

DAIMLER

Paris Motor Show 2008

Bodo Uebber

Member of the Board of Management
Finance & Controlling, Daimler Financial Services

October 1, 2008

Key figures Daimler Group

- in billions of € -	H1 2007	H1 2008
Unit Sales (in thousand units)	977	1,070
Revenue	47.2	48.8
EBIT	5.4	4.0
Net profit	3.8	2.7
Earnings per share (in €)	3.64	2.70

Unfavorable development in traditional markets

Passenger Car Market H1/07 → H1/08

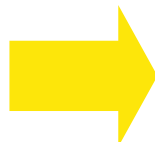
USA



EU 15



Japan

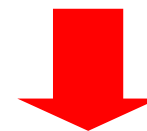


Emerging
Markets



Truck Market H1/07 → H1/08

USA



EU 15



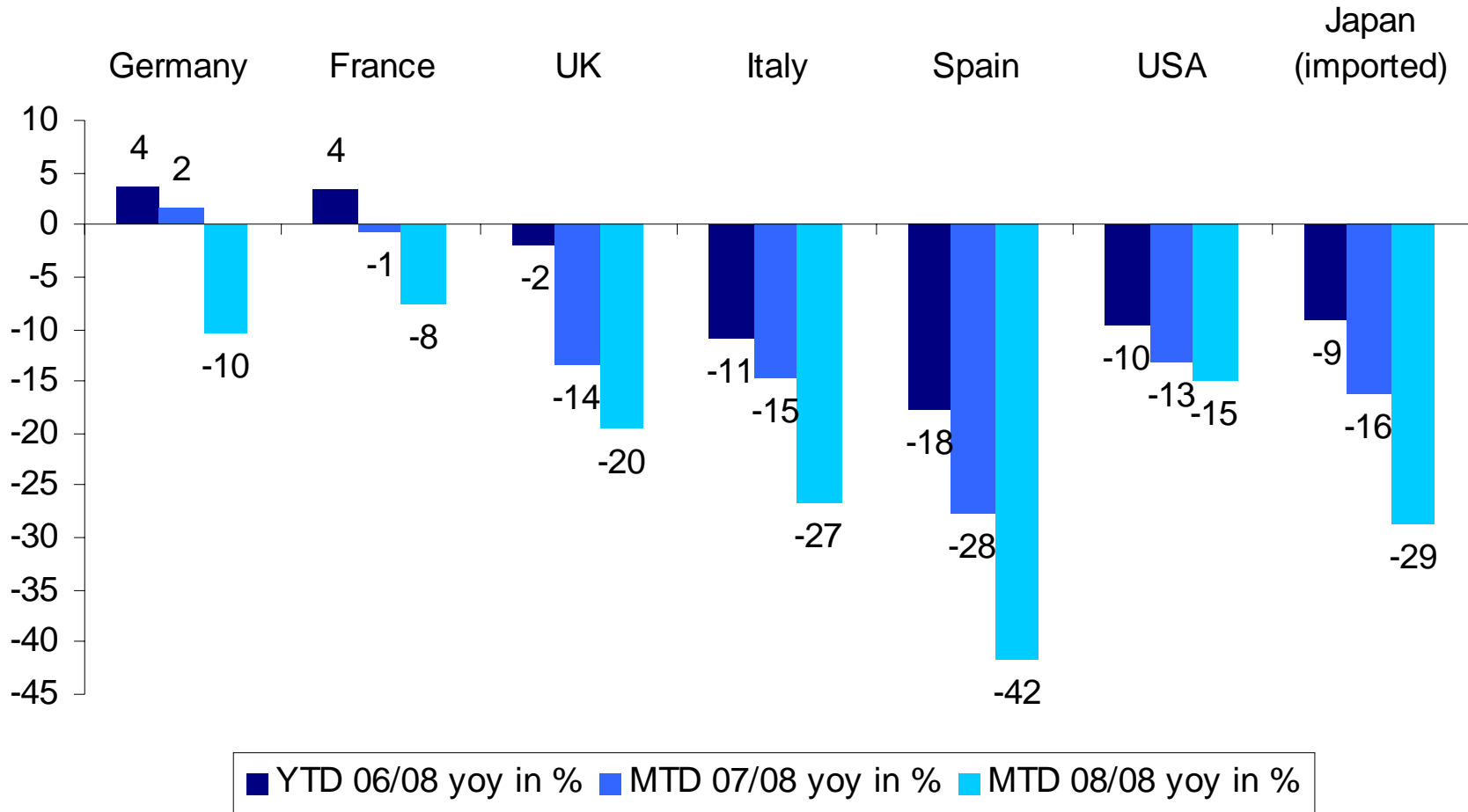
Japan



Emerging
Markets









Total Market YTD and in July/August 2008 (Passenger vehicles including all makes)

