

DAIMLER

Conference Call Q2 and Half Year 2008 Results

Dr. Dieter Zetsche

Chairman of the Board of Management
Head of Mercedes-Benz Cars

July 24, 2008

Summary Q2 2008

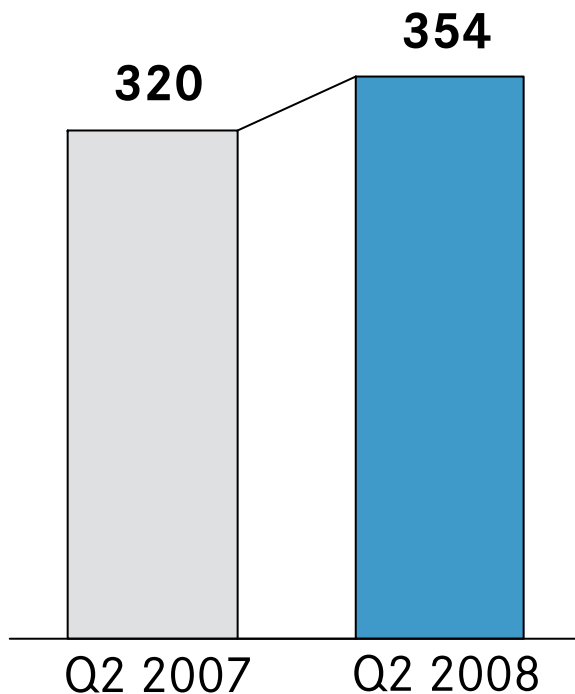
- Unit sales up 10%, reflecting significant growth in all business segments
- Revenue increased by 6% to €25.4 billion
adjusted for exchange-rate effects and changes in the consolidated Group,
the increase was 11%
- EBIT of €2.1 billion slightly below Q2 2007, reflecting
 - Strong EBIT of Mercedes-Benz Cars and Daimler Trucks despite difficult market environment
 - EBIT of Daimler Financial Services below last year's level
 - Charges related to Chrysler of €0.4 billion
- Net profit decreased from €1.8 billion to €1.4 billion
- Share buyback resumed on June 17, 2008

Key financials

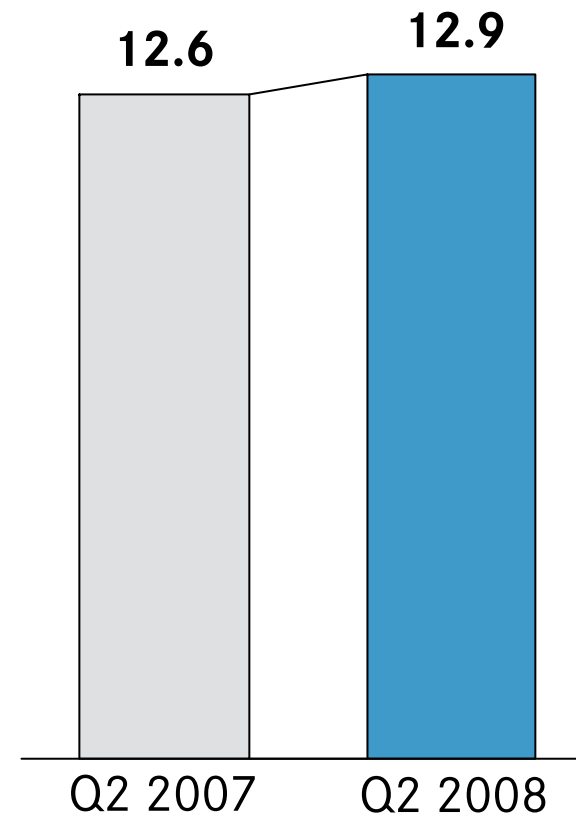
- in billions of € -	Q2 2007	Q2 2008
Revenue	23.8	25.4
EBIT	2.1	2.1
Net profit	1.8	1.4
Earnings per share (in €)	1.74	1.40
Free cash flow industrial business (January to June)	4.6	0.1
Net liquidity industrial business (2007: at year-end)	12.9	8.8

