>Share (%)</b>										
- Germany	6.0	5.7	5.5	6.2	5.9	4.5	6.0	5.9	6.8	5.9
- Rest W Europe	4.7	4.8	6.3	6.8	5.7	5.7	6.1	7.2	7.5	6.7
<b>Western Europe</b>	<b>10.7</b>	<b>10.5</b>	<b>11.8</b>	<b>13.1</b>	<b>11.6</b>	<b>10.2</b>	<b>12.2</b>	<b>13.1</b>	<b>14.3</b>	<b>12.6</b>
- US	28.2	28.4	31.2	26.6	28.6	31.8	34.9	34.3	29.0	32.4
- Canada/Mexico	3.7	4.2	3.7	4.4	4.0	4.5	4.5	3.8	4.7	4.4
<b>NAFTA</b>	<b>31.8</b>	<b>32.6</b>	<b>34.9</b>	<b>30.9</b>	<b>32.6</b>	<b>36.3</b>	<b>39.5</b>	<b>38.0</b>	<b>33.7</b>	<b>36.8</b>
<b>South America</b>	<b>9.4</b>	<b>9.5</b>	<b>10.0</b>	<b>9.2</b>	<b>9.5</b>	<b>6.4</b>	<b>6.8</b>	<b>6.5</b>	<b>5.7</b>	<b>6.3</b>
- Japan	12.4	7.1	8.5	8.0	8.8	10.9	8.3	8.2	7.7	8.7
- Other Asia	25.1	26.9	22.2	25.4	24.9	22.2	20.0	21.4	25.0	22.2
<b>Asia</b>	<b>37.4</b>	<b>34.0</b>	<b>30.7</b>	<b>33.3</b>	<b>33.7</b>	<b>33.2</b>	<b>28.3</b>	<b>29.6</b>	<b>32.7</b>	<b>30.9</b>
<b>Rest of World</b>	<b>10.6</b>	<b>13.4</b>	<b>12.5</b>	<b>13.5</b>	<b>12.6</b>	<b>13.9</b>	<b>13.2</b>	<b>12.8</b>	<b>13.7</b>	<b>13.4</b>
<b>Daimler Trucks</b>	<b>100.0</b>									

