

DAIMLER

Annual Press Conference

FY 2009 and Q4 2009 Results

Bodo Uebber

Member of the Board of Management

Finance & Controlling and Daimler Financial Services

February 18, 2010

Major characteristics of FY 2009

● Severe decline of vehicle markets

- Vehicle markets strongly affected by worldwide financial and economic crisis
- Indications of a recovery from a very low level emerged towards the end of the year

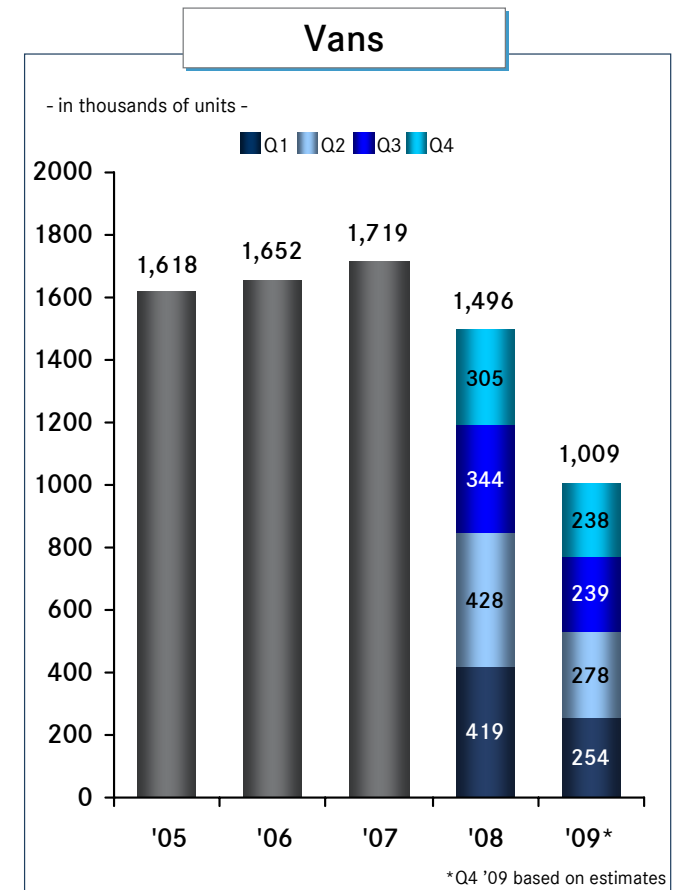
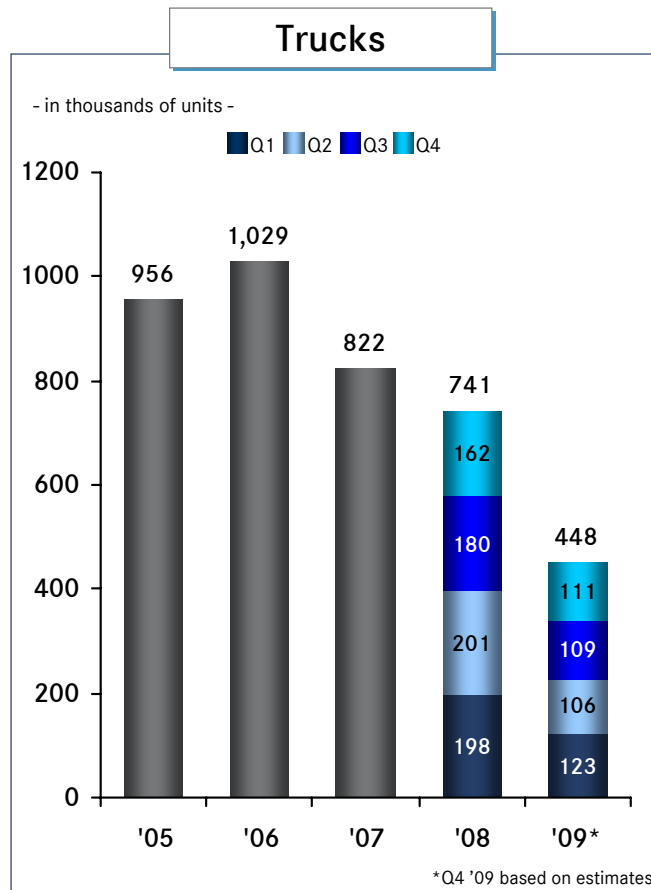
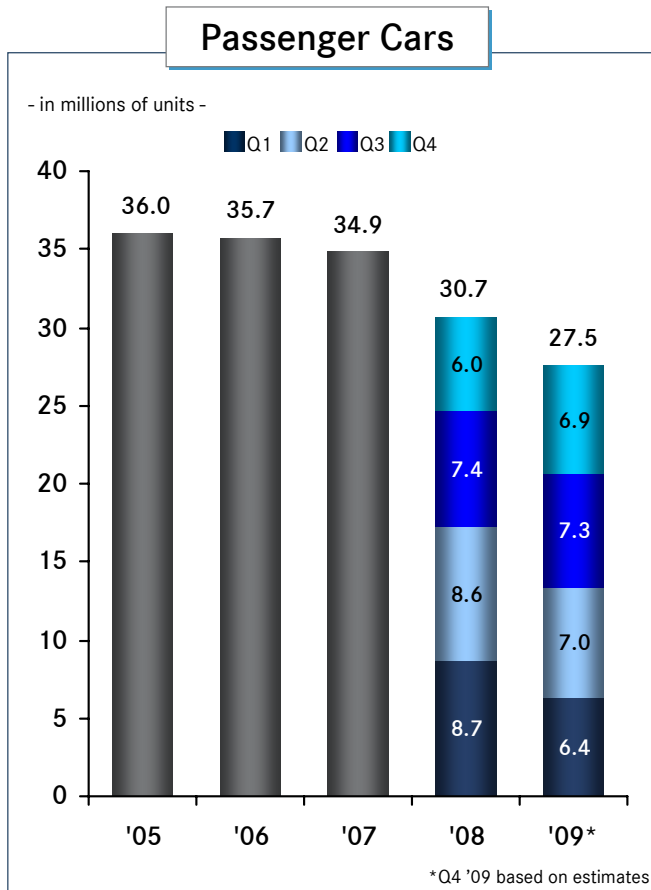
● Decrease in EBIT

- Low point of EBIT reached in Q1 2009, followed by an impressive improvement over the quarters
- Operating result impacted in all divisions due to sales decrease
- Significant countermeasures initiated to enhance efficiency and improve cost position
- Strong impetus from the launch of the new E-Class and new-generation S-Class

● Solid financial position

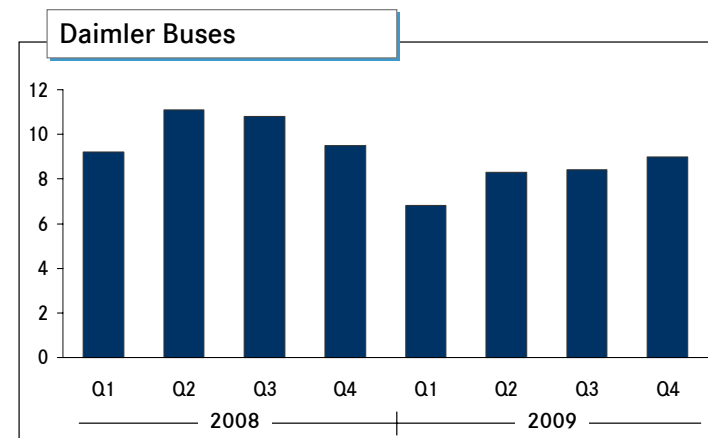
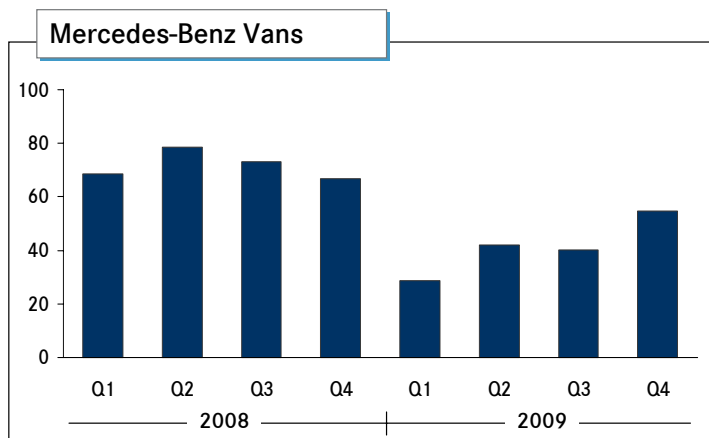
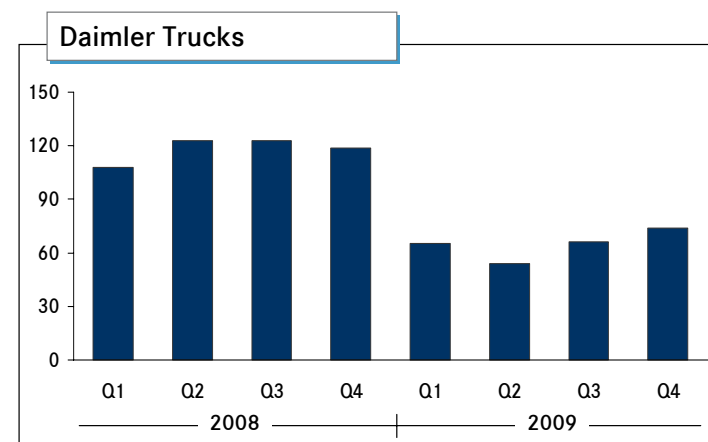
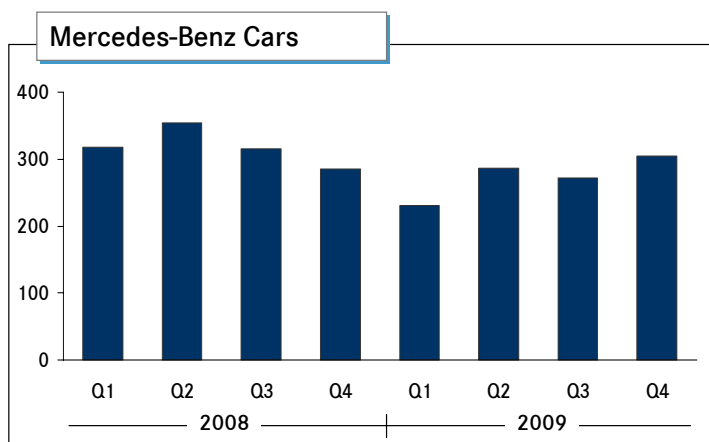
- Free cash flow positively affected mainly by improvement of working capital
- Net liquidity of industrial business increased significantly during the year
- Strength of balance sheet maintained