Higher unit sales and revenue reflect strong demand for new products

Unit sales
- in thousands of units -

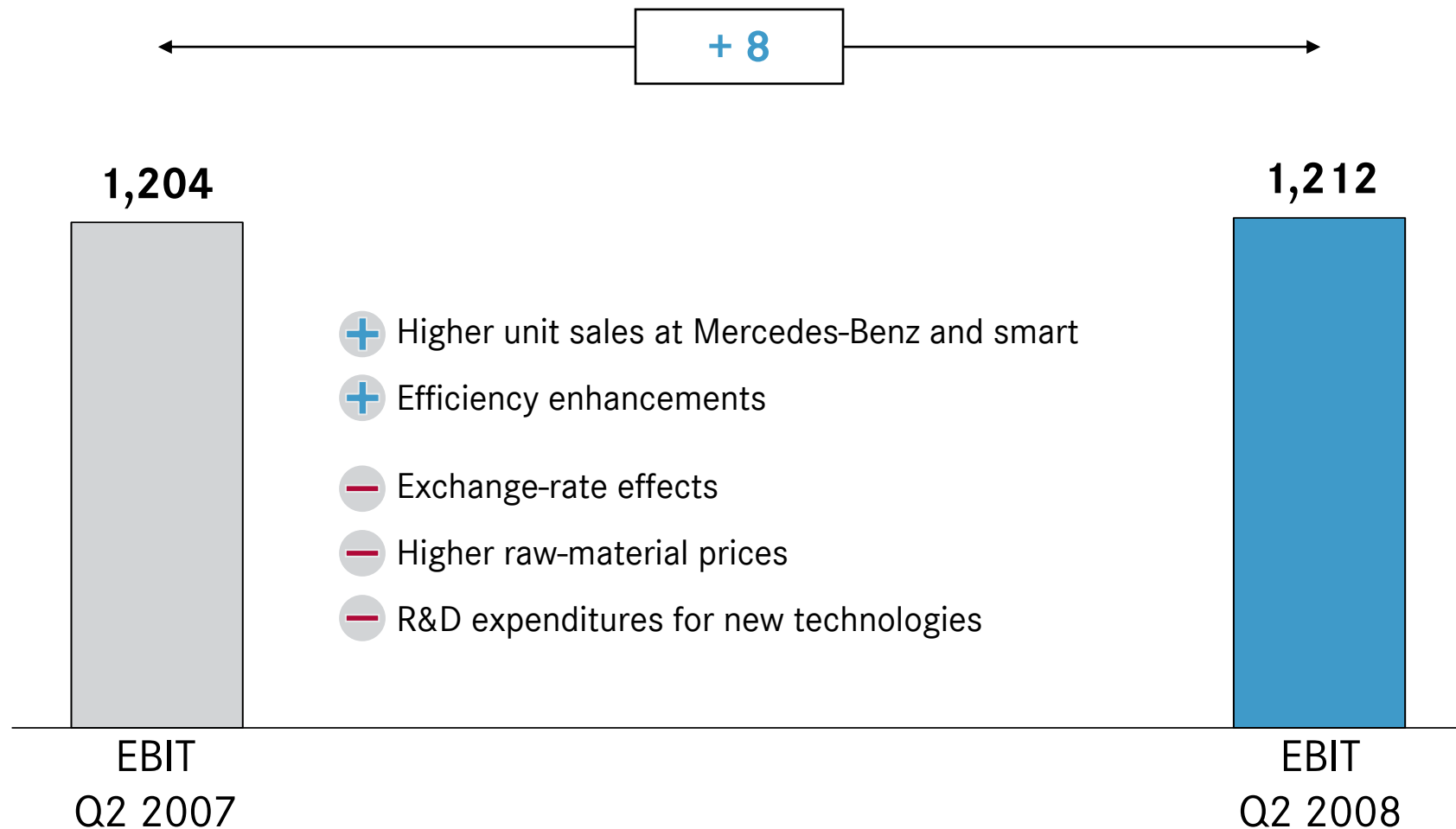


Revenue
- in billions of € -



Increase in EBIT results from higher unit sales and enhanced efficiency

- in millions of € -

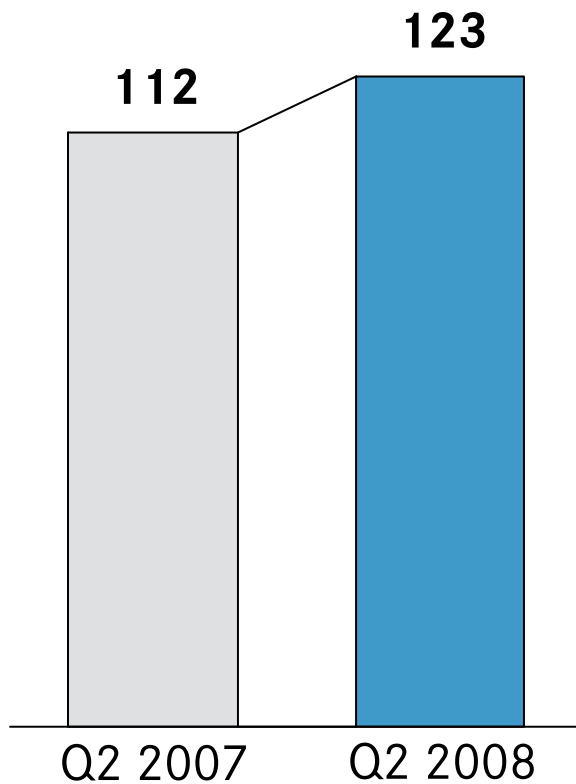


New Products

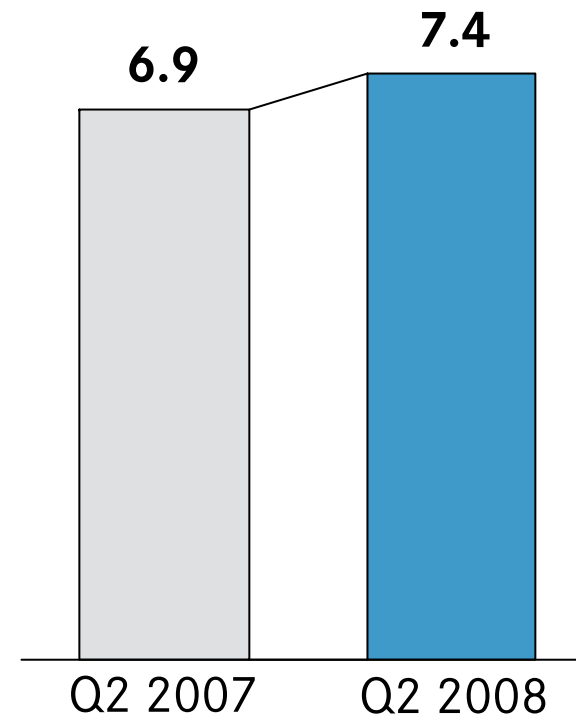


