



Mercedes-Benz

MERCEDES-BENZ SOUTH AFRICA LIMITED

(Pretoria, Republic of South Africa)

as Issuer

unconditionally and irrevocably guaranteed by

DAIMLER AG

(Stuttgart, Federal Republic of Germany)

as Guarantor

**Issue of ZAR500,000,000 Senior Unsecured Floating Rate Notes due 21 May 2019
Under its ZAR35,000,000,000 Domestic Medium Term Note Programme**

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum dated 21 December 2015, prepared by Mercedes-Benz South Africa Limited in connection with the Mercedes-Benz South Africa Limited ZAR35,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed "*Terms and Conditions of the Notes*".

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

1.	Issuer	Mercedes-Benz South Africa Limited
2.	Guarantor	Daimler AG
3.	Dealers	Investec Bank Limited, acting through its Corporate and Institutional Banking division Nedbank Limited, acting through its Corporate and Investment Banking division
4.	Debt Sponsor	Rand Merchant Bank, a division of FirstRand Bank Limited
5.	Paying Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
	Specified Address	1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton 2196
6.	Calculation Agent	Rand Merchant Bank, a division of FirstRand Bank Limited
	Specified Address	1 Merchant Place, Cnr Fredman Drive and Rivonia Road, Sandton 2196

7.	Transfer Agent	Computershare Investor Services Proprietary Limited
	Specified Address	Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

PROVISIONS RELATING TO THE NOTES

8.	Status of Notes	Senior Unsecured
9.	Form of Notes	Listed Notes, issued in uncertificated form and held by the CSD
10.	Series Number	58
11.	Tranche Number	1
12.	Aggregate Nominal Amount:	
	(a) Series	ZAR500,000,000
	(b) Tranche	ZAR500,000,000
13.	Interest	Interest-bearing
14.	Interest Payment Basis	Floating Rate
15.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
16.	Issue Date	21 May 2018
17.	Nominal Amount per Note	ZAR1,000,000
18.	Specified Denomination	ZAR1,000,000
19.	Specified Currency	ZAR
20.	Issue Price	100%
21.	Interest Commencement Date	21 May 2018
22.	Maturity Date	21 May 2019
23.	Applicable Business Day Convention	Following Business Day, with no adjustments to be made to the Interest Periods
24.	Final Redemption Amount	100%
25.	Last Day to Register	by 17h00 on 10 August 2018, 10 November 2018, 10 February 2019 and 10 May 2019 until the Maturity Date
26.	Books Closed Period(s)	The Register will be closed from 11 August 2018 to 20 August 2018, 11 November 2018 to 20 November 2018, 11 February 2019 to 20 February 2019 and from 11 May 2019 to 20 May 2019

FIXED RATE NOTES

N/A

FLOATING RATE NOTES

27.	(a) Interest Payment Date(s)	21 August 2018, 21 November 2018, 21 February 2019 and 21 May 2019 of each year until the Maturity Date with the first Interest Payment Date being 21 August 2018
	(b) Interest Period(s)	From and including one Interest Payment Date to but excluding the following Interest Payment Date, save that the first Interest Period shall

		commence on the Interest Commencement Date and end the day before the next Interest Payment Date
	(c) Definition of Business Day (if different from that set out in Condition 1) (<i>Interpretation</i>)	N/A
	(d) Minimum Rate of Interest	N/A
	(e) Maximum Rate of Interest	N/A
	(f) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision)	N/A
28.	Manner in which the Rate of Interest is to be determined	Screen Rate Determination plus Margin
29.	Margin	74 basis points to be added to Reference Rate
30.	If Screen Determination:	
	(a) Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	3 Month JIBAR
	(b) Interest Rate Determination Date(s)	21 August 2018, 21 November 2018 and 21 February 2019 with the first Interest Rate Determination Date being 16 May 2018
	(c) Relevant Screen Page and Reference Code	ZAR-JIBAR-SAFEX
31.	If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions	N/A
32.	Calculation Agent responsible for calculating amount of principal and interest	N/A
ZERO COUPON NOTES		N/A
OTHER NOTES		N/A
PROVISIONS REGARDING REDEMPTION/MATURITY		
33.	Redemption at the Option of the Issuer	No
34.	Redemption at the Option of the Noteholders	No
35.	Early Redemption Amount(s) payable on redemption for taxation reasons pursuant to Condition 11.2 (<i>Redemption for Tax Reasons</i>), on redemption at the option of the Issuer pursuant to Condition 11.3 (<i>Redemption at the Option of the Issuer</i>), on redemption at the option of the Noteholders pursuant to Condition 11.4 (<i>Redemption at the Option of the Noteholders</i>), or on	Yes