Automotive market slump in triad markets



Sales stabilized

- Group sales in thousands of units -

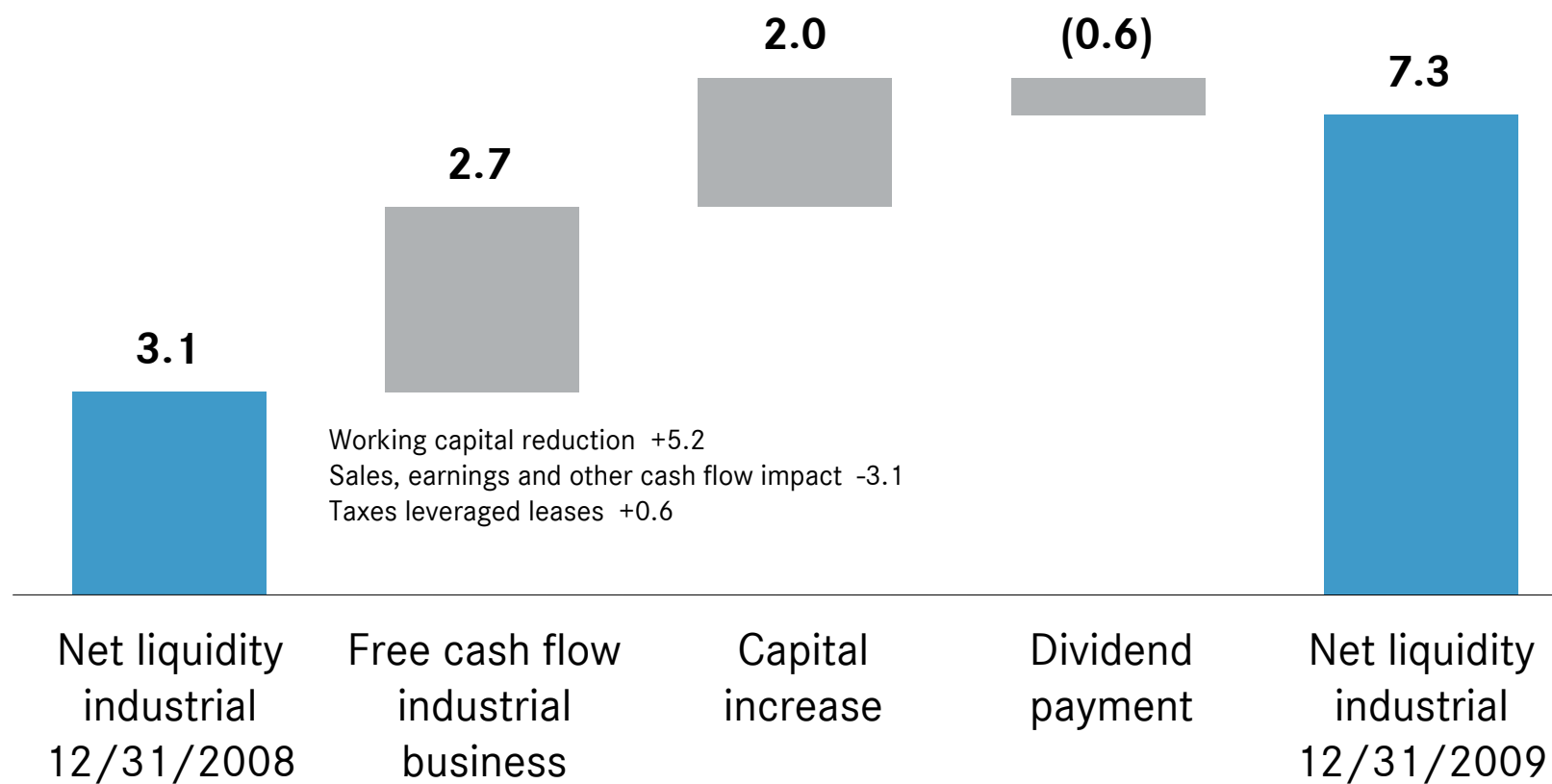


Key financials

- in billions of € -	FY 2008	FY 2009
Revenue	98.5	78.9
EBIT	2.7	(1.5)
EBIT excl. special reporting items	6.2	(0.8)
Net profit (loss)	1.4	(2.6)
Free cash flow industrial business	(3.9)	2.7
Net liquidity industrial business (year-end)	3.1	7.3

Strong increase in net industrial liquidity

- in billions of € -



Key balance-sheet figures

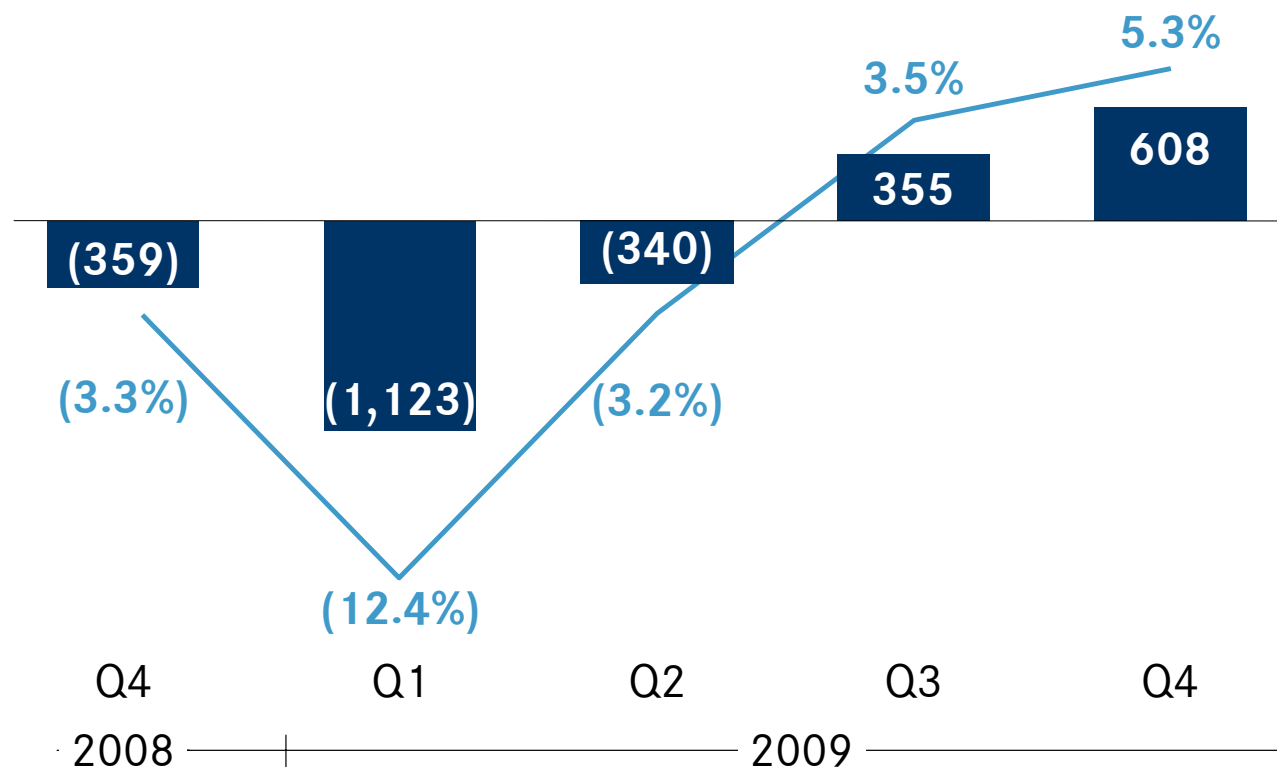
- in billions of € -	Dec. 31, 2008	Dec. 31, 2009
Daimler Group		
Equity ratio	24.3%	24.7%
Gross liquidity	8.0	16.1
Industrial business		
Equity ratio	42.7%	42.6%
Net liquidity	3.1	7.3