Higher unit sales despite ongoing weak demand in the US

Unit sales
- in thousands of units -

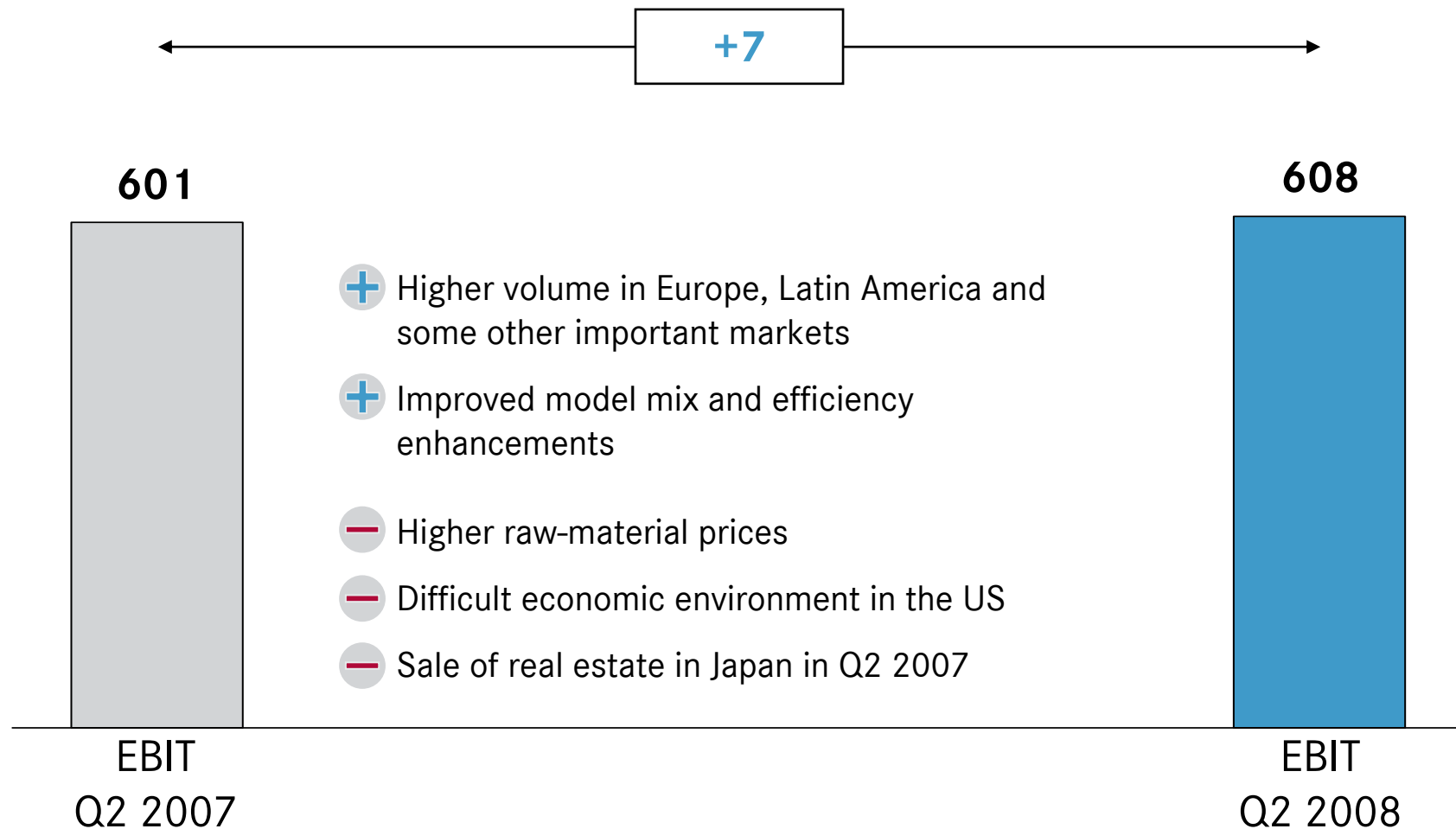


Revenue
- in billions of € -



Higher EBIT primarily due to strong results from Europe and Latin America

- in millions of € -



New Products

Mitsubishi Fuso Canter Eco Hybrid



Atego BLUETEC HYBRID

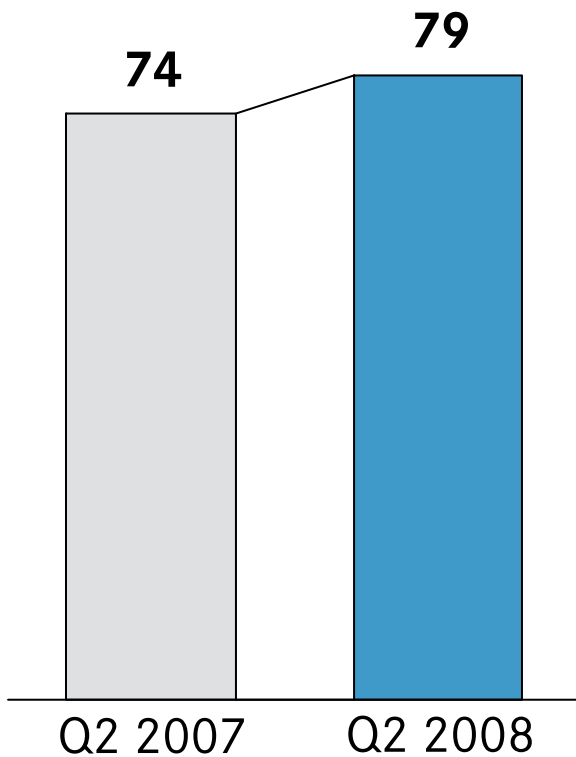