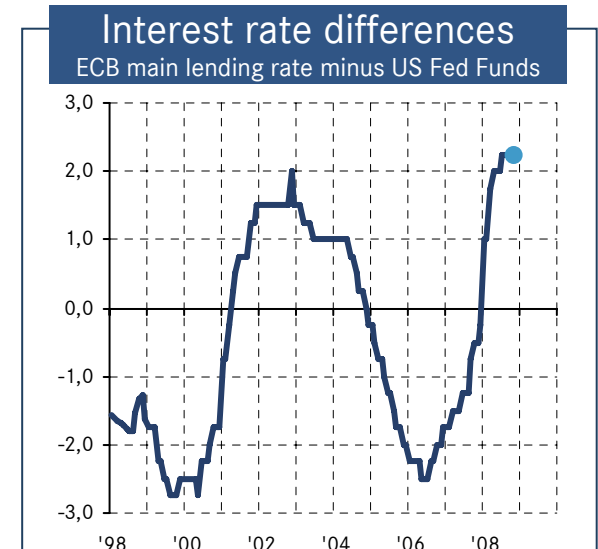
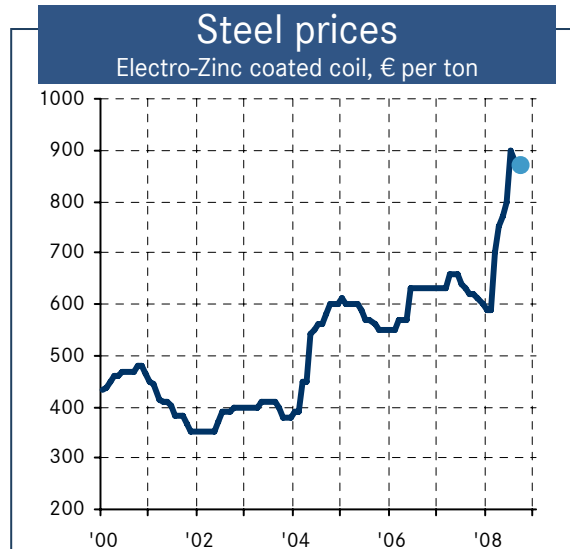
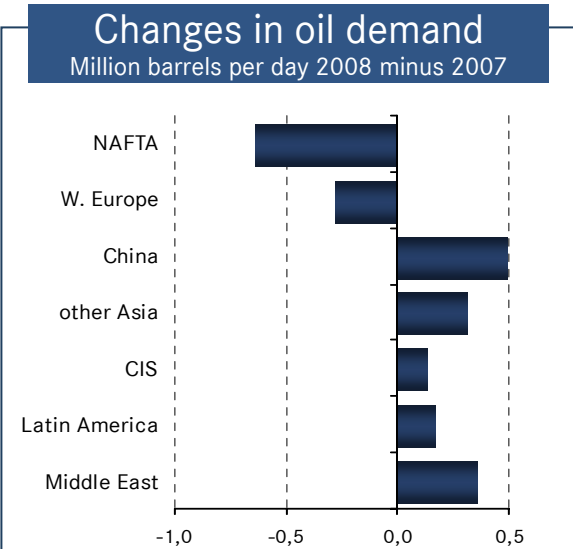
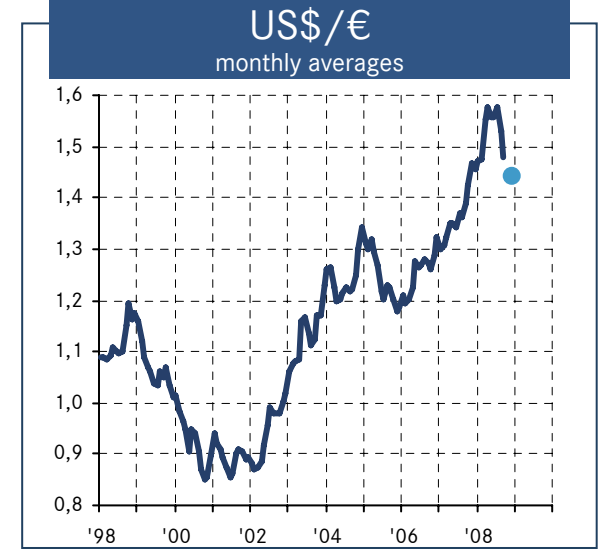
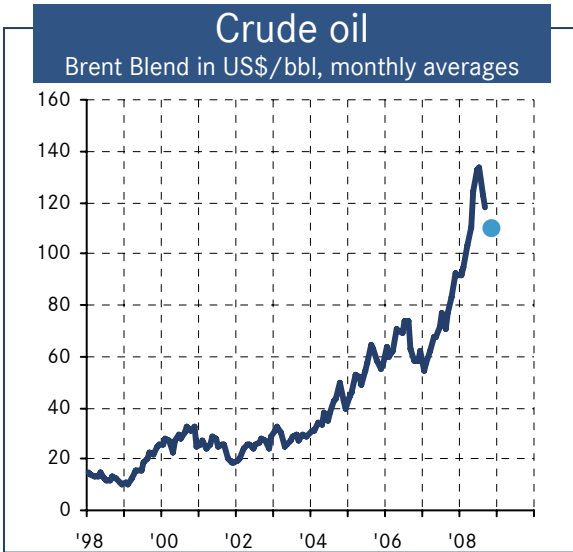


