

DAIMLER TRUCK

Daimler Truck Holding AG

Investor Relations Release

March 1, 2024

Daimler Truck: Record results in 2023 and robust outlook for 2024

- **Continued growth and further improved profitability: Daimler Truck achieved financial targets for 2023, on track to reach 2025 margin ambition.**
- **Adjusted EBIT jumped by 39% to a record level of €5,489 million (2022: €3,959 million); all segments contributed with profit growth.**
- **Revenue significantly increased by 10% to €55.9 billion (2022: €50.9 billion).**
- **Industrial Business: Adjusted return on sales reached best ever 9.9% (2022: 7.7%), record level free cash flow of €2,811 million (2022: €1,746 million); earnings per share (EPS) of €4.62 (2022: €3.24).**
- **Dividend: Proposal of €1.90 per share (2022: €1.30).**
- **Robust outlook for 2024: Daimler Truck expects revenue and adjusted EBIT on 2023 level, adjusted ROS anticipated between 9.0% - 10.5%.**

Leinfelden-Echterdingen – Daimler Truck Holding AG (Daimler Truck) delivered record level results in revenue, EBIT (earnings before interests and taxes), adjusted return on sales (ROS) and industrial free cash flow in 2023 and continues its path on further improving the Group's overall profitability towards the 2025 ambition. Daimler Truck benefitted from a strong demand in its key commercial vehicle markets and further increased its unit sales, revenue, EBIT, industrial free cash flow (FCF) and earnings per share (EPS). With 526,053 units, 1% more trucks and buses were sold worldwide in 2023 compared to prior-year level (520,291 units) - despite supply bottlenecks, which prevented even higher sales. The Company sold 3,443 zero-emission trucks and buses, 277% more than in the previous year (914 units). Supported by improved net pricing as well as positive volume and product mix effects in unit sales, the Group's revenue increased by 10% to a record level of €55.9 billion in 2023 (previous year: €50.9 billion).

2023 also showed a very positive development for earnings and return on sales, further driven by strong financial results in Q4. The adjusted EBIT jumped by 39% in 2023 to a record level of €5,489 million (2022: €3,959 million). With a peak of 10.6% in Q4, the adjusted ROS of the

Industrial Business reached 9.9% in the full year 2023 (2022: 7.7%). Daimler Truck's free cash flow of the Industrial Business rose by 61% to €2,811 million in the reporting year (2022: €1,746 million). Earnings per share (EPS) amounted to €4.62, up 43% compared to 2022. Amid a normalized ordering behavior, incoming orders in 2023 decreased by 18% compared to the previous year's high level.

Martin Daum, Chairman of the Board of Management of Daimler Truck comments: "2023 was a record year with outstanding financial results. We achieved an adjusted operating profit of 5.5 billion euros and an adjusted return on sales in the Industrial Business of almost 10%. This means, we are in very close reach of our 2025 ambition. This is a great achievement our global Daimler Truck team can be very proud of. Going forward, we remain determined to unlock our full potential and to deliver strong profitability even in normalizing core markets."

Transformation Milestones

Daimler Truck continuously keeps working towards the strategic ambitions to both lead the industry's transformation to zero-emission transportation as well as to lead in sustained profitability. In 2023, the Company reached important milestones alongside this journey. Both product and service launches and strategic projects such as the joint ventures for battery cell production with Accelera by Cummins and PACCAR, and Greenlane for a public charging and hydrogen fueling network in North America illustrate Daimler Truck's ambition to be a pacemaker of the industry.

In 2023 Daimler Truck expanded its global product portfolio to ten different zero-emission models. In North America, the new and fully-electric Freightliner eM2 was launched for urban delivery applications. In Europe, the battery-electric long-haul truck Mercedes-Benz eActros 600 celebrated its world premiere. Daimler Truck's Asian affiliate FUSO handed over first units of its FUSO Next Generation eCanter to renowned customers like Japanese retail giant Yamato, and launched the battery-electric medium-duty RIZON trucks in the U.S. With the publicly acclaimed record run of the fuel cell Mercedes-Benz GenH2 Truck, which covered 1,047 kilometers on one fill of liquid hydrogen, Daimler Truck marked another milestone in its dual strategy of offering customers both battery- and hydrogen-powered trucks.