Source: Company data and CGI estimates

**Daimler Trucks – Incoming orders by market (1Q13 – 1Q15)**

	1Q13	2Q13	3Q13	4Q13	FY13	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15A	1H15A
<b>Units ('000)</b>													
- 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	15.7
- 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	18.5
<b>Western Europe</b>	<b>15.3</b>	<b>14.6</b>	<b>22.3</b>	<b>9.9</b>	<b>64.7</b>	<b>12.6</b>	<b>14.4</b>	<b>13.3</b>	<b>14.6</b>	<b>54.9</b>	<b>17.3</b>	<b>17.0</b>	<b>34.2</b>
- 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	82.8
- 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	9.4
<b>NAFTA</b>	<b>35.9</b>	<b>32.8</b>	<b>33.0</b>	<b>42.1</b>	<b>142.7</b>	<b>52.2</b>	<b>39.9</b>	<b>39.2</b>	<b>85.3</b>	<b>216.6</b>	<b>52.3</b>	<b>39.8</b>	<b>92.2</b>
<b>South America</b>	<b>13.1</b>	<b>14.1</b>	<b>14.8</b>	<b>10.5</b>	<b>53.6</b>	<b>9.8</b>	<b>12.2</b>	<b>10.6</b>	<b>13.4</b>	<b>46.0</b>	<b>3.0</b>	<b>8.1</b>	<b>11.0</b>
- 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	23.7
- 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	51.1
<b>Asia</b>	<b>45.4</b>	<b>39.5</b>	<b>37.7</b>	<b>43.4</b>	<b>170.0</b>	<b>43.7</b>	<b>40.2</b>	<b>39.4</b>	<b>41.3</b>	<b>164.6</b>	<b>37.0</b>	<b>37.8</b>	<b>74.8</b>
<b>Rest of World</b>	<b>16.5</b>	<b>20.3</b>	<b>18.1</b>	<b>14.5</b>	<b>67.0</b>	<b>15.7</b>	<b>18.1</b>	<b>16.6</b>	<b>18.2</b>	<b>68.6</b>	<b>20.3</b>	<b>20.8</b>	<b>41.1</b>
<b>Daimler Trucks</b>	<b>126.2</b>	<b>121.3</b>	<b>125.9</b>	<b>120.3</b>	<b>498.1</b>	<b>134.0</b>	<b>124.7</b>	<b>119.0</b>	<b>172.9</b>	<b>550.5</b>	<b>129.9</b>	<b>123.5</b>	<b>253.4</b>
<b>% chge yoy</b>													
- 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	28.5
- 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	25.3
<b>Western Europe</b>	<b>2.4</b>	<b>-0.6</b>	<b>86.5</b>	<b>-29.3</b>	<b>18.6</b>	<b>-17.2</b>	<b>-16.6</b>	<b>-40.7</b>	<b>47.8</b>	<b>-15.3</b>	<b>36.6</b>	<b>18.0</b>	<b>26.7</b>
- 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	3.2
- 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	-20.6
<b>NAFTA</b>	<b>28.6</b>	<b>66.5</b>	<b>39.5</b>	<b>19.5</b>	<b>30.7</b>	<b>45.2</b>	<b>25.7</b>	<b>18.6</b>	<b>102.9</b>	<b>51.7</b>	<b>0.3</b>	<b>-0.2</b>	<b>0.1</b>
<b>South America</b>	<b>32.7</b>	<b>4.1</b>	<b>26.8</b>	<b>-13.2</b>	<b>26.0</b>	<b>-25.1</b>	<b>-20.2</b>	<b>-28.2</b>	<b>27.3</b>	<b>-14.3</b>	<b>-69.7</b>	<b>-33.7</b>	<b>-49.8</b>
- 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	3.3
- 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	-16.2
<b>Asia</b>	<b>14.9</b>	<b>11.6</b>	<b>17.1</b>	<b>24.8</b>	<b>12.5</b>	<b>-3.7</b>	<b>-7.7</b>	<b>4.4</b>	<b>-4.8</b>	<b>-3.2</b>	<b>-15.4</b>	<b>-5.9</b>	<b>-10.8</b>
<b>Rest of World</b>	<b>14.6</b>	<b>43.0</b>	<b>13.5</b>	<b>11.6</b>	<b>12.5</b>	<b>-4.7</b>	<b>0.1</b>	<b>-8.2</b>	<b>26.1</b>	<b>2.3</b>	<b>29.4</b>	<b>15.3</b>	<b>21.9</b>
<b>Daimler Trucks</b>	<b>18.3</b>	<b>24.4</b>	<b>31.9</b>	<b>10.4</b>	<b>19.4</b>	<b>6.2</b>	<b>-0.9</b>	<b>-5.5</b>	<b>43.7</b>	<b>10.5</b>	<b>-3.1</b>	<b>-0.9</b>	<b>-2.1</b>

Source: Company data and CGI calculation

## Mercedes-Benz Vans &amp; Daimler Buses – 3Q/FY15E

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
(EUR m)										
Revenue	2,212	2,494	2,515	2,747	9,968	2,415	2,829	2,716	3,005	10,965
% change yoy	11.4	2.5	11.6	1.9	6.4	9.2	13.4	8.0	9.4	10.0
EBIT	123	242	176	141	682	215	234	212	205	866
% change yoy	51.9	18.6	15.8	-27.3	8.1	74.8	-3.3	20.4	45.6	27.0
EBIT margin (%)	5.6	9.7	7.0	5.1	6.8	8.9	8.3	7.8	6.8	7.9
One-offs	0	61	0	-17	44	-6	-6	-10	-18	-40
Adj. EBIT <sup>1</sup>	123	181	176	158	638	221	240.0	222	223	906
% change yoy	51.9	-11.3	15.8	-18.6	1.1	79.7	32.6	26.1	41.4	42.0
Adj. EBIT margin (%)	5.6	7.3	7.0	5.8	6.4	9.2	8.5	8.2	7.4	8.3
Impl. unit/rev. (% yoy)	-4.1	-6.4	1.0	-1.1	-2.4	4.6	5.6	0.9	0.3	2.7
Units ('000)										
Retail sales	53.9	68.5	66.5	77.4	266.3	57.6	73.7	-	-	-
% change yoy	2.2	-0.2	-0.7	-3.4	-0.8	6.8	7.5	-	-	-
Wholesales	61.1	76.0	72.2	85.3	294.6	63.8	81.6	77.3	93.0	315.7
% change yoy	16.1	9.5	10.6	3.0	9.1	4.4	7.4	7.0	9.1	7.2
Production	73.9	81.5	73.1	70.4	299.0	74.7	86.5	76.3	80.2	317.7
% change yoy	17.0	11.9	16.4	-2.2	10.4	1.1	6.2	4.3	13.8	6.2
Over-production	12.8	5.5	0.9	-14.8	4.4	10.9	4.9	-1.0	-12.8	2.0