Daimler Trucks: Incoming Orders per Q2/2008 show increase of 7%, +60% for Trucks NAFTA, -19% for Trucks EU/LA

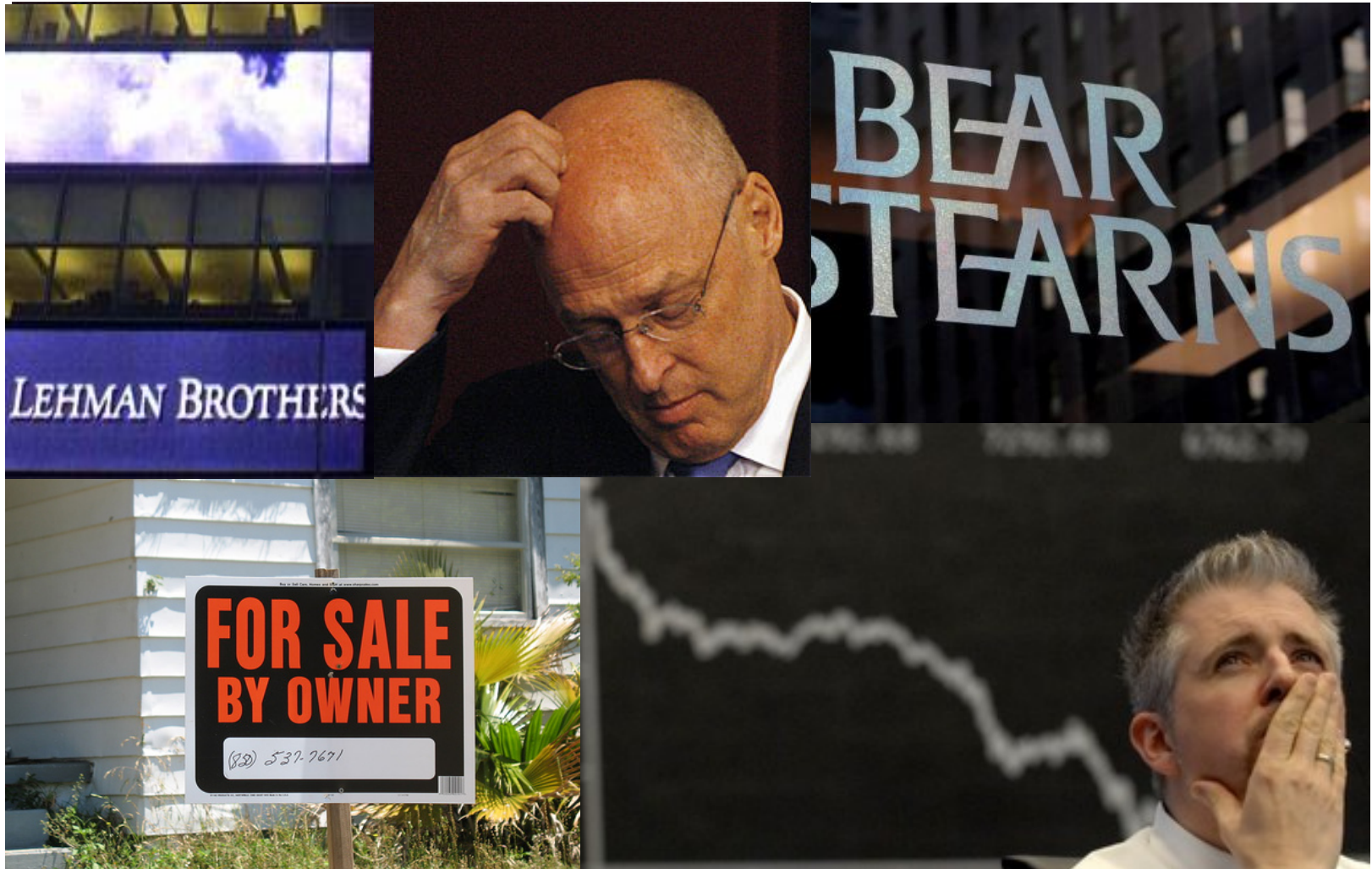
Incoming orders (in units)