With the Mercedes-Benz eCitaro fuel cell, Daimler Buses introduced the first series-production electric bus with fuel cell as a range extender, providing a long range and high passenger capacity. The all-new Setra MultiClass 500 LE was launched 2023 to set new standards for low entry inter-city buses. Daimler Truck Financial Services completed its initial global rollout with the commencement of operations in France in 2023. The segment also started a cooperation in Romania and is now active in 17 markets worldwide with financial and mobility services. With a contract volume of €28.3 billion, the segment is one of the world's largest financial services providers for commercial vehicles.

Dividend & Status Share Buy Back

For the 2023 financial year, the Board of Management and the Supervisory Board of Daimler Truck Holding AG will propose to the Annual General Meeting on May 15th, 2024, a dividend payment of €1.90 per share (2022: €1.30 per share).

On July 10th, 2023, the Board of Management of Daimler Truck Holding AG resolved, with the approval of the Supervisory Board, to launch a share buyback program. On this basis, own shares worth up to €2 billion (excluding incidental acquisition costs) will be acquired on the stock exchange over a period of up to 24 months. By December 31st, 2023, the Company repurchased 17,668,525 shares for €557 million.

Outlook for 2024

Due to the continued difficult economic conditions and the lack of catch-up effects, Daimler Truck expects the key truck markets to return to normal levels in 2024. From today's perspective the Group anticipates the heavy-duty truck market in North America to range between 280,000 and 320,000 units (-16% to -3% vs. 2023) and the heavy-duty truck market in Europe to amount between 260,000 and 300,000 units (-24% to -12% vs. 2023). Daimler Truck anticipates unit sales in 2024 in a range between 490,000 and 510,000 units (2023: 526,053 units).

The Group is expecting its revenue to range between €52 billion and €54 billion in the Industrial Business and between €55 billion and €57 billion on Group level. Daimler Truck is expecting its adjusted EBIT on prior year level. The adjusted ROS of the Industrial Business is anticipated to range between 9.0% and 10.5%. Daimler Truck is expecting a slight increase for the free cash flow of the Industrial Business in 2024.

Key Figures – Group and Segments

Key Figures - Group						
	Q4 2023	Q4 2022	+/-	YTD 2023	YTD 2022	+/-
Unit Sales	140,132	155,072	-10%	526,053	520,291	1%
Revenue*	14,950	14,783	1%	55,890	50,945	10%
EBIT (adjusted)*	1,559	1,025	52%	5,489	3,959	39%
ROS (adjusted, IB)**	10.6	7.0		9.9	7.7	
Free Cash Flow (IB)*	1,173	1,836	-36%	2,811	1,746	61%
Incoming Orders	107,969	137,135	-21%	426,910	522,837	-18%
Earnings per share (EPS) in €				4.62	3.24	43%

Key Figures - Segments

	Q4 2023	Q4 2022	+/-	YTD 2023	YTD 2022	+/-
Trucks North America						
Unit Sales	48,256	50,007	-4%	195,014	186,779	4%
Revenue*	5,992	6,150	-3%	23,492	22,039	7%
EBIT (adjusted)*	718	731	-2%	2,887	2,379	21%
ROS (adjusted)**	12.0	11.9		12.3	10.8	
Mercedes-Benz						
Unit Sales	44,706	51,489	-13%	158,511	166,369	-5%
Revenue*	5,665	5,875	-4%	21,638	20,213	7%
EBIT (adjusted)*	679	302	124%	2,199	1,629	35%
ROS (adjusted)**	12.0	5.1		10.2	8.1	
Trucks Asia						
Unit Sales	42,812	47,735	-10%	161,171	155,967	3%
Revenue*	1,954	1,856	5%	7,060	6,499	9%
EBIT (adjusted)*	114	67	71%	330	171	93%
ROS (adjusted)**	5.9	3.6		4.7	2.6	
Daimler Buses						
Unit Sales	7,628	9,101	-16%	26,168	24,041	9%
Revenue*	1,449	1,249	16%	4,566	3,689	24%
EBIT (adjusted)*	101	46	120%	214	14	1388%
ROS (adjusted)**	7.0	3.7		4.7	0.4	
Financial Services						
New Business*	3,219	2,949	9%	11,267	9,428	20%
Revenue*	742	572	30%	2,674	1,759	52%
EBIT (adjusted)*	50	26	95%	211	193	10%
Return on equity (adjusted)**	8.3	4.7		9.1	9.9	

