

# Mercedes-Benz South Africa

**Issue of R500,000,000 SENIOR UNSECURED FIXED RATE NOTES  
Under its R18 000 000 000 Domestic Medium Term Note Programme with a Stock Code MBSA01**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum dated 30 June 2008 issued by Mercedes-Benz South Africa (Proprietary) Limited, as may be amended or supplemented from time to time. 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.

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

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum contains all information required by Applicable Law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in the Programme Memorandum, the Applicable Pricing Supplements and the annual financial report and any amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein.

The JSE Limited takes no responsibility for the content of the Programme Memorandum, this Applicable Pricing Supplement and the annual financial reports of the Issuer and the Guarantor and any amendments or any supplements thereto from time to time. The JSE makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the foregoing documents.

## DESCRIPTION OF THE NOTES

1. Issuer	Mercedes-Benz South Africa (Proprietary) Limited
2. Guarantor	Daimler AG
3. Status of the Notes	Senior Notes
4. Security	Unsecured
5. Listed/Unlisted	Listed
6. Series number	68
7. Tranche number	1

KPMG Incorporated, the auditors of the Issuer, have confirmed that 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.

Paragraph 3(5)(i)

The Notes are unsecured but guaranteed by the Guarantor.

Paragraph 3(5)(i)

8. Aggregate Principal Amount of this Tranche	R500,000,000
9. Interest/Payment Basis	Fixed Rate Notes
10. Issue Date(s)	16 April 2012
11. Minimum Denomination per Note	R1 000 000
12. Specified Denomination (Principal Amount per Note)	R1 000 000
13. Issue Price(s)	100%
14. Applicable Business Day Convention, if different to that specified in the Terms and Conditions	Modified Following Business Day
15. Interest Payment Dates	16 April and 16 October of each year until the Final Redemption Date, save for the last interest payment date which shall be the final redemption date, 16 April 2019
16. Interest Commencement Date(s)	16 April 2012
17. Step-Up Date	N/A
18. Final Redemption Date	16 April 2019
19. Specified Currency	ZAR
20. Additional Business Centre	N/A
21. Final Redemption Amount	R500,000,000
22. Set out the relevant description of any additional/other Terms and Conditions relating to the Notes	N/A

#### **FIXED RATE NOTES**

23. Fixed Interest Rate	9,035%, payable semi annually
24. Interest Payment Date(s)	(See item 15 above)
25. Interest Period(s)	From and including the Interest Commencement Date and ending on but excluding the immediately following Interest Payment Date and thereafter from and including the applicable Interest Payment Date and ending on but excluding the following Interest

Payment Date or the Final Redemption Date

- 26. Initial Broken Amount N/A
- 27. Final Broken Amount N/A
- 28. Step-Up Rate N/A
- 29. Any other items relating to the particular method of calculating interest N/A

**FLOATING RATE NOTES**

- 30. Interest Period(s) N/A
- 31. Manner in which the Interest Rate is to be determined N/A

- 32. Margin/Spread for the Interest Rate N/A
- 33. Margin/Spread for the Step-Up Rate N/A
- 34. If Screen Determination

- (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) N/A
- (b) Rate Determination Date(s) N/A
- (c) Relevant Screen page and Reference Code N/A

- 35. If Interest Rate to be calculated otherwise than by reference to Screen Rate Determination, insert basis for determining Interest Rate/Margin/Fall back provisions N/A

- 36. Any other terms relating to the particular method of calculating interest N/A

**ZERO COUPON NOTES**

- 37. (a) Implied Yield N/A
- (b) Reference Price N/A

(c) Equivalent Discount Rate	N/A
(d) Spread to Reference Rate	N/A
(e) Final Redemption Date	N/A
(f) Day Count	N/A
(g) Any other formula or basis for determining amount payable	N/A

#### INDEXED NOTES

38. (a) Type of Indexed Notes	N/A
(b) Index/Formula by reference to which Interest Amount/Final Redemption Amount is to be determined	N/A
(c) Manner in which the Interest Amount/Final Redemption Amount is to be determined	N/A
(d) Interest Period	N/A
(e) Interest Payment Date(s)	N/A
(f) If different from the Calculation Agent, agent responsible for calculating amount of principal and interest	N/A
(g) Provisions where calculation by reference to Index and/or Formula is impossible or impracticable	N/A

#### OTHER NOTES

39. If the Notes are not Fixed Rate Notes or Floating Rate Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description of any additional Terms and Conditions relating to such Notes	N/A
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#### PROVISIONS REGARDING REDEMPTION