Dividend

- The Board of Management proposes no payment of a dividend for the year 2009
- This proposal is based on the weak operating business and the substantial full-year net loss in 2009
- The company expects to resume dividend payments for FY 2010

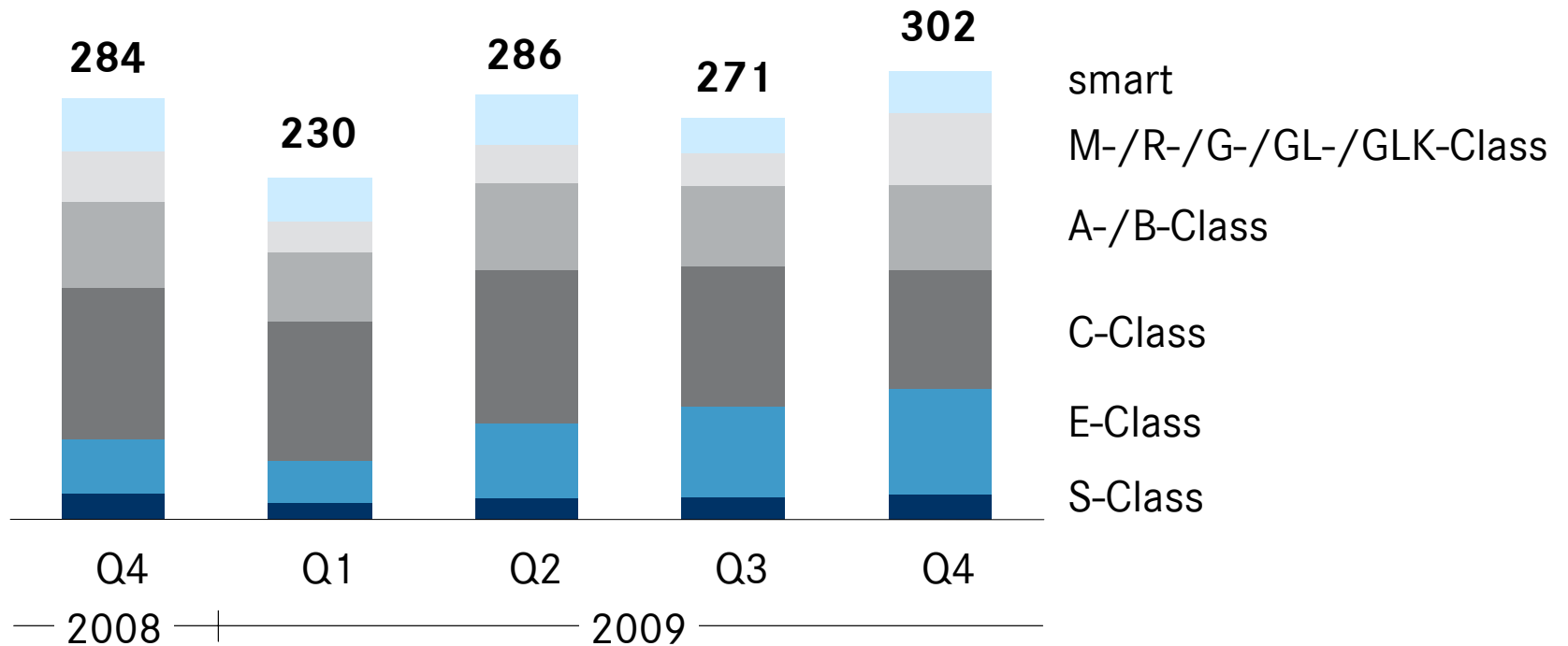
Significant improvement over the quarters

- EBIT in millions of €, return on sales in % -



Model mix improved by launch of new E-Class and new-generation S-Class

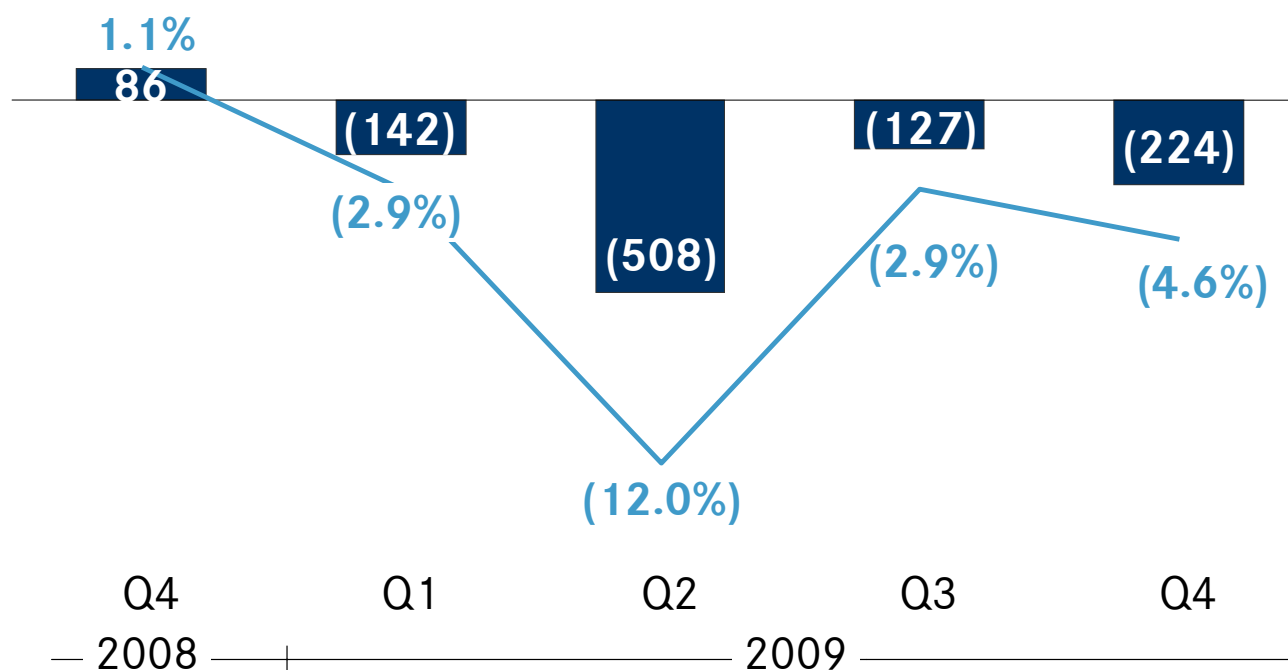
- Group sales in thousands of units* -



* Excluding Mitsubishi vehicles produced and/or sold in South Africa

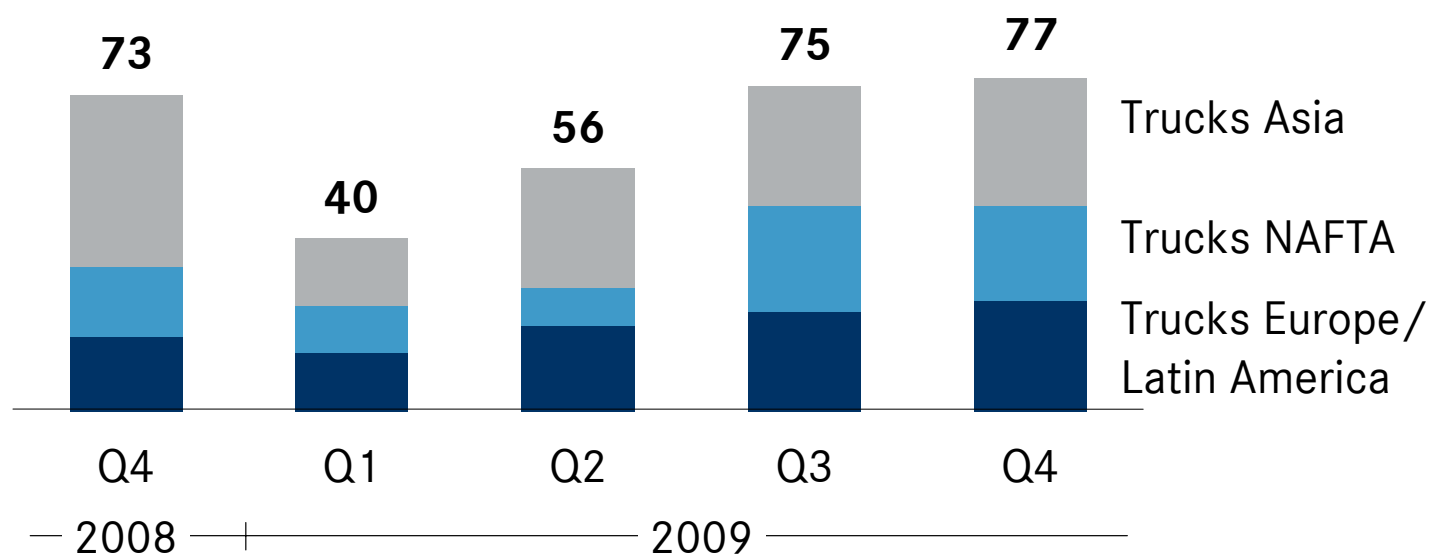
Earnings impacted by weak demand and repositioning in NAFTA and Asia; operating business stabilized in H2

