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Daimler India Commercial Vehicles Pvt. Ltd.

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Daimler Trucks well on its way to ensure its No. 1 position – Asian strategy underway

- Enhanced Asian operations plays pivotal role in Global success

Chennai, India / Kawasaki, Japan: Daimler India Commercial Vehicles Pvt. Ltd (DICV), a wholly owned subsidiary of Daimler AG and Mitsubishi Fuso Truck and Bus Corporation (a Daimler Trucks Company), today stated that the global Daimler Truck operations which has established itself as the No. 1 player has been systematically putting in place a focused strategy to ensure its numero uno position.

As an industry leader over several decades, Daimler understands the needs of the market and continually innovates to provide both path-breaking and optimal trucking solutions. However, in order to remain a leader, it is required to constantly adjust to the new and evolving needs and markets. In line with this it has put in action a strong forward-looking programme named **DT#1 (Daimler Trucks No. 1)**, that addresses all the markets it is involved in.

Importantly, it is evident that one of the strong focus regions is Asia (including India). A strong new Asian strategy is part of this programme and involves Daimler Truck entities in Asia – **MFTBC** (Mitsubishi Fuso Truck and Bus Corporation), Japan, and **DICV** (Daimler India Commercial Vehicles Private Limited), India. In fact the focus on Asia evolved very early and

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DICV was established to strengthen this. While MFTBC was already well-established and has been serving Japan and other Asian markets over a long time, India emerged as a strong new focus market. India is also clearly set to be a global focus for cost-efficient high quality engineering.

Dr. Albert Kirchmann, President & CEO - MFTBC and Head of Daimler Trucks Asia, said: “Asia will clearly lead our way in the coming years, not just in demand for trucks but also as a hub for our global operations. Daimler has already established a firm presence in Asia by combining a strong 80-year brand “FUSO” and a state-of-the-art green field facility in India. Leading brands, cutting-edge technologies, strong customer-focused product portfolio, strong distributor network and highly inspired people are the ingredients Daimler possesses to remain a leader. We see ourselves in a very advantageous position.”

Mr. Marc Llistosella, Managing Director & CEO – DICV, said, “In 2005 when the first blueprint was being drawn, besides realizing that India would be the 2nd largest Truck market, we realized that India would actually become an important hub for our strength in Asia & Africa. However, our primary focus was to clearly leverage Daimler’s capabilities to suit the needs of Indian trucking. Towards this, we have invested our energies. In the meantime, we have gained the capability to fulfill our Asian & African outlook.”

Daimler India Commercial Vehicles Pvt. Ltd (DICV)

Daimler India Commercial Vehicles Pvt. Ltd (DICV), a 100% subsidiary of Daimler AG, was established to harness the potential of the Indian Truck market. To this end it conducted exhaustive studies on the Indian conditions related to customers, terrain and future possibilities. As a result, today, DICV has established a strong brand of trucks based on established ‘**Daimler Trucks Technical Platforms**’.

BharatBenz: After a thorough study of the Indian conditions, DICV set out to select the appropriate technologies to suit Indian requirements and went on to test them thoroughly. The focus of these trucks is to offer the Indian customer the best **TCO**

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(Total Cost of Ownership) while ensuring robust performance. The focus of the brand was to provide the Indian customer “**Total Commitment with the right technology**”. Thus BharatBenz stands as a promise to enhance the Indian customer’s productivity while it provides the best in reliability & performance. The brand promise of BharatBenz is “**Power Ahead**”. This translates as intent to ensure that BharatBenz customers can ‘Power Ahead’ in their businesses while ensuring the performance of their trucks is taken care of by the brand.

Products: Based on the knowledge gained, BharatBenz today provides the Indian Trucking customer a range of trucks in the Light/Medium-duty and the Heavy-duty categories. The BharatBenz Heavy-duty trucks are based on the Mercedes-Benz Axor platform, while the Light/Medium-duty trucks are based on the Fuso platforms.

DICV launched its **Heavy-duty range on 26 September 2013** at Mumbai. Since then, by end 2012, DICV sold 1098 trucks in a market otherwise considered to be weakening. The **Light/Medium-duty trucks were launched on 20 February 2013**, at its manufacturing facility at Oragadam, near Chennai.

Dealer Network: As part of its efforts to establish the BharatBenz brand and its range of trucks in the Indian market, DICV has tied-up with several leading business houses to establish a strong state-of-the-art dealership network. DICV will establish such facilities in over a 100 locations by 2013. These dealerships will provide a ‘Whole New Trucking Experience” to the Indian Trucking customer by providing all related service (Sales Consultancy, Aftersales, Parts & Financing) under one roof.

So far, DICV has already **established facilities in 39 locations** along the most important trucking routes in the country.

Mercedes-Benz Actros: Besides the BharatBenz brand of trucks, DICV also assembles and markets the top-of-the-line Mercedes-Benz Actros trucks. These

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trucks with the promise '**Trucks you can Trust**', are employed in mining areas in the country.

To ensure that the after-sales service matches the product's quality, DICV has tied-up with M/s Gmmco (an established organisation that services a variety of earth-moving and mining equipment).

