

With its “DFS 2020” strategy, **Daimler Financial Services** aims to achieve further profitable growth in the coming years. For the year 2014, we anticipate significant growth in new business and contract volume. Important growth drivers are the product offensives of the automotive divisions, the addressing of younger customers as a new target group, the expansion of business especially in Asia, the further development of our online sales channels and the development of innovative mobility offers. In addition to car2go, we will systematically expand our range of mobility services. Two examples of this are the “moovel” mobility platform and the “Park2gether” online service for finding parking spaces.

On the basis of our assumptions concerning the development of automotive markets and the divisions’ planning, we expect the **Daimler Group** to achieve further significant growth in total unit sales in 2014.

Revenue and earnings

We assume that the Daimler Group’s **revenue** will grow significantly in 2014. Although there is still great uncertainty regarding the future development of our markets, we can assume that demand will generally increase. Another positive factor is that we should profit from the numerous new models that we launched in all of our automotive divisions in 2012 and 2013. The new models of the year 2014 will additionally stimulate demand, for example the new C-Class and the new GLA compact SUV at Mercedes-Benz Cars. Furthermore, we are increasingly developing the growth markets of Asia, Eastern Europe and Latin America for our products – partially also through local production. The revenue growth we anticipate is likely to be driven by all divisions, whereby Daimler Trucks and Mercedes-Benz Cars will probably deliver the biggest contributions in absolute terms. In regional terms, we expect to achieve above-average growth rates in the emerging markets and in North America.

The following factors are particularly important for the **earnings situation of the Daimler Group** in 2014:

- Due to our Group-wide product offensive, we are starting the year 2014 in all automotive divisions with a large number of new and attractive products and new technologies. This will enable us to convince our customers also in difficult markets.
- In order to focus our activities even more sharply on our customers and markets, we decided in September 2013 to strengthen the organization of the divisions. Under the heading of “Customer Dedication,” we are placing responsibility for the main sales functions and the important sales markets directly in the respective divisions. In this way, we will become faster and more flexible, and will create the right conditions to better utilize the growth potential in our core business and in new markets.

- With the programs “Fit for Leadership” at Mercedes-Benz Cars, “Daimler Trucks #1” at Daimler Trucks, “Performance Vans 2013” at Mercedes-Benz Vans and “GLOBE 2013” at Daimler Buses, we intend to realize earnings contributions totaling approximately €4 billion by the end of 2014 as a result of measures taken for the sustained improvement of cost structures and through additional business activities. Implementation is proceeding according to plan. These programs will be fully reflected in the earnings of 2015 and the following years.
- However, the advance expenditure for our model offensive, for innovative technologies and for the worldwide production facilities will first affect our earnings in the form of increased costs and depreciation.
- Within the context of our growth strategy, we are increasing our production capacities and expanding our worldwide production network. At the same time, we are enhancing the flexibility of our manufacturing and cost structures.
- We are also further developing our sales structures – in North America, in Eastern Europe and especially in the BRIC countries.
- Although the currently very low level of interest rates and risk premiums is easing our refinancing, it is also creating more competition and thus lower margins in the financial services business.
- Despite our hedging transactions, we must assume that a sustained high value of the euro against the US dollar, the Japanese yen and other currencies important to Daimler, including those of various emerging economies, will adversely affect the development of earnings compared with last year.

On the basis of the anticipated market development, the aforementioned factors and the planning of our divisions, we assume that **Group EBIT from the ongoing business** will increase significantly in 2014.

For the individual divisions, we aim to achieve the following EBIT targets in full-year 2014:

- Mercedes-Benz Cars: significantly above the prior-year level,
- Daimler Trucks: significantly above the prior-year level,
- Mercedes-Benz Vans: at the prior-year level,
- Daimler Buses: slightly above the prior-year level and
- Daimler Financial Services: at the prior-year level.