	Actual YTD 06/2007	Actual YTD 06/2008	Delta
Daimler Trucks	218,635	234,034	+ 7%
Trucks EU/LA 	95,746	77,423	- 19%
Trucks NAFTA    	33,493	53,629	+ 60%
Trucks Asia 	89,396	102,982	+ 15%

Major headwind from business environment



Rapidly worsening market and business environment development - Impact of US Sub-Prime Crisis



Challenges and Opportunities

Challenges

- US and European economic situation
- Unfavorable exchange rates
- Increase in raw material and energy prices
- Market development / competition / residual values
- Measures to comply with emission regulations / CO₂
- International financial crisis

Opportunities

- Successful introduction of new products
- Growth in traditional and emerging markets along the value chain
- Excellence Programs (MBC: “Go for 10”, DT: “Global Excellence”) will further increase efficiency and productivity
- Ongoing quality initiatives will further improve customer satisfaction and warranty costs

Mercedes-Benz Cars

Maybach



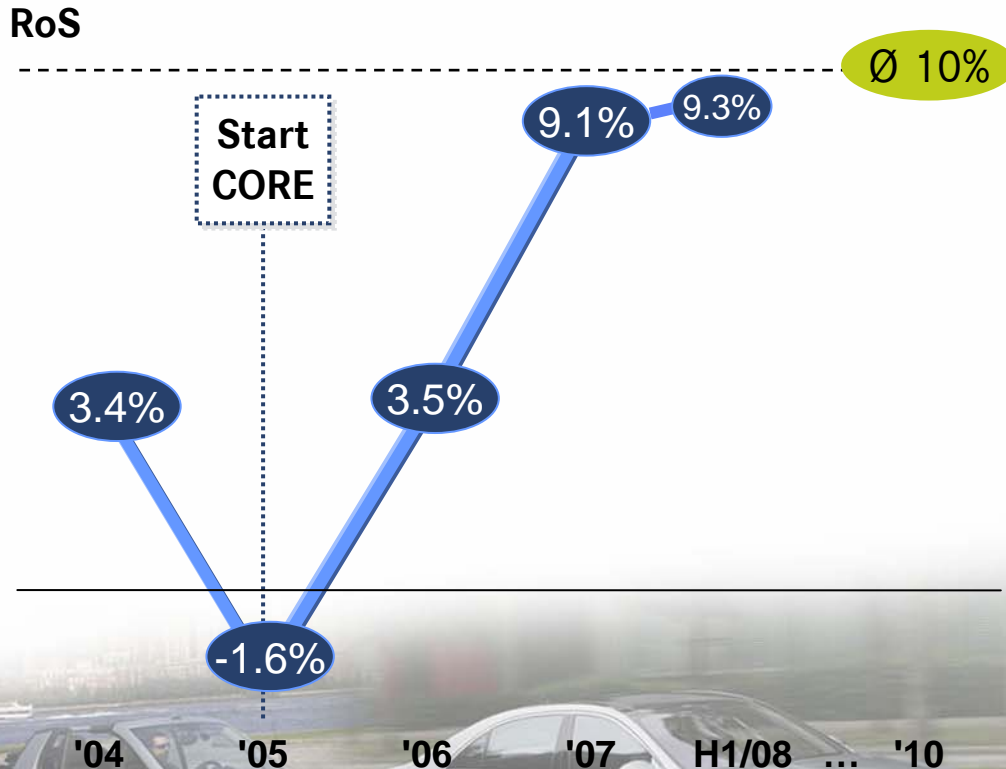
Mercedes-Benz



smart

Target for Mercedes-Benz Cars

Achieve average RoS of 10%



Major levers

- Operational excellence
- Growth through regional strategies
- CSI #1
- Brand strategy "Appreciation"
- "Road to the Future"