Actros – fuel consumption record due to BLUETEC 5

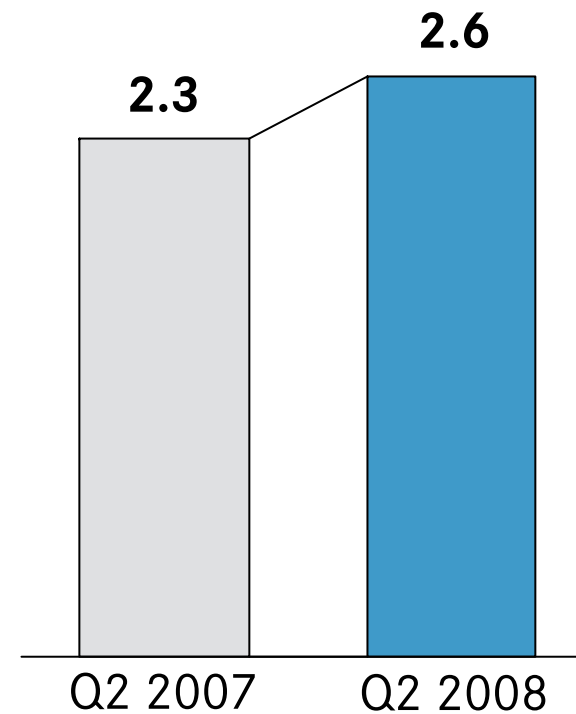


Growth at Mercedes-Benz Vans due to continued strong demand for Sprinter

Unit sales
- in thousands of units -

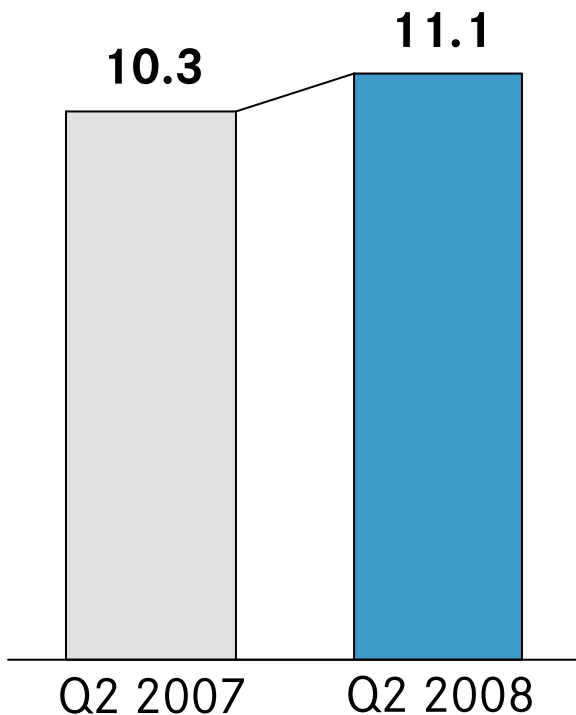


Revenue
- in billions of € -

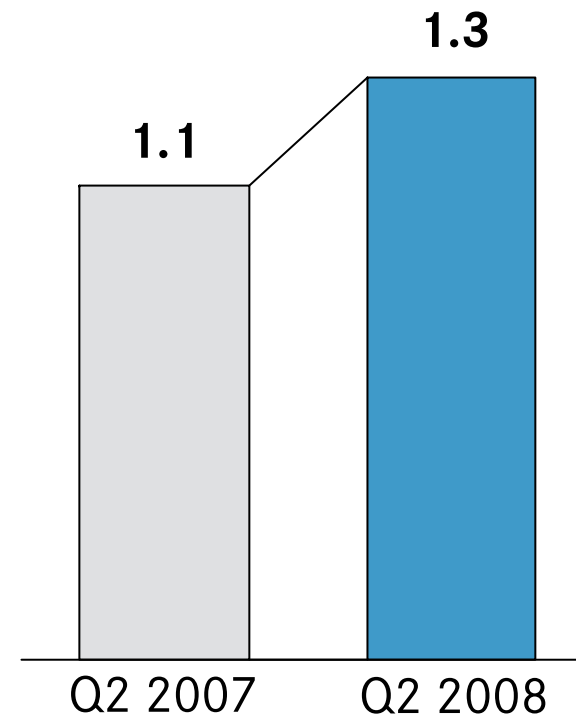


Unit sales and revenue pushed by positive market environment in Western Europe and Brazil