- EBIT in millions of €, return on sales in % -



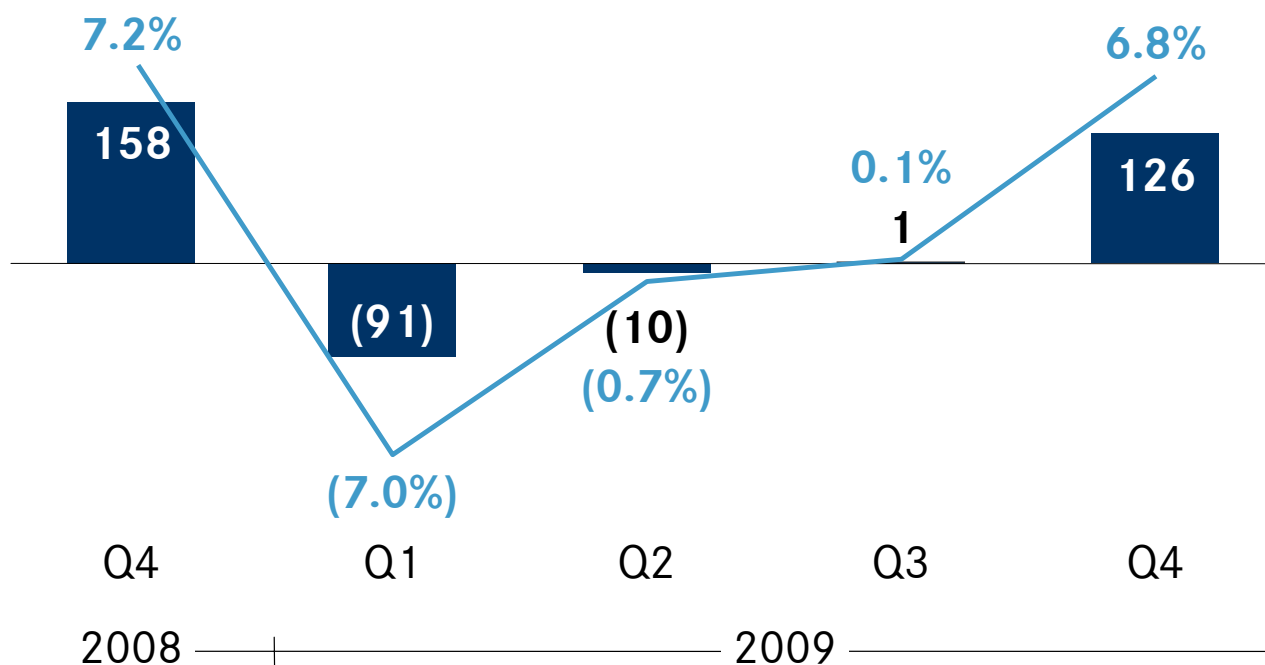
Incoming orders show signs of recovery in the truck business

- Incoming orders in thousands of units -



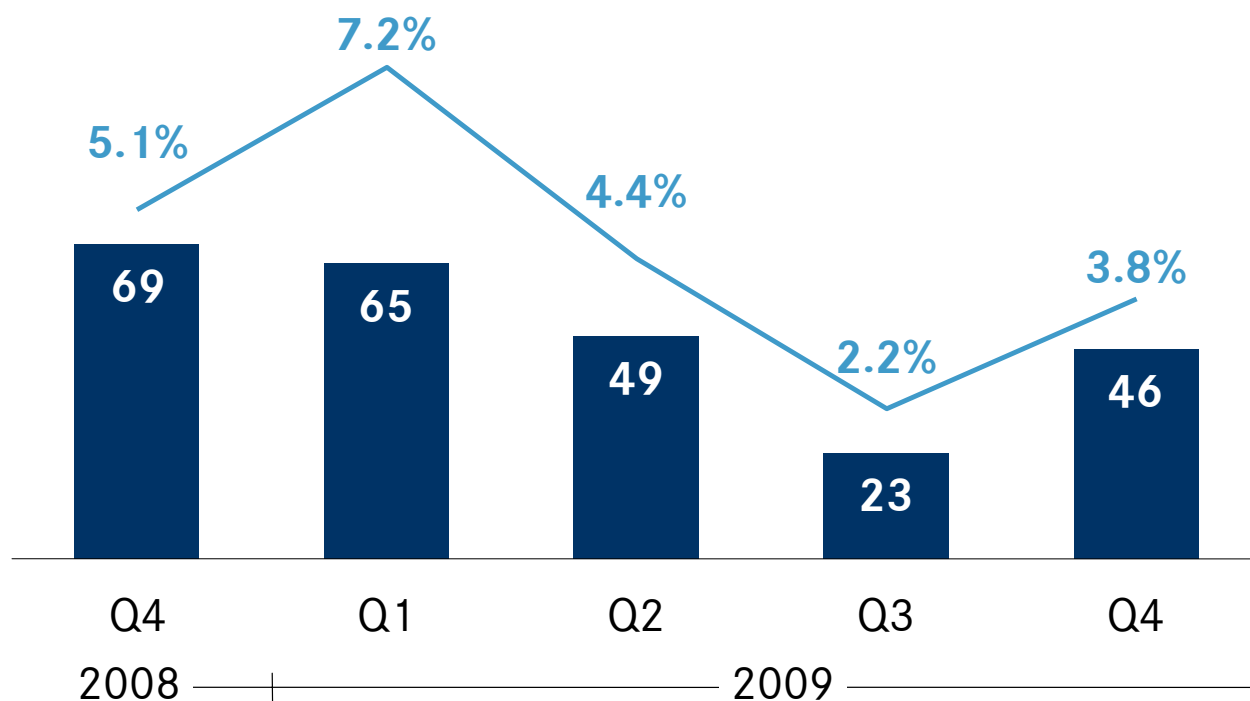
Turnaround achieved through countermeasures and slight market recovery

- EBIT in millions of €, return on sales in % -



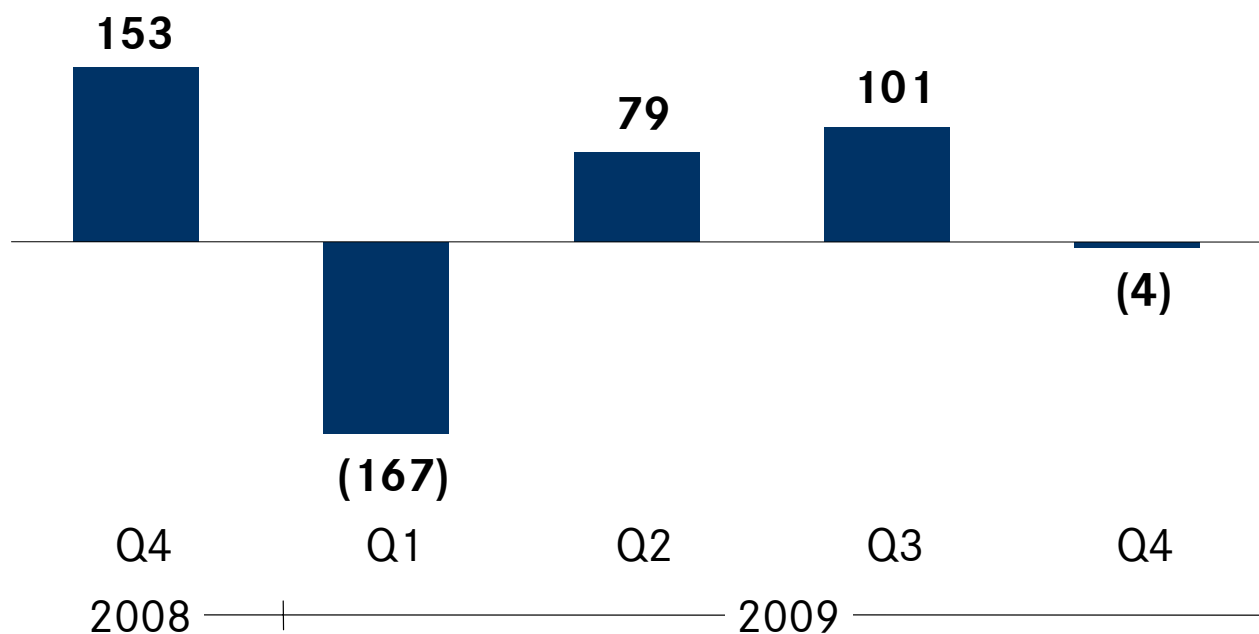
Daimler Buses profitable throughout the year despite weaker markets