A new state-of-the-art After-sales facility was established in Nagpur and was inaugurated on 15 April 2013.

Besides Trucks, DICV has also integrated the Mercedes-Benz Bus business of Daimler Buses into its fold.

Mitsubishi Truck and Bus Corporation

Fuso's performance in 2012, a third-in-a-row growth year reflects the company's success especially in its stronghold in Southeast Asia, Middle East and in Africa. Sales in Indonesia, the company's largest export market with increasing competitive attention reached a third-year-in-a-row record of 67,932 units, up 10.1%, once again achieving leading market share. Sales were also up in other Asian stronghold markets, such as Taiwan, the company's second largest export market Malaysia, and in Thailand. The company continued to prove its momentum in the Middle East and in Africa with sales increasing 63.1% to 24,201 units and 88.7% to 8,046 units respectively.

Customers' response to Fuso's eco-friendly and fuel-efficient products were key driving factors in this positive sales development. Its renowned Canter light-duty truck celebrating its 50th birthday since 1963, has achieved more than 3.7 million units sales worldwide, to date. Sales of the all-new Fuso Canter Eco Hybrid light-duty truck in Japan have reached approximately 400 units since its launch in May 2012 with an accumulative 2,000 unit milestone to be reached in the coming weeks.

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Moving ahead in 2013, Fuso continues to pave the way. Incoming orders in the first quarter, 2013 show a strong upward trend above the level of 2012. Fuso continues to increase its momentum with a series of product offensive, including entry into new segments and introducing new product variants. A highlight will be the continuing launch of its all-new Canter Eco Hybrid light-duty truck in international markets; Fuso is active in more than 130 markets worldwide.

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Daimler India Commercial Vehicles (DICV) is a 100% subsidiary of Daimler AG, Stuttgart, Germany. DICV will produce light, medium and heavy-duty commercial vehicles for the Indian volume market, under the brand name – BharatBenz. BharatBenz stands for Indian engineering with German DNA. The products will be customized to serve all major customer segments, from owner-drivers up to large fleet operators. The efficiency of BharatBenz trucks will be an optimal fit for customers keen on efficiency, a low Total Cost of Ownership over the life-cycle and highest profit potential for their businesses. The state-of-the-art production plant at Oragadam, near Chennai, spreads over 400 acres (160 hectares). It includes a modern test track designed to simulate Indian conditions – making it one of its kind in Asia. DICV has a total dedicated investment of over INR 4400 crs (approximately €700 million).

The Company also handles Production, Marketing, Sales and After Sales of Mercedes-Benz Actros Trucks in India. Mercedes-Benz Trucks with the Brand Promise “Trucks you can Trust” are renowned world-wide for their reliability and efficiency under most extreme operating conditions, as well. These trucks also offer the best that Truck Technology has to offer.

Sustainability being a core of Daimler’s corporate culture, DICV will focus on creating efficient, reliable and ecologically friendly products.

Mitsubishi Fuso Truck and Bus Corporation

Based in Kawasaki, Japan, Mitsubishi Fuso Truck and Bus Corporation (MFTBC) is one of Asia's leading commercial vehicle manufacturers. In 2011, the company sold a total of about 147,700 vehicles including light-, medium- and heavy-duty trucks and buses. Daimler AG owns 89.29% of MFTBC shares and various Mitsubishi group companies own 10.71% of MFTBC shares. MFTBC is an integral part of the Daimler Trucks Division of Daimler AG.

BharatBenz

BharatBenz is the Indian truck brand of Daimler AG, the world’s largest Commercial Vehicle manufacturer and inventor of the truck. Backed by over a century of global trucking experience and an in-depth understanding of the Indian terrain,

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BharatBenz is here to transform the country's trucking industry. BharatBenz has begun to offer Indian customers an entire truck portfolio in the 6 to 49 tonne range across various applications. The name – BharatBenz - brings out the two most defining qualities of a brand that is being built exclusively for India. 'Bharat' carries the values, ideologies and spirit of the nation, and reinforces the brand's commitment to serve the Indian market. 'Benz' upholds the lineage of innovation, technological brilliance and engineering excellence that have given unparalleled performance and great value for generations. Powered by the synergy between global leadership in technology and local deep rooted customer knowledge, BharatBenz builds robust, reliable, performance-oriented trucks to drive maximum productivity and deliver maximum value to customers across the country. With BharatBenz, a new era in Indian trucking has arrived.

This document contains forward-looking statements that reflect our current views about future events. The words "anticipate," "assume," "believe," "estimate," "expect," "intend," "may," "plan," "project," "should" and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our funding possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates; a shift in consumer preference towards smaller, lower margin vehicles; or a possible lack of acceptance of our products or services which limits our ability to achieve prices as well as to adequately utilize our production capacities; price increases in fuel or raw materials; disruption of production due to shortages of materials, labour strikes, or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization measures; the business outlook of companies in which we hold a significant equity interest, most notably EADS; the successful implementation of strategic cooperation's and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending governmental investigations and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which we describe under the heading "Risk Report" in Daimler's most recent Annual Report. If any of these risks and uncertainties materialize, or if the assumptions underlying any of our forward-looking statements prove incorrect, then our actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made.