Event of Default pursuant to Condition 17 (*Events of Default*) (if required or if different from that set out in the relevant Conditions)

GENERAL

36.	Financial Exchange	Interest Rate Market of the JSE
37.	Additional selling restrictions	N/A
38.	ISIN No.	ZAG000151218
39.	Stock Code	MBF058
40.	Stabilising manager	N/A
41.	Provisions relating to stabilisation	N/A
42.	Method of distribution	Dutch Auction
43.	Credit Rating assigned to the Programme (if any), date of such rating and date for review of such rating	Aaa.za with P-1 (Moody's) as at 12 May 2016, which ratings shall be reviewed from time to time; and AAA(zaf) with F1+ (Fitch) as at 2 June 2016, which ratings shall be reviewed from time to time
44.	Rating assigned to the Guarantor (if any), date of such rating and date for review of such rating	A2 with P-1 (stable outlook) (Moody's) as at 3 February 2017, which ratings shall be reviewed from time to time; A with A-1 (stable outlook) (S&P) as at 2 November 2016, which ratings may be reviewed from time to time; and A- with F2 (stable outlook) (Fitch) as at 3 June 2015, which ratings may be reviewed from time to time
45.	Applicable Rating Agency	Moody's Investor Services Limited (Programme and Guarantor); Fitch Ratings Ltd (Programme and Guarantor); and Standard & Poor's (Guarantor)
46.	Governing law (if the laws of South Africa are not applicable)	N/A
47.	Other provisions	N/A

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS IN RELATION TO THIS ISSUE OF NOTES

48. Paragraph 3(5)(a)
The "*ultimate borrower*" (as defined in the Commercial Paper Regulations) is the Issuer.
49. Paragraph 3(5)(b)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
50. Paragraph 3(5)(c)
The auditor of the Issuer is KPMG Incorporated.
51. Paragraph 3(5)(d)
As at the date of this issue:

- (i) the Issuer has issued ZAR24,650,000,000 (excluding this issuance and the series MBF059 Notes which settles on the same date) Commercial Paper (as defined in the Commercial Paper Regulations) (which amount includes Notes issued under the Previous Programme Memorandum); and
 - (ii) the Issuer estimates that it will issue ZAR7,000,000,000 further Commercial Paper during the current financial year, ending 31 December 2018.
- 52. Paragraph 3(5)(e)
All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and the Applicable Pricing Supplement.
- 53. Paragraph 3(5)(f)
There has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.
- 54. Paragraph 3(5)(g)
The Notes issued will be listed.
- 55. Paragraph 3(5)(h)
The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.
- 56. Paragraph 3(5)(i)
The obligations of the Issuer in respect of the Notes are guaranteed in terms of the Guarantee provided by the Guarantor but are otherwise unsecured.
- 57. Paragraph 3(5)(j)
KPMG Incorporated, the statutory Auditor of the Issuer, have confirmed that their review did not reveal anything which indicates / nothing has come to their attention to indicate that this issue of Notes issued under the Programme will not comply in all respects with the relevant provisions of the Commercial Paper Regulations.

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the placing document contains all information required by law and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the placing document and the annual financial statements and the pricing supplements and any amendments or supplements to the aforementioned documents, except as otherwise stated therein.

The JSE takes no responsibility for the contents of the placing document, the annual financial statements, annual report and this Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the placing document and the annual financial statements, the annual report or this Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE's approval of the registration of the placing document and listing of the debt securities is not to be taken in any way as an indication of the merits of the Issuer or of the debt securities and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

The authorised Programme Amount of ZAR35,000,000,000 has not been exceeded.
Application is hereby made to list this issue of Notes 21 May 2018.

SIGNED at Centurion on this 15th day of ^{May}~~March~~ 2018

For and on behalf of
MERCEDES-BENZ SOUTH AFRICA LIMITED


Name: C Spohr
Capacity: Director CEO
Who warrants his/her authority hereto


Name: J. R. Hyslop
Capacity: Director Ex. Dir.
Who warrants his/her authority hereto