- EBIT in millions of €, return on sales in % -



Financial Services affected by higher cost of risk and sale of non-automotive portfolio

- EBIT in millions of € -



Improvement in Group EBIT from ongoing business and free cash flow from the industrial business

- in billions of € -	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
EBIT Daimler Group					
- as reported	(1.4)	(1.0)	0.5	0.4	(1.5)
- excl. special reporting items	(1.4)	(0.4)	0.4	0.6	(0.8)
Free cash flow industrial business	(1.1)	1.4	2.0	0.5	2.7

Countermeasures of €5.3 bn significantly outperformed original target of €4 bn

Achievement
in FY 2009:
€5.3 bn

Net proceeds	<ul style="list-style-type: none"> • Safeguard positive net pricing • Earlier market launch of new E-Class sedan in the U.S. • Optimization of pricing potential of extras/packages and fuel-efficiency features 	13%
Personnel costs	<ul style="list-style-type: none"> • Short-time work in production and other functions • Reduced working time and labor costs 	35%
Material costs	<ul style="list-style-type: none"> • Achieving lower prices based on declining raw material prices • Accelerated implementation of module strategy 	12%
Other overheads	<ul style="list-style-type: none"> • Cutting expenses and reducing spending • Prioritization of investment projects • Optimization of non-productive materials 	40%

Assumptions for automotive markets in 2010 in a volatile macro-economic environment

● Car markets

- Worldwide market expected to grow by approximately 3 to 4%
- Growth potential in particular in China and North America

● Truck markets

- Demand for medium- and heavy-duty trucks expected to increase globally, driven by North America, Latin American markets and Asia
- Europe: slightly higher than 2009
- NAFTA region: +10 to 15%
- Japan: approximately at the level of 2009

● Van markets

- Positive market development expected from low level

● Bus markets

- Growing worldwide market primarily driven by Latin American markets, while Western European bus markets are expected to decline

Outlook for Daimler unit sales in 2010

● Mercedes-Benz Cars

- Unit sales should increase in 2010
- Attractive and competitive product portfolio, full availability of new E-Class models

● Daimler Trucks

- 2010 unit sales expected to increase from low level
- Main driver is expected to be market recovery in North and South America

● Mercedes-Benz Vans

- Positive unit sales development should continue

● Daimler Buses

- Higher unit sales anticipated due to growth in Latin America

Outlook for EBIT in 2010

● Mercedes-Benz Cars

- Results from ongoing business should benefit from higher unit sales and improved margins
- EBIT of more than €1.5 billion expected

● Daimler Trucks

- Profit of approximately €200 million expected, driven by the ongoing repositioning and efficiency programs and slight volume growth

● Mercedes-Benz Vans

- Should achieve EBIT of approximately €250 million

● Daimler Buses

- EBIT of approximately €180 million expected

● Daimler Financial Services

- EBIT of at least €350 million expected

● Daimler Group

- In this challenging economic environment, we expect Daimler to post EBIT from the ongoing business of more than €2.3 billion
- For the reconciliation between the sum of the segments and the Group, charges of €200 million are expected
- We will continue to monitor risks along the automotive value chain