Source: Company data and CGI estimates

## Management guidance 2015 (Apr 28)

## Market assumptions: van markets

- Europe: slight growth

## 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

## Mercedes-Benz Vans: EBIT outlook

- Significantly above the prior-year level

## Management guidance 2015 (Jul 23)

## Market assumptions: van markets

- Europe: significant growth

## 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

## Mercedes-Benz Vans: EBIT outlook

- Significantly above the prior-year level

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

	1Q14	2Q14	3Q14	4Q14	FY14	1Q15	2Q15	3Q15E	4Q15E	FY15E
(EUR m)										
Revenue	859	1,048	1,034	1,277	4,218	877	1,037	1,029	1,191	4,134
% change yoy	14.4	12.2	-8.3	-1.2	2.8	2.1	-1.0	-0.5	-6.7	-2.0
EBIT	53	50	64	30	197	34	57	40	34	165
% change yoy	NM	85.2	8.5	-56.5	58.9	-35.8	14.0	-37.5	13.3	-16.2
EBIT margin (%)	6.2	4.8	6.2	2.3	4.7	3.9	5.5	3.9	2.9	4.0
One-offs	-1	-8	0	-5	-14	-1	0	-5	-14	-20
Adj. EBIT <sup>1</sup>	54	58	64	35	211	35	57	45	48	185
% change yoy	NM	23.4	4.9	-57.3	29.4	-35.2	-1.7	-29.7	37.1	-12.3
Adj. EBIT margin (%)	6.3	5.5	6.2	2.7	5.0	4.0	5.5	4.4	4.0	4.5
Impl. unit/rev. (% yoy)	11.0	9.7	2.7	2.2	2.2	11.0	9.1	8.2	2.4	8.9
Units ('000)										
Wholesales	6.7	8.1	8.6	9.8	33.2	5.7	7.3	7.9	8.9	29.8
% change yoy	10.6	2.3	-10.7	-3.4	-1.6	-15.0	-9.3	-8.0	-8.9	-10.0
Production	7.7	8.9	8.0	6.9	31.5	7.8	8.0	8.0	6.6	30.3
% change yoy	5.1	-4.5	-15.3	-17.9	-8.7	0.3	-10.0	0.0	-4.1	-3.6
Over-production	1.1	0.8	-0.6	-2.9	-1.7	2.1	0.6	0.1	-2.3	0.5