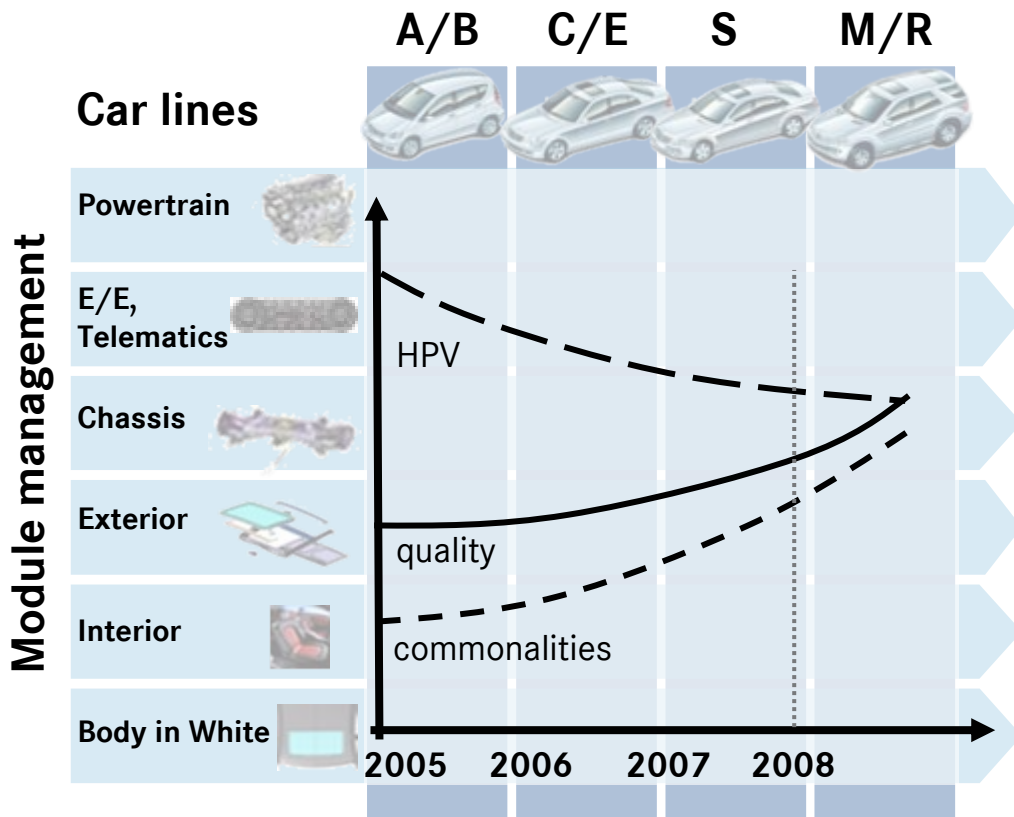


Note: before '05: RoS based on operating profit (US GAAP); from '05: RoS based on EBIT (IFRS)