Unit sales
- in thousands of units -

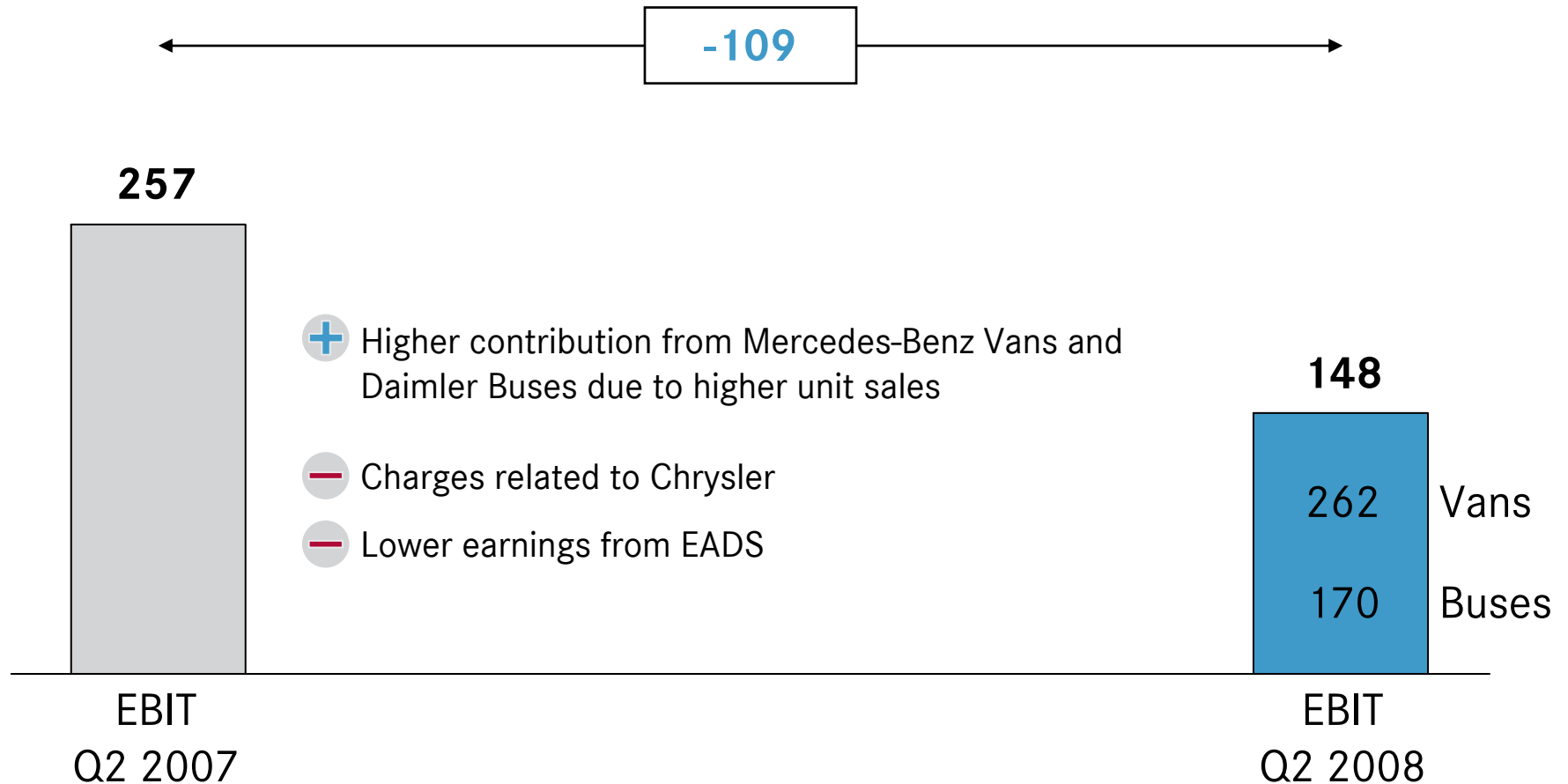


Revenue
- in billions of € -



Increased earnings from ongoing business were overcompensated by charges related to Chrysler