*in millions of €

**in percent

Additional information and documents (Annual Report incl. Sustainability Report, Capital Market Presentation, Factbook etc.) including a detailed full-year 2023 disclosure on Daimler Truck's five reporting segments are available online in Daimler Truck's investor relations section on the website:

<https://www.daimlertruck.com/en/investors/arc24-press>

Daimler Truck Share

Listed Entity: Daimler Truck Holding AG

ISIN: DE000DTR0CK8

Ticker Symbol: DTG

Daimler Truck Level I ADR Program

Symbol: DTRUY

ISIN: US23384L1017

Further information on Daimler Truck Group (DTG) is available at:

<https://www.daimlertruck.com/en/investors>

Upcoming Investor Events:

An overview of upcoming events, roadshows or DTG's attendance at investor conferences can be found here: [Roadshow & Conferences](#)

Forward-looking statements:

This document contains forward-looking statements that reflect our current views about future events. The words "aim", "ambition", "anticipate", "assume", "believe", "estimate", "expect", "intend", "may", "can", "could", "plan", "project", "should" and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates, customs and foreign trade provisions; a shift in consumer preferences; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilise our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimisation measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading "Risk and Opportunity Report" in the current Annual Report. If any of these risks and uncertainties materializes, or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements since they are based solely on the circumstances at the date of publication.

Daimler Truck at a glance

Daimler Truck Holding AG ("Daimler Truck") is one of the world's largest commercial vehicle manufacturers, with over 40 main locations and more than 100,000 employees around the globe. The founders of Daimler Truck invented the modern transportation industry with their trucks and buses a good 125 years ago. Unchanged to this day, the Company's aspirations are dedicated to one purpose: Daimler Truck works for all who keep the world moving. Its customers enable people to be mobile and get goods to their destinations reliably, on time, and safely. Daimler Truck provides the technologies, products, and services for them to do so. This also applies to the transformation to CO₂-neutral driving. The Company is striving to make sustainable transport a success, with profound technological knowledge and a clear view of its customers' needs. Daimler Truck's business activities are structured in five reporting segments: Trucks North America (TN) with the truck brands Freightliner and Western Star and the school bus brand Thomas Built Buses. Trucks Asia (TA) with the FUSO, BharatBenz and RIZON commercial vehicle brands. Mercedes-Benz (MB) with the truck brand of the same name. Daimler Buses (DB) with the Mercedes-Benz and Setra bus brands. Daimler Truck's Financial Services business (DTFS) constitutes the fifth segment, the product range in the truck segments includes light, medium and heavy trucks for long-distance, distribution and construction traffic and special-purpose vehicles used in the municipal and vocational sector. The product range of the bus segment includes city buses, school buses and intercity buses, coaches and bus chassis. In addition to the sale of new and used commercial vehicles, the Company also offers aftersales services and connectivity solutions.

Glossary

Cash Flow: The cash flow provides information about the financial strength of a company and is determined as the difference between cash inflow (e.g. from the payment for vehicles sold) and cash outflow (e.g. for the payment of open supplier invoices, employee salaries or investments). This figure is in the focus of the investor because it shows, how much liquid funds can be used to repay loans or to distribute to shareholders EBIT.

EBIT (earnings before interest and taxes) provides information about the profitability of a company and its segments. It is the difference between the operating income and the operating expenses and can be derived directly from the income statement.

ROS: The Return on Sales is calculated as the ratio of EBIT to revenues. As a relative figure, it shows how profitable a company is and is often used in comparison to other companies in the same industry.