DAIMLER

Annual Press Conference

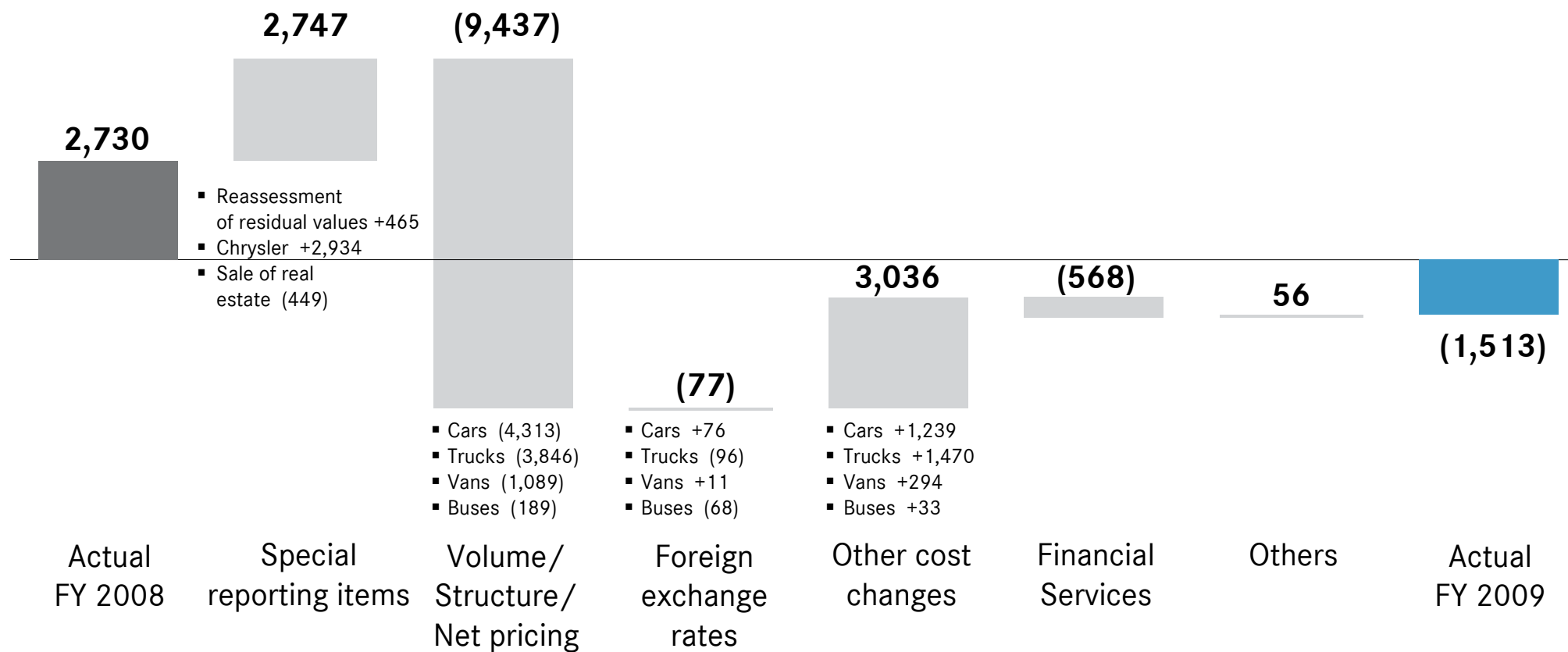
FY 2009 and Q4 2009 Results

Questions & Answers

February 18, 2010

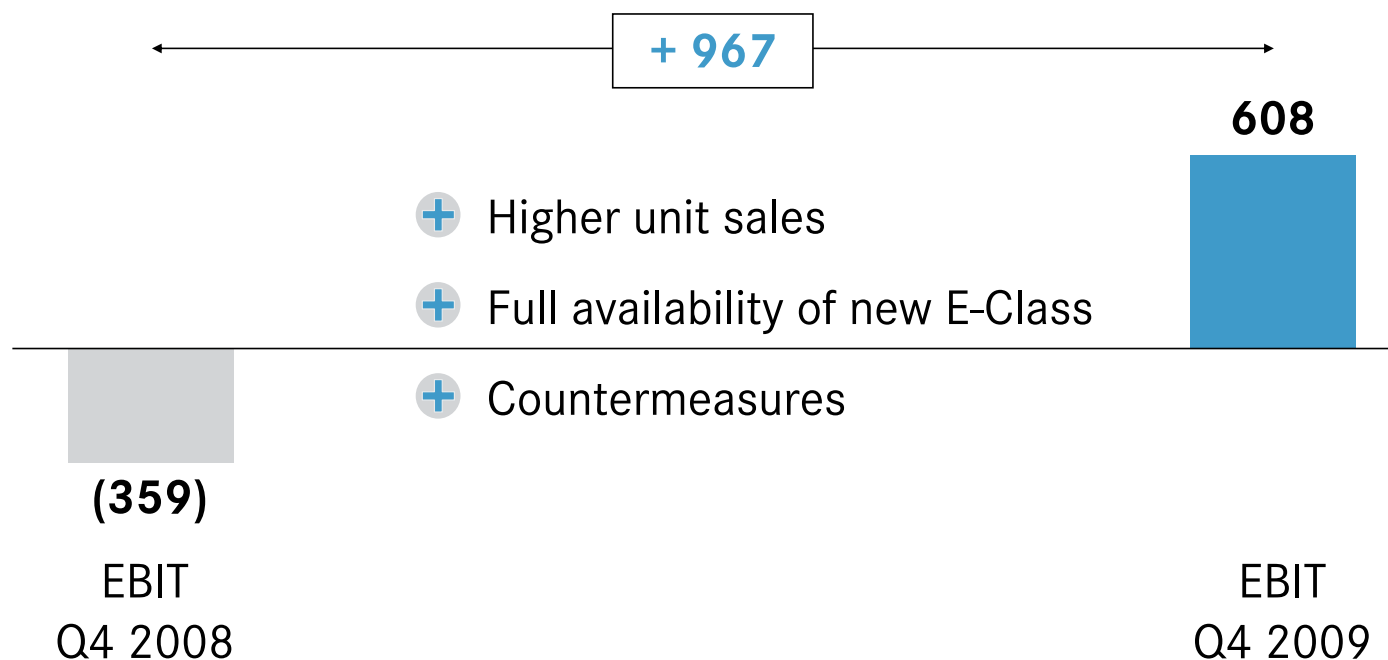
Group EBIT in FY 2009

- in millions of € -



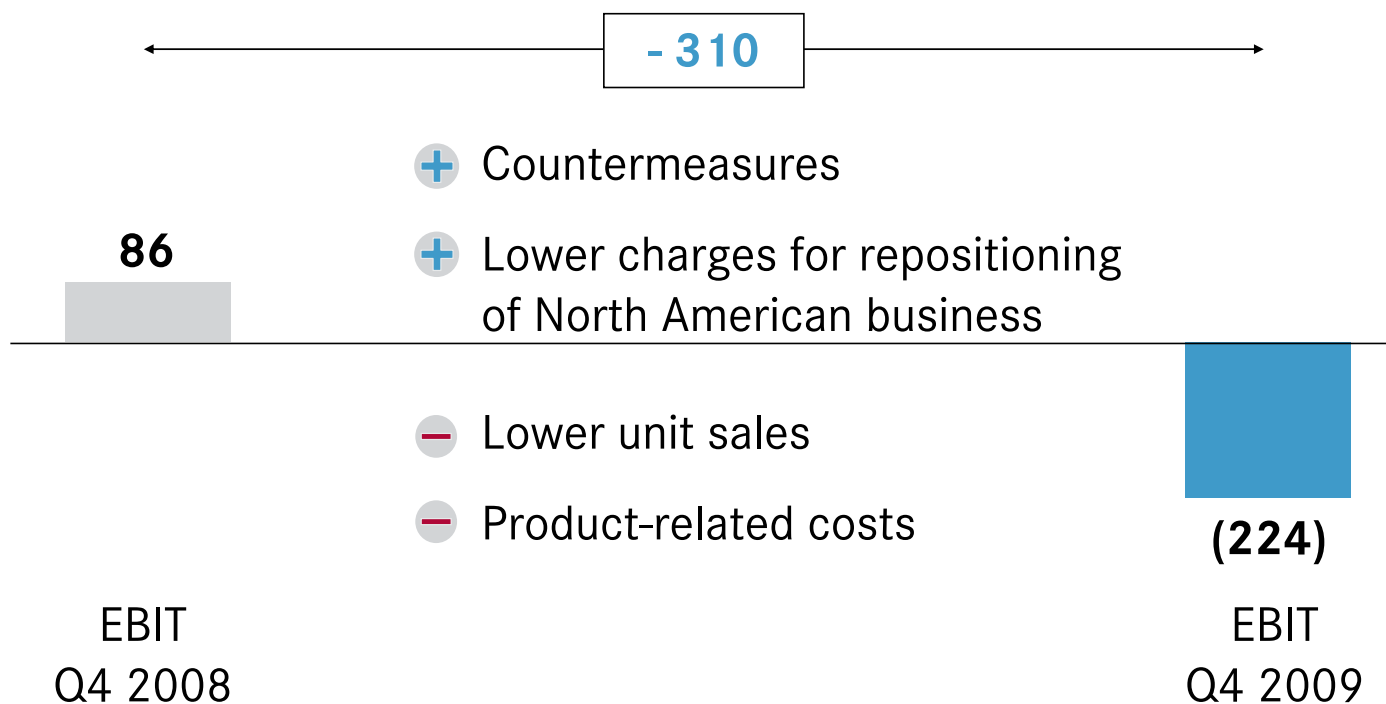
Positive effect from full availability of new E-Class models and efficiency improvements

- in millions of € -



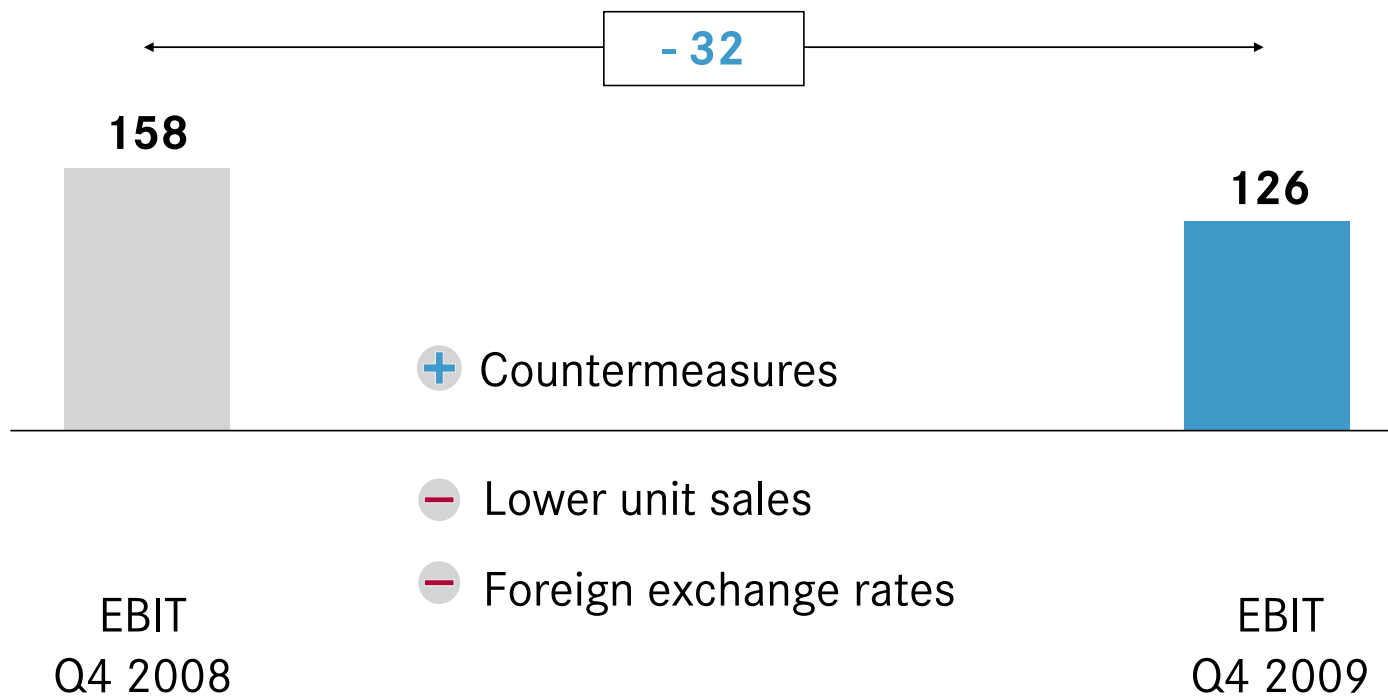
Continued weak demand for trucks affected EBIT