- in millions of € -

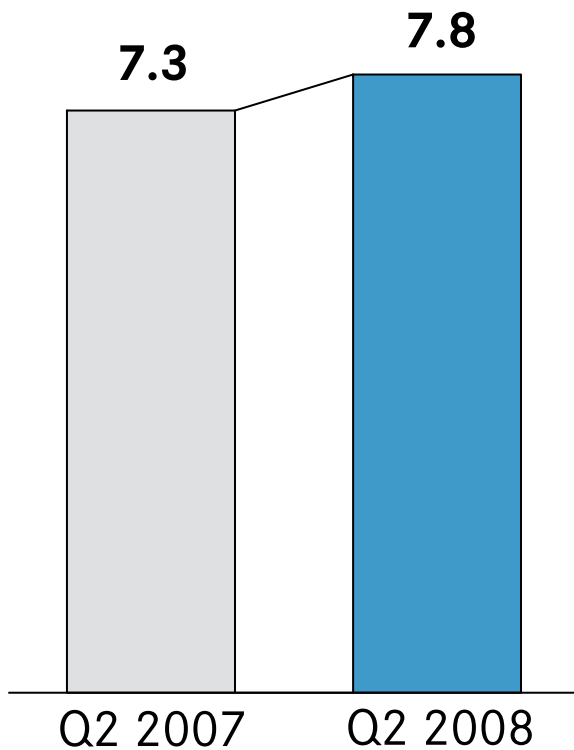


Financial impact of the stake in Chrysler Holding LLC

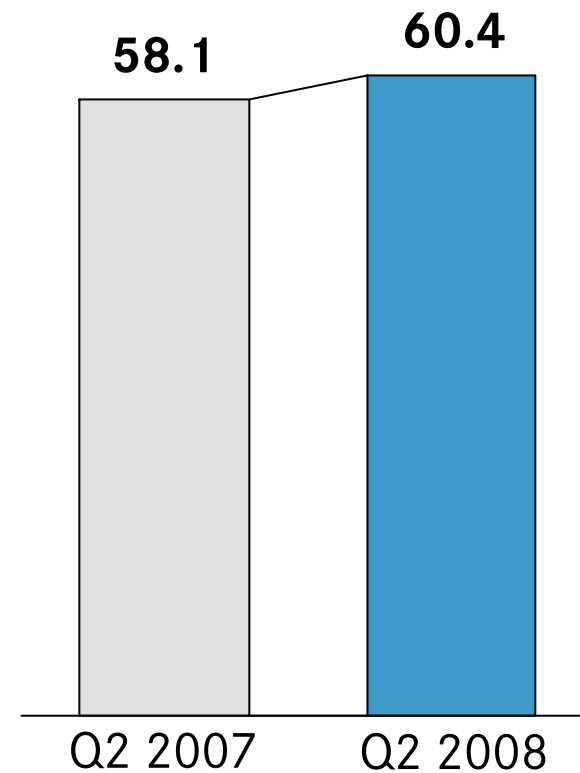
- Negative impact on EBIT in Q2 2008 of €373 million without any cash impact
 - Special reporting items (mainly restructuring) of minus €93 million
 - Impairment of rights related to residual values of Chrysler vehicles (€17 million)
- Results are not indicative for US GAAP results to be reported by Chrysler Holding LLC due to significant valuation differences between US GAAP and IFRS
- Book value as of June 30, 2008: €171 million
- Guaranties provided by Daimler were reduced in H1 by \$0.5 to \$0.5 billion, the related collateral provided by Chrysler decreased in H1 by \$0.2 to \$0.3 billion
- Chrysler called for the agreed \$1.5 billion credit line

Higher contract volume despite negative exchange-rate effects

New business
- in billions of € -

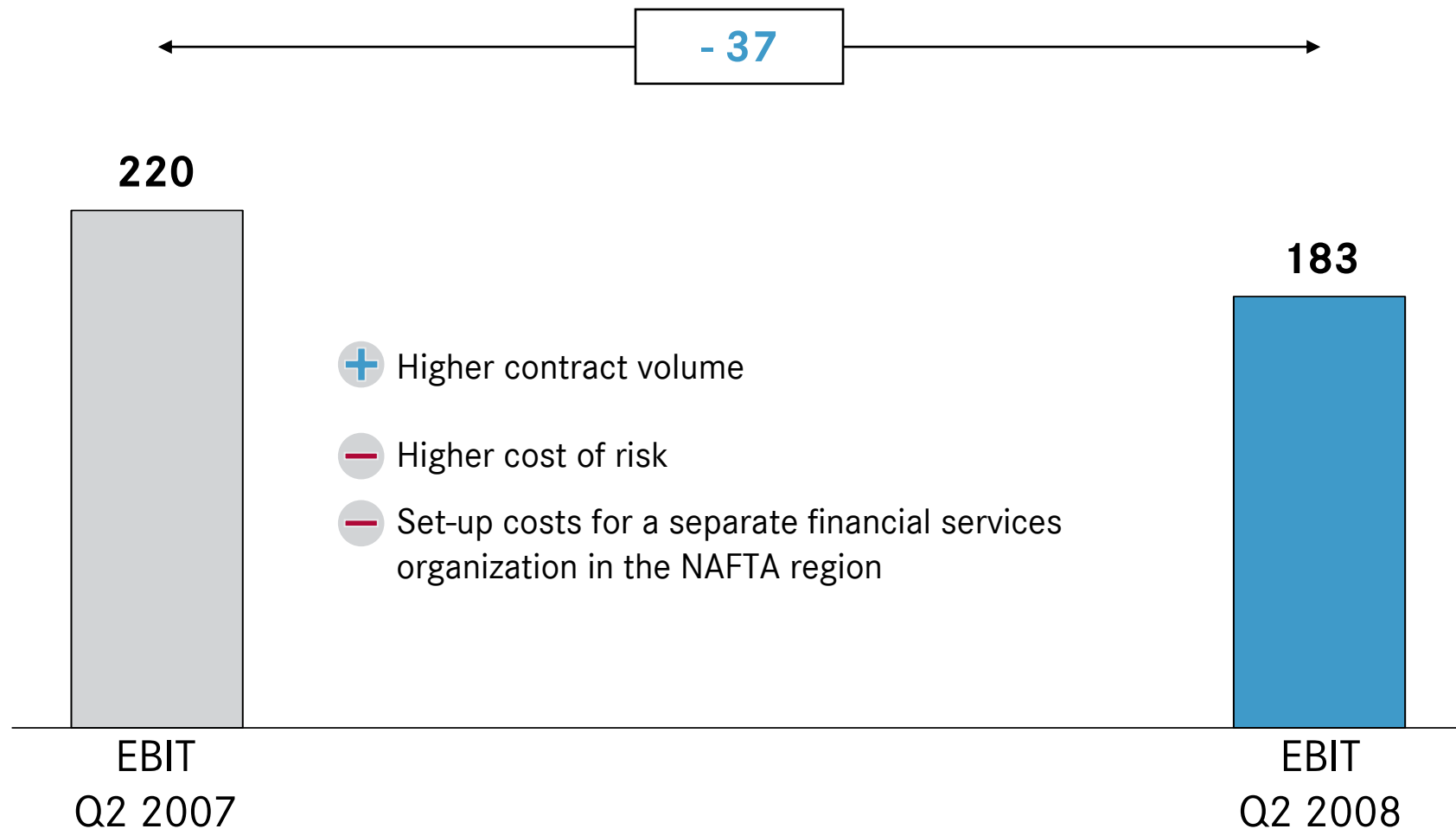


Contract volume
- in billions of € -



Daimler Financial Services affected by higher cost of risk and set-up costs

- in millions of € -



Sales outlook FY 2008

- **Mercedes-Benz Cars**

Unit sales are expected to surpass the level of 2007

- **Daimler Trucks**

Rising unit sales are expected for FY 2008, reflecting positive developments in Europe and growth in Asian markets