Source: Company data and CGI estimates

## Management guidance 2015 (Apr 28)

## Market assumptions: bus markets

- Europe: slight growth
- Brazil: at least -20%

## 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

## Daimler Buses: EBIT outlook

- Significantly below the prior-year level

## Management guidance 2015 (Jul 23)

## Market assumptions: bus markets

- Europe: slight growth
- Brazil: at least -25%

## 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

## Daimler Buses: EBIT outlook (Oct 14)

- Significantly below the prior-year level

## Daimler management guidance for 2015

Market assumptions 2015 (Apr 28)	Market assumptions 2015 (Jul 23)
<b>Passenger vehicle markets</b>	<b>Passenger vehicle markets</b>
<ul style="list-style-type: none"> <li>• Global: around +3%</li> <li>• Western Europe: slight growth</li> <li>• USA: slight growth</li> <li>• China: significant growth</li> </ul>	<ul style="list-style-type: none"> <li>• Global: around +2%</li> <li>• Western Europe: slight growth</li> <li>• USA: slight growth</li> <li>• China: significant growth</li> </ul>
<b>Truck markets</b>	<b>Truck markets</b>
<ul style="list-style-type: none"> <li>• NAFTA region: +10% to 15%</li> <li>• Europe: +5% to 10%</li> <li>• Japan: around the prior-year level</li> <li>• Brazil: around -30%</li> <li>• Indonesia (incl. light-duty): around -20%</li> </ul>	<ul style="list-style-type: none"> <li>• NAFTA region: +10% to 15%</li> <li>• Europe: +10% to 15%</li> <li>• Japan: around the prior-year level</li> <li>• Brazil: around -40%</li> <li>• Indonesia (incl. light-duty): around -20%</li> </ul>
<b>Van markets</b>	<b>Van markets</b>
<ul style="list-style-type: none"> <li>• Europe: slight growth</li> </ul>	<ul style="list-style-type: none"> <li>• Europe: significant growth</li> </ul>
<b>Bus markets</b>	<b>Bus markets</b>
<ul style="list-style-type: none"> <li>• Europe: slight growth</li> <li>• Brazil: at least -20%</li> </ul>	<ul style="list-style-type: none"> <li>• Europe: slight growth</li> <li>• Brazil: at least -25%</li> </ul>
Sales outlook FY15 (Apr 28)	Sales outlook FY15 (Jul 23)
<b>Mercedes-Benz Cars</b>	<b>Mercedes-Benz Cars</b>
<ul style="list-style-type: none"> <li>• Significantly higher unit sales based on young and attractive product portfolio</li> <li>• Strong momentum from full availability of new C-Class and smart models</li> <li>• Launch of all-new Mercedes-Maybach, Mercedes-AMG GT, CLA Shooting Brake and GLE Coupé</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly higher unit sales based on young and attractive product portfolio</li> <li>• Strong momentum from full availability of new C-Class and smart models</li> <li>• Launch of all-new Mercedes-Maybach, Mercedes-AMG GT, CLA Shooting Brake and GLE Coupé</li> </ul>
<b>Daimler Trucks</b>	<b>Daimler Trucks</b>
<ul style="list-style-type: none"> <li>• Significantly higher unit sales due to strong product portfolio</li> <li>• Strong order backlog, especially in NAFTA region</li> <li>• Growth potential due to new Asia Business Model</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly higher unit sales due to strong product portfolio</li> <li>• Continued strong sales development in NAFTA region</li> <li>• Growth potential due to new Asia Business Model</li> </ul>
<b>Mercedes-Benz Vans</b>	<b>Mercedes-Benz Vans</b>
<ul style="list-style-type: none"> <li>• Significantly higher unit sales</li> <li>• Strong momentum - full availability of new Vito and V-Class</li> <li>• Product expansion to North and South America</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly higher unit sales</li> <li>• Strong momentum - full availability of new Vito and V-Class</li> <li>• Product expansion to North and South America</li> </ul>
<b>Daimler Buses</b>	<b>Daimler Buses</b>
<ul style="list-style-type: none"> <li>• Significant decrease in unit sales</li> <li>• Maintain market leadership in Western Europe and Brazil</li> <li>• Stable sales development in Europe, significant sales decrease in Latin America</li> </ul>	<ul style="list-style-type: none"> <li>• Significant decrease in unit sales</li> <li>• Maintain market leadership in Western Europe and Brazil</li> <li>• Stable sales development in Europe, significant sales decrease in Latin America</li> </ul>
EBIT outlook FY14 (Apr 28)	EBIT outlook FY14 (Jul 23)
<b>Group</b>	<b>Group</b>
<ul style="list-style-type: none"> <li>• We expect Group EBIT for FY 2015 to increase significantly</li> </ul>	<ul style="list-style-type: none"> <li>• We expect Group EBIT for FY 2015 to increase significantly</li> </ul>
<b>Mercedes-Benz Cars</b>	<b>Mercedes-Benz Cars</b>
<ul style="list-style-type: none"> <li>• Significantly above the prior-year level</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly above the prior-year level</li> </ul>
<b>Daimler Trucks</b>	<b>Daimler Trucks</b>
<ul style="list-style-type: none"> <li>• Significantly above the prior-year level</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly above the prior-year level</li> </ul>
<b>Mercedes-Benz Vans</b>	<b>Mercedes-Benz Vans</b>
<ul style="list-style-type: none"> <li>• Significantly above the prior-year level</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly above the prior-year level</li> </ul>
<b>Daimler Buses</b>	<b>Daimler Buses</b>
<ul style="list-style-type: none"> <li>• Significantly below the prior-year level</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly below the prior-year level</li> </ul>
<b>Daimler Financial Services</b>	<b>Daimler Financial Services</b>
<ul style="list-style-type: none"> <li>• Slightly above the prior-year level</li> </ul>	<ul style="list-style-type: none"> <li>• Significantly above the prior-year level</li> </ul>