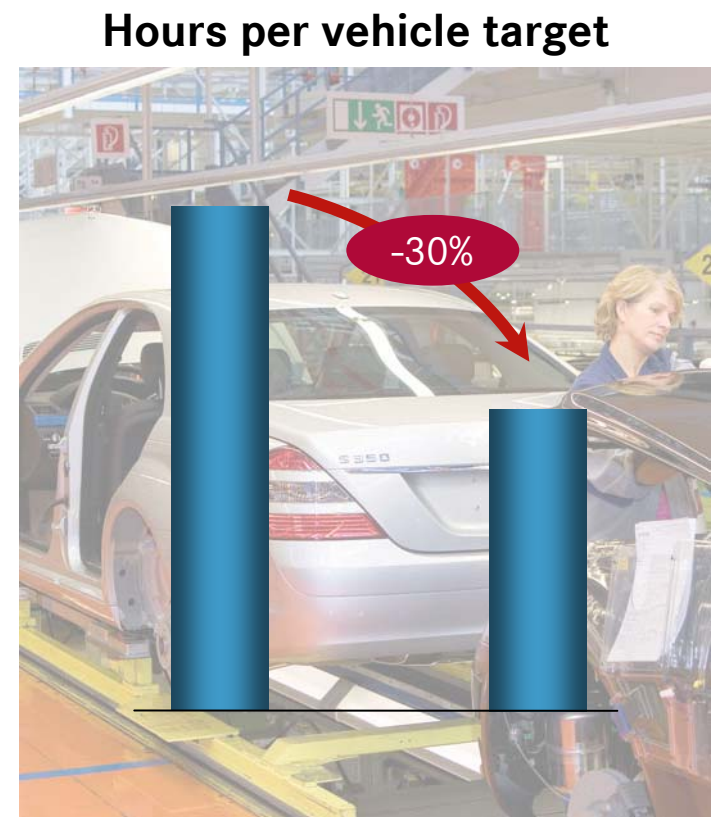
Operational excellence

Module management and plant performance

Development

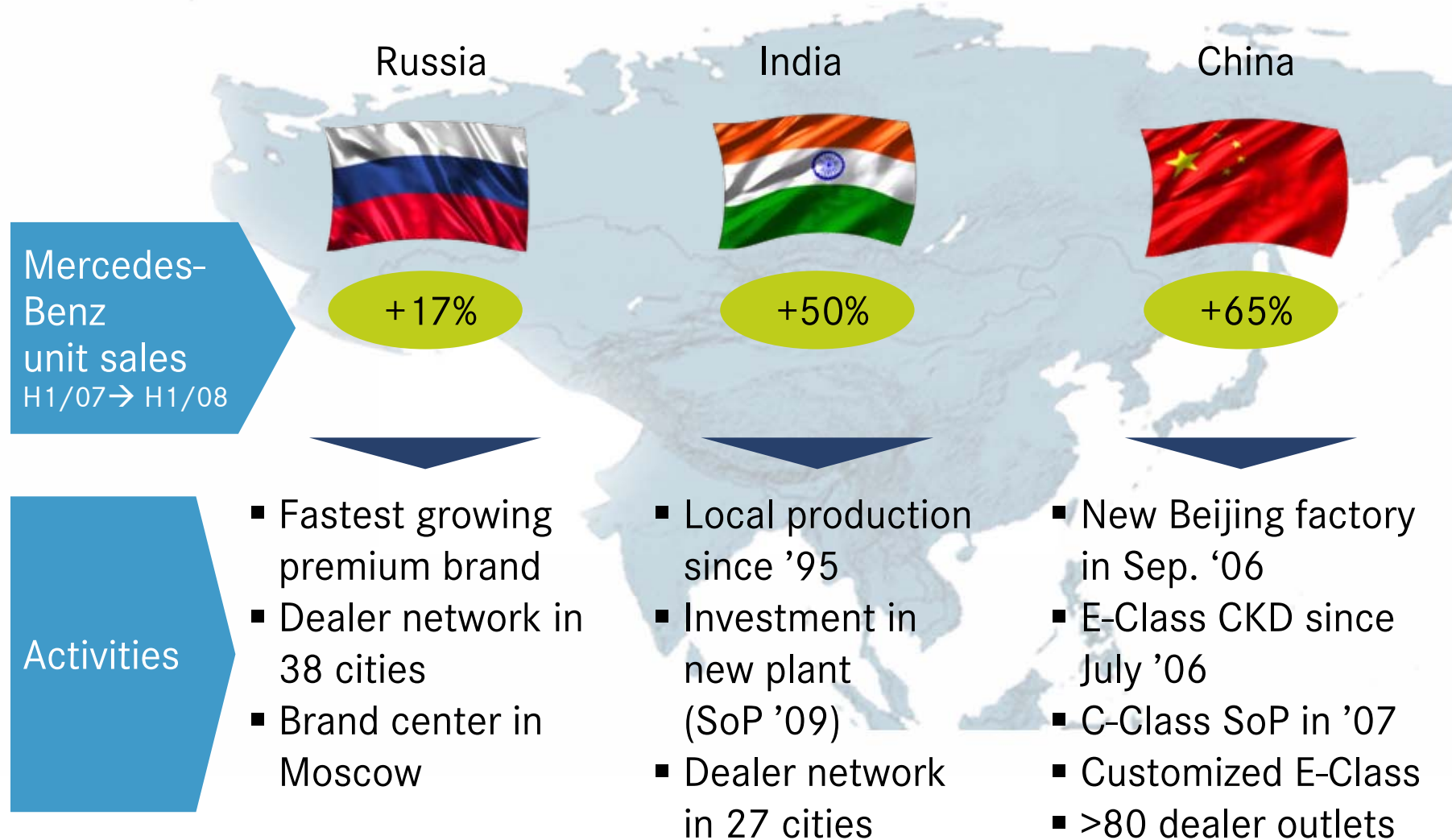


Plants



Emerging markets

Expanding in high-growth markets Russia, India, and China



Note: SoP=Start of Production; Unit sales = wholesale

New products 2008/2009

GLK and CLC in 2008, E-Class and CLK in 2009

2008

New C-Class Sports Coupe CLC
New compact SUV GLK
New Generations:
 SL
 SLK
 CLS
 A-/B-Class
 M-Class

2009

New:
 E-Class Sedan
 E-Class Estate
 CLK Coupe
 CLK Convertible
New Generations: S-Class
 GL-Class