- **Mercedes-Benz Vans**

New sales record is expected for FY 2008 as a result of ongoing high demand for Sprinter vans and positive sales trend of Vito/Viano vans

- **Daimler Buses**

Buses unit expects to match the high level of the prior year

Earnings outlook 2008

- **Mercedes-Benz Cars** expects EBIT to be below previous year's level; return on sales anticipated in the magnitude of 8%
- **Daimler Trucks** assumes earnings to be in the magnitude of €2 billion
- **Daimler Financial Services** assumes a return on equity of at least 14% in 2008
- For 2008, the **Daimler Group** expects EBIT from its ongoing business (excluding Chrysler) of more than €7 billion

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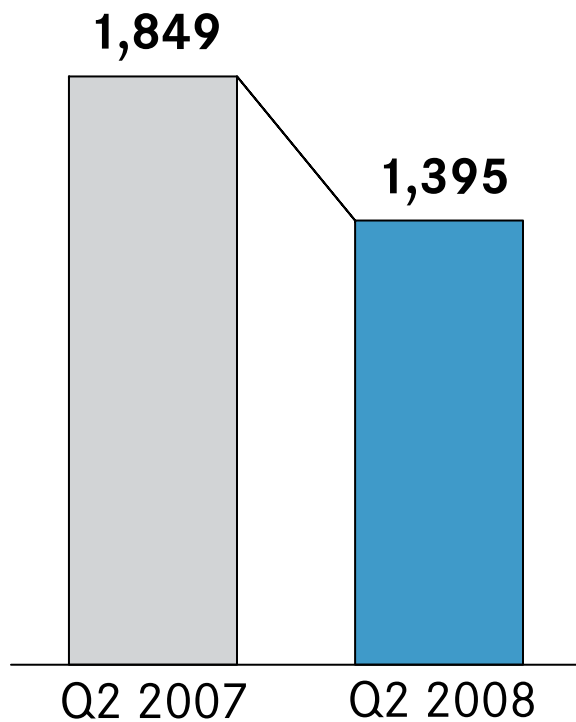
Questions & Answers

July 24, 2008

Net profit and earnings per share

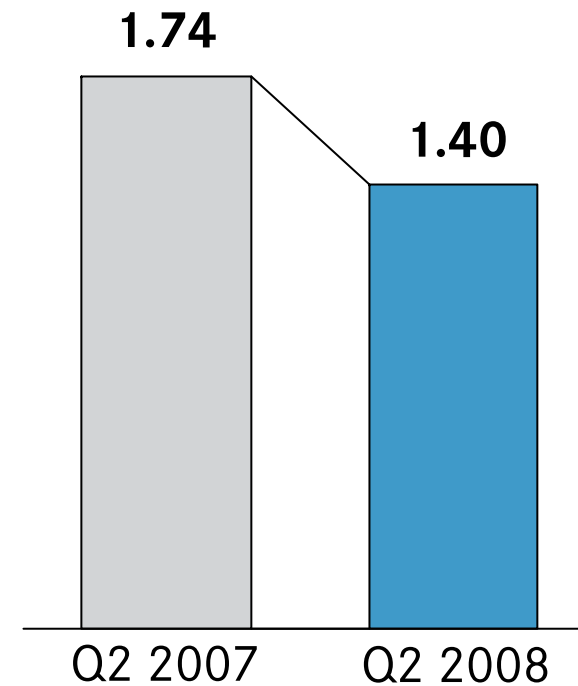
Net profit

- in millions of € -



Earnings per share

- in € -



Key balance-sheet and financial figures

- in billions of € -	Dec. 31, 2007	Mar. 31, 2008	June 30, 2008
Daimler Group			
Equity ratio ¹⁾	26.9%	26.9%	27.6%
Gross liquidity	17.1	11.7	7.1
Industrial Business			
Equity ratio ¹⁾	43.7%	44.9%	47.6%
Net liquidity	12.9	11.7	8.8
Free cash flow (January to June)	4.6	1.0	0.1