## Group estimates 2015E-17E

Daimler – Divisional EBIT (2010-2017E)								
	2010	2011	2012	2013	2014	2015E	2016E	2017E
<b>Revenue (EUR m)</b>								
Mercedes-Benz Cars	53,426	57,410	61,660	64,307	73,310	84,622	91,391	98,703
Daimler Trucks	24,024	28,751	31,389	31,473	32,417	37,247	40,972	44,250
Daimler Financial Services	12,788	12,080	13,550	14,522	15,539	19,189	21,108	23,641
Mercedes-Benz Vans	7,812	9,179	9,070	9,369	10,306	10,965	11,732	12,554
Daimler Buses	4,558	4,418	3,929	4,105	4,105	4,134	4,361	4,884
Intra-group/reconciliations	-4,847	-5,298	-5,301	-5,794	-6,244	-6,778	-7,278	-7,778
<b>Group</b>	<b>97,761</b>	<b>106,540</b>	<b>114,297</b>	<b>117,982</b>	<b>129,433</b>	<b>149,379</b>	<b>162,287</b>	<b>176,253</b>
<b>EBIT (EUR m)</b>								
Mercedes-Benz Cars	4,656	5,192	4,442	4,180	5,964	8,473	8,942	9,554
Daimler Trucks	1,212	1,978	1,695	1,753	2,073	2,767	3,079	3,274
Daimler Financial Services	922	1,322	1,293	1,268	1,387	1,637	1,510	1,580
Mercedes-Benz Vans	451	835	607	631	638	906	1,022	1,067
Daimler Buses	215	162	-66	163	211	185	155	200
Intra-group/reconciliations	-244	-512	410	-74	-127	-100	-100	-100
<b>Group EBIT (on-going bus.)</b>	<b>7,212</b>	<b>8,977</b>	<b>8,381</b>	<b>7,921</b>	<b>10,146</b>	<b>13,868</b>	<b>14,608</b>	<b>15,576</b>
One-offs	62	-222	439	2,894	606	-315	-410	0
<b>Group EBIT (headline)</b>	<b>7,274</b>	<b>8,755</b>	<b>8,820</b>	<b>10,815</b>	<b>10,752</b>	<b>13,553</b>	<b>14,198</b>	<b>15,576</b>
<b>Margin (%)</b>								
Mercedes-Benz Cars	8.7	9.0	7.2	6.5	7.9	10.0	9.8	9.7
Daimler Trucks	5.0	6.9	5.4	5.6	6.4	7.4	7.5	7.4
Daimler Financial Services	7.2	10.9	9.5	8.7	9.1	8.5	7.2	6.7
Mercedes-Benz Vans	5.8	9.1	6.7	6.7	6.6	8.3	8.7	8.5
Daimler Buses	4.7	3.7	-1.7	4.0	4.5	4.5	3.6	4.1
<b>Group EBIT (on-going bus.)</b>	<b>7.4</b>	<b>8.4</b>	<b>7.3</b>	<b>6.7</b>	<b>7.8</b>	<b>9.3</b>	<b>9.0</b>	<b>8.8</b>
<b>Group EBIT (headline)</b>	<b>7.4</b>	<b>8.2</b>	<b>7.7</b>	<b>9.2</b>	<b>8.3</b>	<b>9.1</b>	<b>8.7</b>	<b>8.8</b>