20 FE-Types in 2008

... further roll-out of FE-optimized models



New Generation A-Class



New Generation B-Class



New GLK

Concept FASCINATION

– a compelling interpretation of a coupé concept



Daimler Trucks



Mercedes-Benz

FUSO



Freightliner

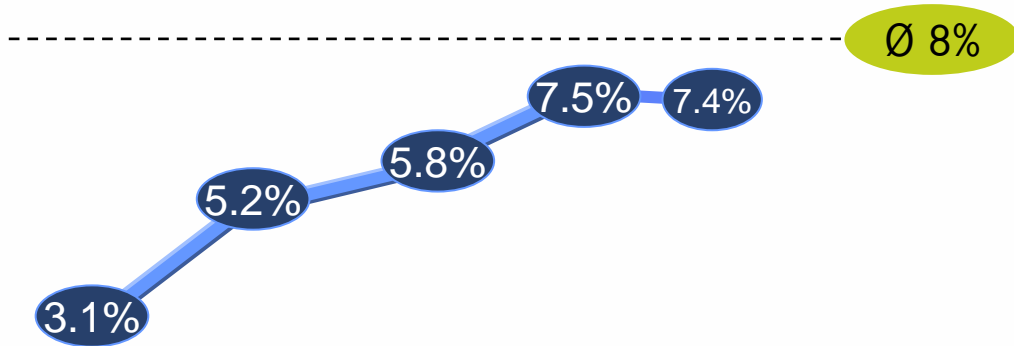
Western Star

Sterling

Higher margin target for Daimler Trucks

8% RoS on average over the market cycle

RoS



“Global Excellence” as major lever

Management of cycles

Operational excellence

Market penetration & growth

Future products/technologies



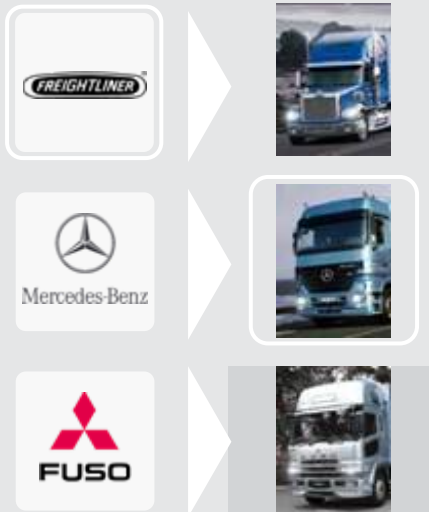
Note: before '05: RoS based on operating profit (US GAAP); from '05: RoS based on EBIT (IFRS)