1) Excluding dividend payment

Liquidity

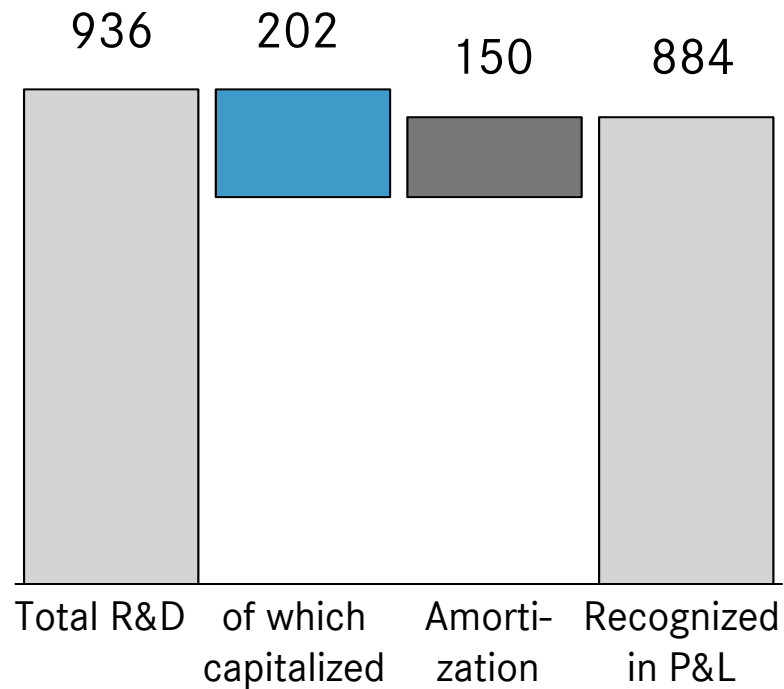
- in millions of € -	Dec. 31, 2007			June 30, 2008		
	Group	IB	FS	Group	IB	FS
Cash and cash equivalents	15,631	14,894	737	5,591	4,724	867
Marketable securities and term deposits	1,424	1,276	148	1,481	1,375	106
Gross liquidity	17,055	16,170	885	7,072	6,099	973
Financial liabilities, net	(54,967)	(5,019)	(49,948)	(50,397)	454	(50,851)
Market valuation and currency hedges for financing liabilities	1,761	1,761	0	2,204	2,204	0
Net liquidity	(36,151)	12,912	(49,063)	(41,121)	8,757	(49,878)

Funding status of pension and healthcare benefits

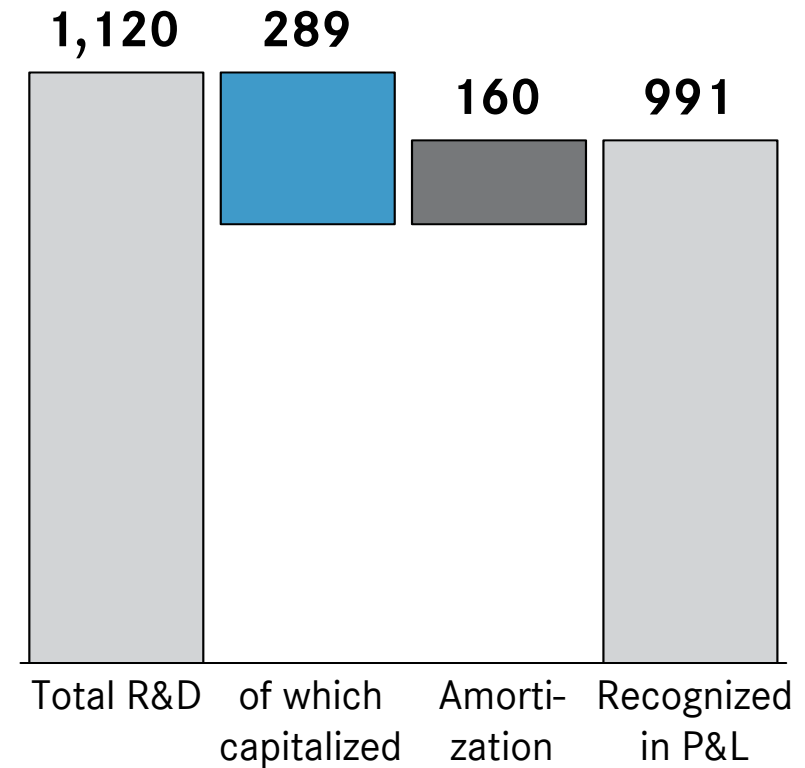
- in billions of € -	Dec. 31, 2007	Mar. 31, 2008	June 30, 2008
Pension benefits			
Benefit obligations	(15.7)	(15.7)	(15.8)
Plan assets	13.8	12.7	12.6
Funded status	(1.9)	(3.0)	(3.2)
Healthcare benefits			
Benefit obligations	(0.9)	(0.8)	(0.8)
Plan assets	0.1	-	-
Reimbursement Medicare Act	0.1	0.1	0.1
Funded status	(0.7)	(0.7)	(0.7)

Research & Development costs

Q2 2007
- in millions of € -



Q2 2008
- in millions of € -



Special items affecting EBIT

- in millions of € -	2nd Quarter		January to June	
	2007	2008	2007	2008
Mercedes-Benz Cars				
Financial support for suppliers	-	-	(82)	-
Daimler Trucks				
Sale of real-estate properties in Japan	68	-	68	-
Vans, Buses, Other				
Sale of real estate (Potsdamer Platz)	-	-	-	449
Gains (loss) related to the transfer of shares in EADS	(39)	35	1,524	137
Restructuring program at Chrysler	-	(93)	-	(187)
Impairment of rights due to reduced residual values of Chrysler vehicles	-	(17)	-	(168)
Restructuring program at EADS	-	-	(114)	-
Reconciliation				
New management model	(42)	(63)	(93)	(108)

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 an economic downturn or slow economic growth in important economic regions, especially in Europe or North America; the effects of the credit crisis which could result in a weaker demand for our products particularly in the U.S. but as well in the European market; changes in currency exchange rates and interest rates; the introduction of competing products and the possible lack of acceptance of our products or services; price increases in fuel, raw materials, and precious metals; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the business outlook for Daimler Trucks, which may be affected if the U.S. and Japanese commercial vehicle markets experience a sustained weakness in demand for a longer period than expected; the effective implementation of cost reduction and efficiency optimization programs; the business outlook of Chrysler, in which we hold an equity interest, including its ability to successfully implement its restructuring plans; the business outlook of EADS, in which we hold an equity interest, including the financial effects of delays in and potentially lower volumes of future aircraft deliveries; 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.