40. Redemption at the option of the Issuer: if yes:	No
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47. Dealer(s)	Nedbank Limited (acting through its Nedbank Capital division) and The Standard Bank of South
46. Financial Exchange	The JSE Limited
45. Stock Code	MBSA01
44. International Securities Numbering (ISIN)	ZAG000094640
43. Additional selling restrictions	N/A

**GENERAL**

42. Early Redemption Amount(s) payable on redemption for Taxation reasons or early redemption following an Event of Default	Yes
(e) Other terms applicable on Redemption	N/A
Higher Redemption Amount(s)	N/A
Minimum Redemption Amount(s)	N/A
(d) If redeemable in part:	
(c) Minimum period of notice	N/A
(b) Optional Redemption Amount(s) (Put) and method, if any, of calculation of such amount(s)	N/A
(a) Optional Redemption Date(s) (Put)	N/A
41. Redemption at the option of the holders of the Senior Notes (Put Option): if yes	No
(e) Other terms applicable on Redemption	N/A
Higher Redemption Amount(s)	N/A
Minimum Redemption Amount(s)	N/A
(d) If redeemable in part:	
(c) Minimum period of notice	N/A
(b) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s)	N/A
(a) Optional Redemption Date(s)	N/A

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS –  
SEE APPENDIX "A"

**Responsibility:**

The Issuer accepts responsibility for the information contained in this Applicable Pricing Supplement.

Application will not be made to list this Tranche of the Notes, pursuant to the R18 000 000 000 Domestic Medium Term Note Programme.

By: Joshi Zimmelman  
Director, duly authorised

Date: 12.04.2012

By: JF Everise  
Director, duly authorised **JF EVERISE**

Date: 12.04.2012

64. Other provisions	N/A
63. Events of Default	See Condition 11
62. Aggregate Outstanding Principal Amount of Notes in issue on the Issue Date of this Tranche and any other Tranche(s) of Notes to be issued on	R14 850 000 000, excluding this Tranche of Notes
61. Programme Amount	R18 000 000 000
60. Stabilisation Manager, if any	N/A
59. Specified Office of the Transfer Agent	Africa 70 Marshall Street, Johannesburg, 2001, South
58. Transfer Agent	Computershare Investor Services (Proprietary) Limited
57. Specified Office of the Calculation Agent	15 Alice Lane, Sandton, 2193
56. Calculation Agent	Absa Capital, a division of Absa Bank Limited
55. Books Closed Period	The Register will be closed from the first Business Day immediately following the Last Date to Register
54. Last Day to Register	by 17h00 on the 10th day preceding an interest Payment Date or the Final Redemption Date, as the case may be, provided that if such date falls on a day which is a Saturday, Sunday or public holiday in the Republic of South Africa, such Last Date to Register shall be the following Business Day
53. Governing Law	South Africa
52. Rating Agency (if any)	See item 51 above
51. Rating assigned to this Tranche of Notes (if any), date of such rating and date for review of such rating	AA(zaf)/F1+(zaf)(Fitch) as at 11 July 2011 and Aa2 za/P-1.za (Moody's) as at 27 February 2012, which ratings shall be reviewed from time to time
50. Method of distribution	Dutch auction
49. If syndicated, names of Lead Manager(s)	N/A
48. Date Convention	Ddmmyyy
	Africa Limited (acting through its Corporate and Investment Banking division)



**APPENDIX "A"****Disclosure Requirements in terms of paragraph 3(5) of the Commercial Paper Regulations**

At the date of this Applicable Pricing Supplement:

Paragraph 3(5)(a)

The ultimate borrower is the Issuer.

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.

Paragraph 3(5)(c)

The auditor of the Issuer is KPMG Incorporated.

Paragraph 3(5)(d)

As at the date of this issue:

- (a) the Outstanding Principal Amount of all Notes issued by the Issuer is R14 850 000 000; and
- (b) it is anticipated that the Issuer will issue additional Notes with an estimated nominal value of R5 000 000 000 during the remainder of its current financial year ended December 2012, in addition to the Notes forming part of this issue of Notes.

Paragraph 3(5)(e)

Prospective investors in the Notes are to consider this Applicable Pricing Supplement, the Programme Memorandum and the documentation incorporated therein by reference in order to ascertain the nature of the financial and commercial risks of an investment in the Notes. In addition, prospective investors in the Notes are to consider the latest audited financial statements of the Issuer which are incorporated into the Programme Memorandum by reference and which may be requested from the Issuer.

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.

Paragraph 3(5)(g)

The Notes issued will be unlisted, as stated in the Applicable Pricing Supplement.

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.

Paragraph 3(5)(i)

The Notes are unsecured but guaranteed by the Guarantor.

Paragraph 3(5)(i)

KPMG Incorporated, the auditors of the Issuer, have confirmed that 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.