- in millions of € -



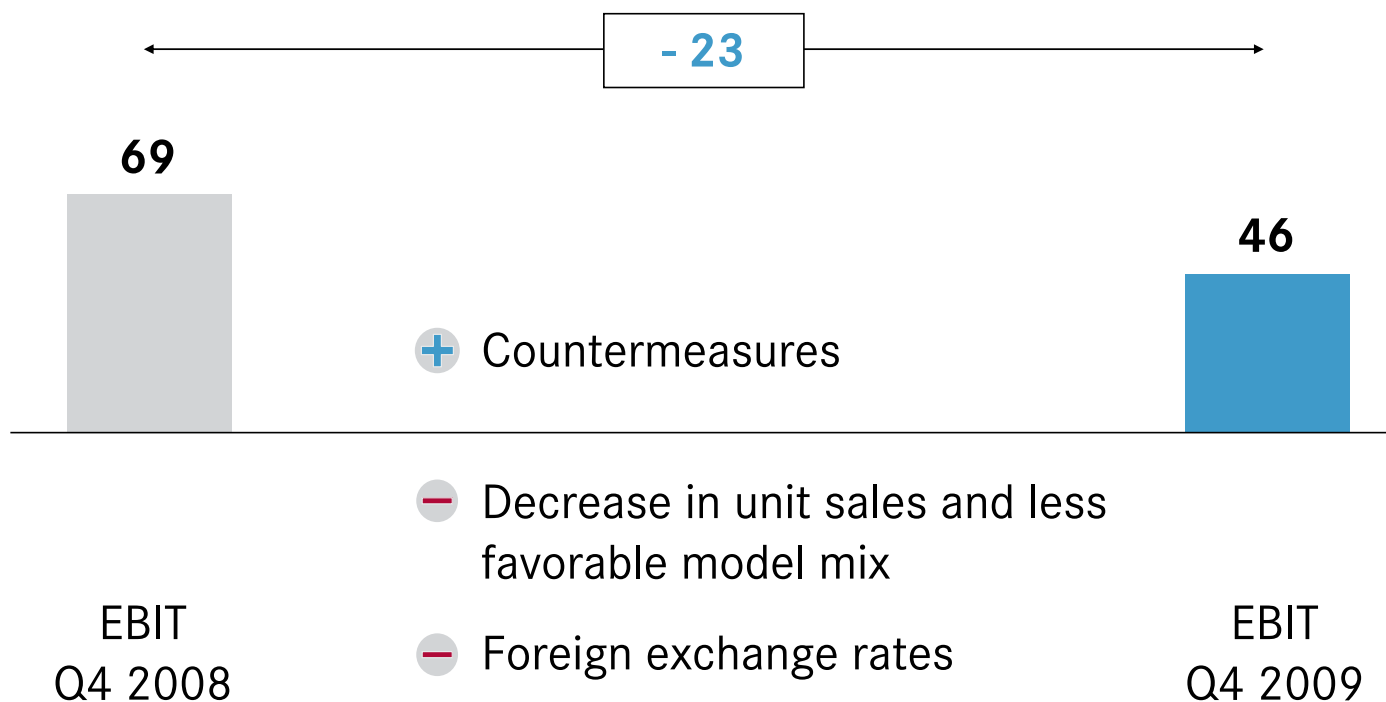
Return to profitability in Q4

- in millions of € -



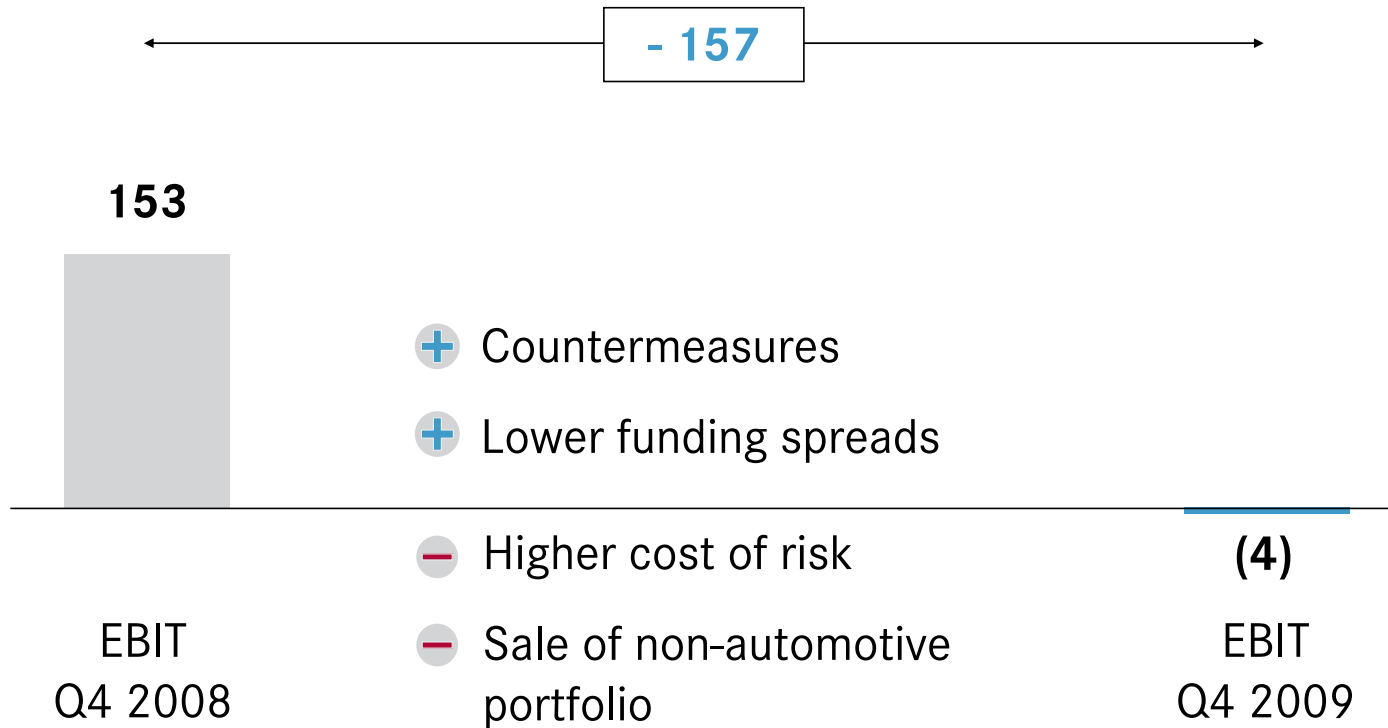
Decrease in EBIT due to lower sales volume in major markets

- in millions of € -



Financial Services affected by higher cost of risk and sale of non-automotive portfolio

- in millions of € -



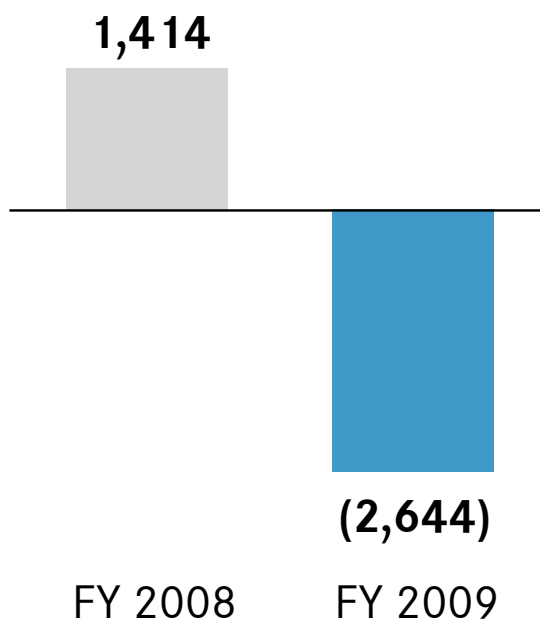
Special items affecting EBIT

- in millions of € -	4th quarter		Fiscal year	
	2008	2009	2008	2009
Mercedes-Benz Cars				
Reassessment of residual values	(16)	-	(465)	-
Adjustment of pension benefit plans	84	-	84	-
Daimler Trucks				
Realignment of Mitsubishi Fuso Truck and Bus Corp.	-	(28)	-	(245)
Repositioning of Daimler Trucks North America	(233)	(47)	(233)	(95)
Adjustment of pension benefit plans/healthcare benefit plans	29	-	29	-
Daimler Financial Services				
Sale of non-automotive assets	-	(81)	-	(100)
Reconciliation				
Sale of real estate	-	-	449	-
Transfer of shares in EADS	-	-	130	-
Equity-method result Chrysler	(343)	-	(1,390)	-
Other gains/(expenses) related to Chrysler	(1,670)	5	(1,838)	(294)
New management model	(78)	-	(247)	-

Net profit and earnings per share

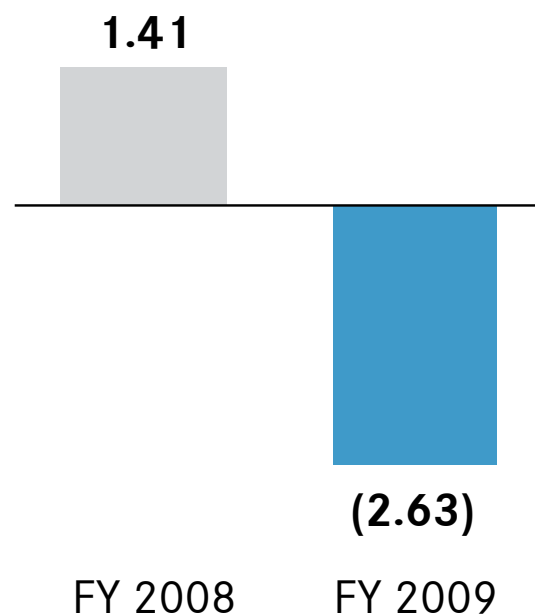
Net profit (loss)