Source: Company data and CGI estimates

Daimler –Wholesales by division (2010-2017E)								
	2010	2011	2012	2013	2014	2015E	2016E	2017E
<b>Units ('000)</b>								
Mercedes-Benz Cars	1,276.8	1,381.4	1,451.6	1,566.2	1,722.6	2,021.6	2,161.9	2,319.0
Daimler Trucks	355.3	425.8	461.9	484.2	495.7	513.6	555.2	592.4
Mercedes-Benz Vans	224.2	264.2	252.4	270.1	294.6	315.7	347.5	382.1
Daimler Buses	39.1	39.7	32.1	33.7	33.2	29.8	31.3	34.5
<b>Group</b>	<b>1,895.4</b>	<b>2,111.1</b>	<b>2,197.9</b>	<b>2,354.3</b>	<b>2,546.0</b>	<b>2,880.7</b>	<b>3,095.9</b>	<b>3,328.0</b>
<b>%-change yoy</b>								
Mercedes-Benz Cars	16.7	8.2	5.1	7.9	10.0	17.4	6.9	7.3
Daimler Trucks	37.0	19.8	8.5	4.8	2.4	3.6	8.1	6.7
Mercedes-Benz Vans	35.4	17.8	-4.5	7.0	9.1	7.2	10.1	10.0
Daimler Buses	20.4	1.6	-19.3	5.0	-1.6	-10.0	5.0	10.0
<b>Group</b>	<b>22.2</b>	<b>11.4</b>	<b>4.1</b>	<b>7.1</b>	<b>8.1</b>	<b>13.1</b>	<b>7.5</b>	<b>7.5</b>