- in millions of € -



Earnings (loss) per share

- in € -



Liquidity

- in millions of € -	September 30, 2009			December 31, 2009		
	Group	IB	FS	Group	IB	FS
Cash and cash equivalents	11,498	8,688	2,810	9,800	6,735	3,065
Marketable securities and term deposits	6,143	4,559	1,584	6,342	5,073	1,269
Gross liquidity	17,641	13,247	4,394	16,142	11,808	4,334
Financing liabilities (nominal)	(58,560)	(6,533)	(52,027)	(57,301)	(4,523)	(52,778)
Net liquidity	(40,919)	6,714	(47,633)	(41,159)	7,285	(48,444)

Financing liabilities (nominal)

- in billions of € -

		thereof maturing in			
	Dec. 31, 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Bonds	29.1	2.9	3.5	0.2	1.2
Bank loans	13.0	2.1	1.1	0.9	1.2
ABS	1.3	0.2	0.2	0.2	0.2
Commercial paper	0.2	0.2	0.0	0.0	0.0
Account deposits	12.6	8.0*	0.6	0.3	0.2
Other	1.1	0.2	0.2	0.2	0.2
Total	57.3	13.6	5.6	1.8	3.0

* Thereof €4.3 bn daily cash accounts

Funding status of pension and healthcare benefits

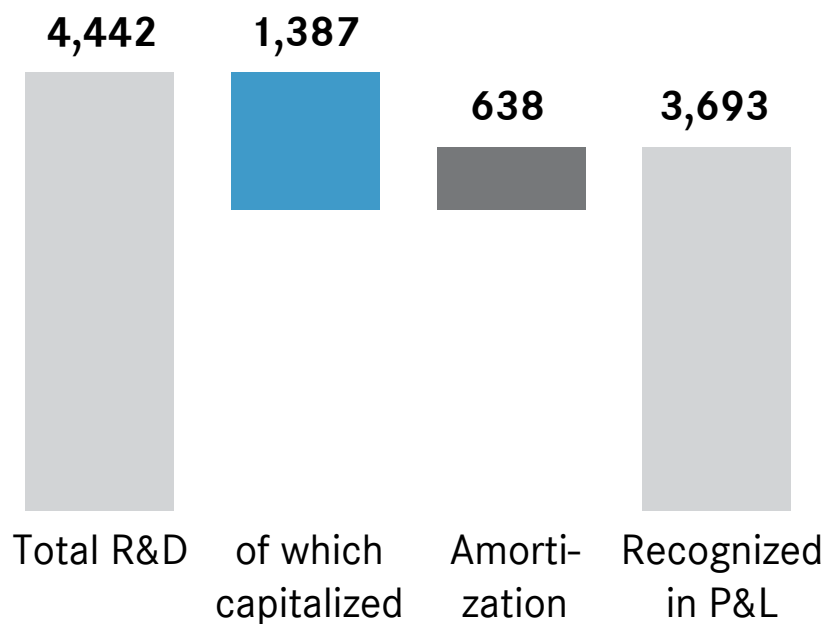
- in billions of € -

	Pension benefits		Healthcare benefits	
	Sept. 30, 2009	Dec. 31, 2009	Sept. 30, 2009	Dec. 31, 2009
Benefit obligations	(15.3)	(16.5)	(1.0)	(1.0)
Plan assets	10.4	10.6	0.0	0.0
Reimbursement Medicare Act			0.1	0.1
Funded status	(4.9)	(5.9)	(0.9)	(0.9)
Provisions	3.5	3.1	0.9	0.9
Funded position net of provisions	(1.4)	(2.8)	0.0	0.0

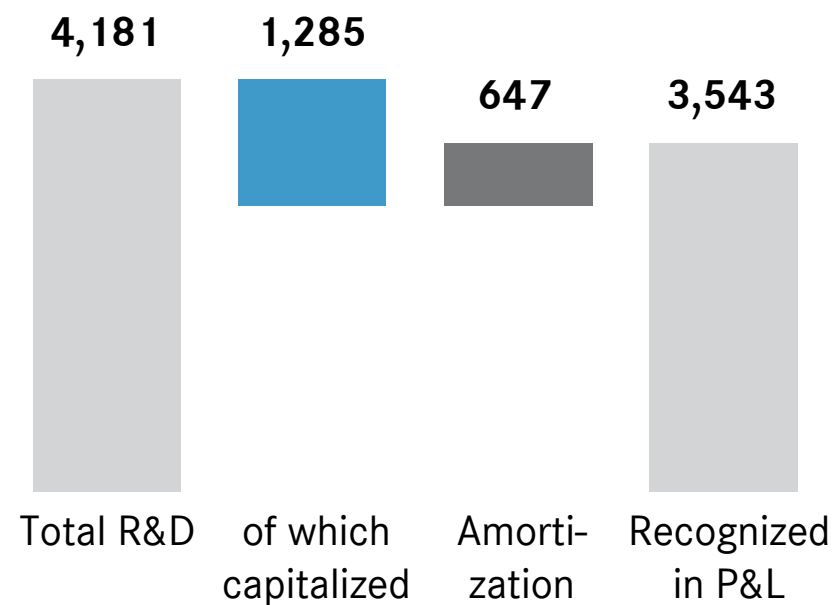
Research & development costs

- in millions of € -

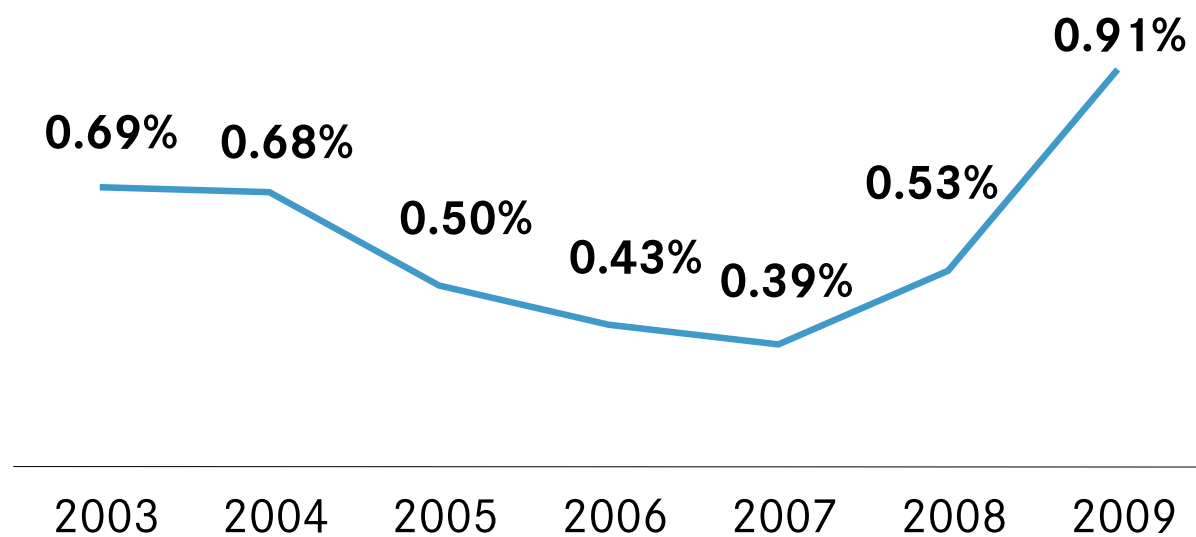
FY 2008



FY 2009



Economic crisis is reflected by higher net credit losses*



* percent of global automotive portfolio, subject to credit risk

Disclaimer

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 a lack of further improvement or a renewed deterioration of global economic conditions, in particular a renewed decline of consumer demand and investment activity in Western Europe or the United States, or a downturn in major Asian economies; a continuation or worsening of the tense situation in the credit and financial markets, which could result in a renewed increase in borrowing costs or limit our funding flexibility; changes in currency exchange rates or interest rates; the ability to continue to offer fuel-efficient and environmentally friendly products; a permanent shift in consumer preference towards smaller, lower margin vehicles; the introduction of competing, fuel-efficient products and the possible lack of acceptance of our products or services, which may limit our ability to adequately utilize our production capacities or raise prices; price increases in fuel, raw materials and precious metals; disruption of production due to shortages of materials, labor strikes, or supplier insolvencies; a further decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization programs at all of our segments, including the repositioning of our truck activities in the NAFTA region and in Asia; the business outlook of companies in which we hold an equity interest, most notably EADS; 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 outcome 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 and under the headings “Risk Factors” and “Legal Proceedings” in Daimler’s most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission. 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.