Source: Company data and CGI estimates

## Overview

### Daimler– overview (2010-17E)

Current price (EUR)	72.33							
Market capitalisation (EUR bn)	77.38							
Shares (m)	1,069.8							
<b>Values per share (EUR)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014E</b>	<b>2015E</b>	<b>2016E</b>	<b>2017E</b>
EPS	4.28	5.32	6.02	6.40	6.50	8.39	8.76	9.66
EPS - adjusted	4.28	5.32	5.16	5.00	5.68	8.39	8.76	9.66
CFPS	7.71	8.44	8.41	7.79	9.03	13.13	12.35	15.03
BVPS	34.14	37.16	35.50	39.90	40.82	40.82	46.07	51.73
DPS	1.85	2.20	2.20	2.25	2.45	3.35	3.50	4.00
Free CFPS - industrial	5.17	0.93	1.36	4.53	5.12	5.01	4.93	6.50
<b>Stock market ratios (x)</b>								
P/E	16.9	13.6	12.0	11.3	11.1	8.6	8.3	7.5
P/E – adjusted	16.9	13.6	14.0	14.5	12.7	8.6	8.3	7.5
P/CF	9.4	8.6	8.6	9.3	8.0	5.5	5.9	4.8
P/BV	2.1	1.9	2.0	1.8	1.8	1.8	1.6	1.4
P/revenue	0.79	0.73	0.68	0.66	0.60	0.52	0.48	0.44
Dividend yield (%)	2.6	3.0	3.0	3.1	3.4	4.6	4.8	5.5
Free CF yield (%)	7.1	1.3	1.9	6.3	7.1	6.9	6.8	9.0
EV (EUR m)	62,156	62,190	62,179	58,797	55,972	52,949	51,087	49,444
EV/revenue – industrial (%)	73.1	65.8	61.7	56.8	49.1	40.7	36.2	32.4
EV/EBITDA - industrial	6.4	5.7	5.4	4.2	3.9	3.0	2.7	2.4
<b>Group P&amp;L (EUR m)</b>								
<b>Revenue</b>	<b>97,761</b>	<b>106,540</b>	<b>114,297</b>	<b>117,982</b>	<b>129,872</b>	<b>149,379</b>	<b>162,287</b>	<b>176,253</b>
- Industrial operations	84,973	94,460	100,747	103,460	113,881	130,189	141,179	152,612
- Financial services	12,788	12,080	13,550	14,522	15,991	19,189	21,108	23,641
<b>EBIT</b>	<b>7,274</b>	<b>8,755</b>	<b>8,820</b>	<b>10,815</b>	<b>10,743</b>	<b>13,553</b>	<b>14,198</b>	<b>15,576</b>
- Industrial business	6,443	7,443	7,527	9,547	9,356	11,916	12,688	13,996
- Financial services	831	1,312	1,293	1,268	1,387	1,637	1,510	1,580
EBITDA	10,638	12,330	12,887	15,183	15,742	19,436	20,576	22,444
Net interest	-646	-306	-704	-676	-579	-420	-410	-400
<b>Pre-tax profit</b>	<b>6,628</b>	<b>8,449</b>	<b>8,116</b>	<b>10,139</b>	<b>10,164</b>	<b>13,133</b>	<b>13,788</b>	<b>15,176</b>
Less tax charge/-credit	1,954	2,420	1,286	1,419	2,883	3,816	4,058	4,464
<b>Net profit - continuing operations,</b>	<b>4,674</b>	<b>6,029</b>	<b>6,830</b>	<b>8,720</b>	<b>7,281</b>	<b>9,317</b>	<b>9,729</b>	<b>10,712</b>
Less minorities	176	362	402	1,875	328	340	360	380
<b>Group NI - Daimler SHs (cont.ops)</b>	<b>4,498</b>	<b>5,667</b>	<b>6,428</b>	<b>6,845</b>	<b>6,953</b>	<b>8,977</b>	<b>9,369</b>	<b>10,332</b>
Combined net income – Daimler SHs	4,498	5,667	6,428	6,845	6,953	8,977	9,369	10,332
<b>CF - industrial business (EUR m)</b>								
<b>CF from operations</b>	<b>8,933</b>	<b>9,498</b>	<b>8,086</b>	<b>8,989</b>	<b>9,977</b>	<b>14,335</b>	<b>13,577</b>	<b>15,028</b>
Working capital	1,133	-2,152	-559	1,324	-2,438	-1,532	-900	-900
<b>CF from operating activities</b>	<b>10,066</b>	<b>7,346</b>	<b>7,527</b>	<b>10,313</b>	<b>7,539</b>	<b>12,803</b>	<b>12,677</b>	<b>14,128</b>
Capital expenditure (excl. R&D)	-3,641	-4,137	-4,804	-4,956	-4,821	-5,444	-5,602	-5,370
Other	-993	-2,220	-1,271	-515	2,761	-2,000	-1,800	-1,800
<b>Free CF</b>	<b>5,432</b>	<b>989</b>	<b>1,452</b>	<b>4,842</b>	<b>5,479</b>	<b>5,360</b>	<b>5,275</b>	<b>6,958</b>
<b>BS - industrial business (EUR m)</b>								
<b>Gross Liquidity</b>	<b>10,793</b>	<b>10,079</b>	<b>13,728</b>	<b>15,148</b>	<b>13,497</b>	<b>14,200</b>	<b>15,300</b>	<b>16,400</b>
ST financing liabilities	4,525	12,525	8,067	12,218	13,518	20,060	20,260	20,460
LT liabilities	-3,480	-10,250	-10,950	-13,542	-10,325	-14,500	-14,500	-14,500
<b>Financing liabilities</b>	<b>1,045</b>	<b>2,275</b>	<b>-2,883</b>	<b>-1,324</b>	<b>3,193</b>	<b>5,560</b>	<b>5,760</b>	<b>5,960</b>
Market valuation/currency hedging	100	-373	663	10	263	0	0	0
<b>Financial liabilities (nominal)</b>	<b>1,145</b>	<b>1,902</b>	<b>-2,220</b>	<b>-1,314</b>	<b>3,456</b>	<b>5,560</b>	<b>5,760</b>	<b>5,960</b>
<b>Net liquidity</b>	<b>11,938</b>	<b>11,981</b>	<b>11,508</b>	<b>13,834</b>	<b>16,953</b>	<b>19,760</b>	<b>21,060</b>	<b>22,360</b>
Shareholders' funds	33,088	35,964	33,238	36,767	36,967	36,967	39,673	44,477
<b>Profitability and financial ratios (%)</b>								
EBIT	7.4	8.2	7.7	9.2	8.3	9.1	8.7	8.8
- Industrial business	7.6	7.9	7.5	9.2	8.2	9.2	9.0	9.2
- Financial services	6.5	10.9	9.5	8.7	8.7	8.5	7.2	6.7
EBITDA	10.9	11.6	11.3	12.9	12.1	13.0	12.7	12.7
Pre-tax profit	6.8	7.9	7.1	8.6	7.8	8.8	8.5	8.6
Net profit - continuing operations	4.8	5.7	6.0	7.4	5.6	6.2	6.0	6.1
Tax rate (%)	29.5	28.6	15.8	14.0	28.4	29.1	29.4	29.4

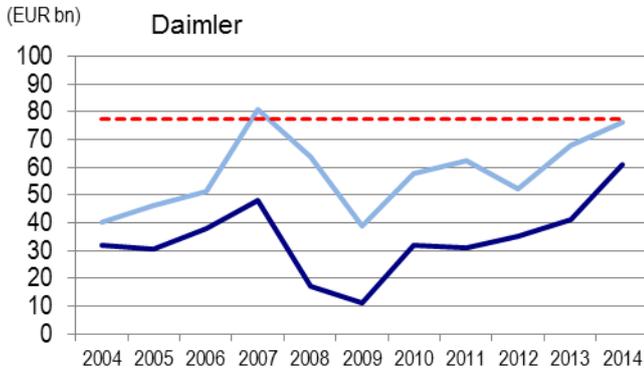
Source: Company data and CGI estimates

### Daimler shares – valuation

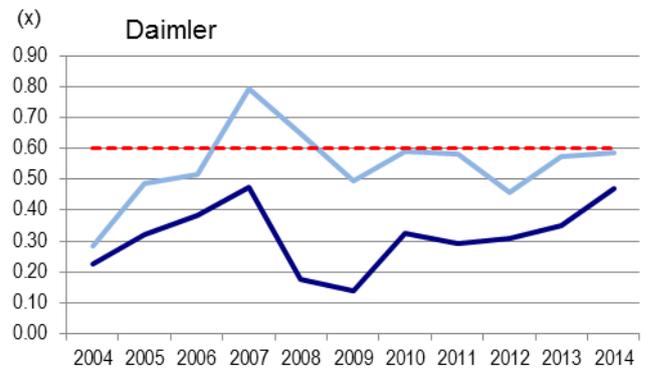
**Investment opinion - BUY**

At EUR 72.33, Daimler shares are currently valued 7.5x 2017E earnings, at a 31% discount to the 10-year average historic valuation of 10.8x. This is inconsistent with the implication that 2017E EPS (EUR 9.66) are 117% higher than the 10-year avg. (EUR 4.46). A valuation in line with the 10-year average valuation (10.8x) implies a share price of EUR 104 at YE17E and time-discounted (10-yr Bund) a target price of EUR 103 at YE16E. The TP of EUR 103 implies a 43% upside from the current price.

**Daimler – Market capitalisation – historic range (2004-14) 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 <sup>(1)</sup>	10-yr av <sup>1</sup>
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-average	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	8.39	8.76	9.66	
Current Daimler PE (x)	23.6	15.5	42.3	-27.5	16.9	13.6	14.0	14.5	12.7	8.6	8.3	7.5	
% vs. 10-yr* high	(13.2x)	79	17	219	-308	28	3	6	9	-4	-35	-38	-43
% vs. 10-yr* low	(8.2x)	189	89	417	-436	107	66	71	77	56	5	1	-8
% vs. 10-yr *average	(10.8x)	119	44	292	-355	57	26	30	34	18	-20	-23	-31

(\*) 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 72.33	7.5x	10.8x	EUR 104.09	EUR 103.45	43.0%

%Share price close 10.20.2015. (\*) Time-discounted 10-year Bund yield. Source: Company data and CGI estimates

**Daimler– share price (- 5 years)**



**Daimler vs. DAX 30 Index (- 5 years)**



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