Operational excellence

Focus on processes and systems in order to benefit from common global platforms

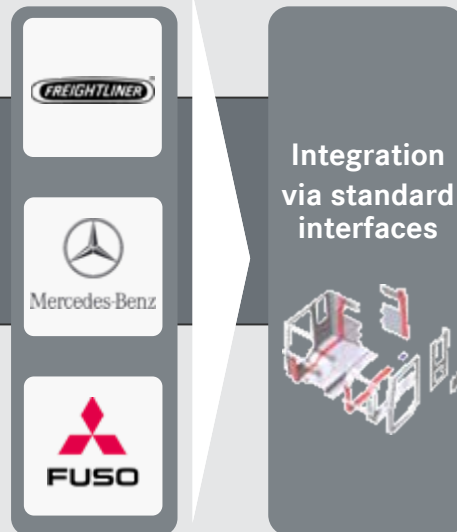
Yesterday

Stand-alone development



Today

Shared modules and architectures



!
Harmonized processes and systems

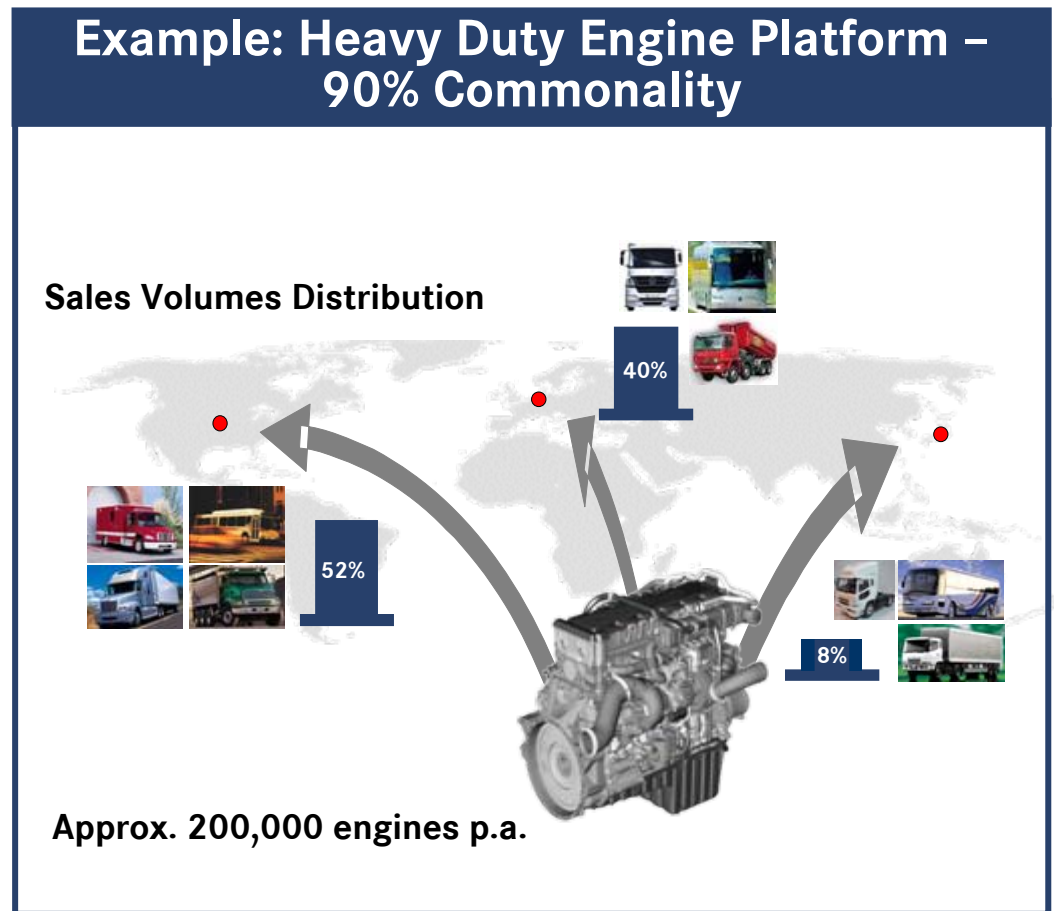
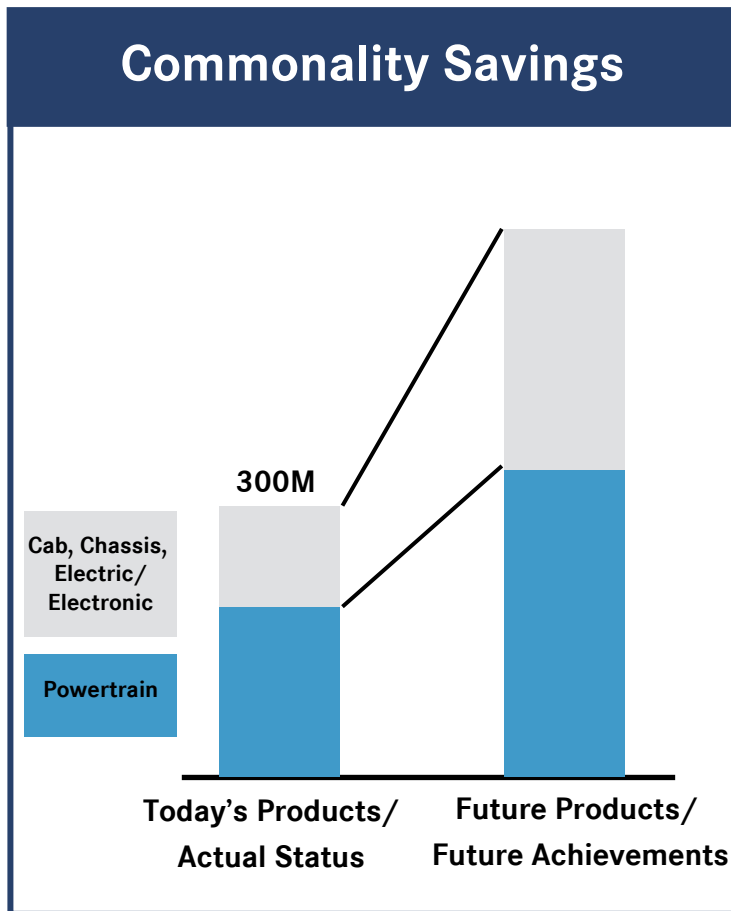
Tomorrow

Common architectures



Operational excellence

In addition to cycle management commonality savings are major lever for profitability



Market penetration & growth

Emerging Markets: Addressing growth markets Brazil, Russia, India, and China



New Products

Mitsubishi Fuso Canter Eco Hybrid



Atego BLUETEC HYBRID



Actros - fuel consumption record due to BLUETEC 5



Vans and Buses

Mercedes-Benz Sprinter



Setra TopClass 400



Major performance levers

Mercedes-Benz Vans

- Next product generation (incl. CSI#1)
- Efficiency and standardization program
- Growth in core and emerging markets
- Production capacity enhancement to cover growing market demand



Major performance levers

Daimler Buses

- Next product generation in Europe
- Exploit market opportunities for complete buses
- Growth in emerging markets
- Leadership in alternative propulsion



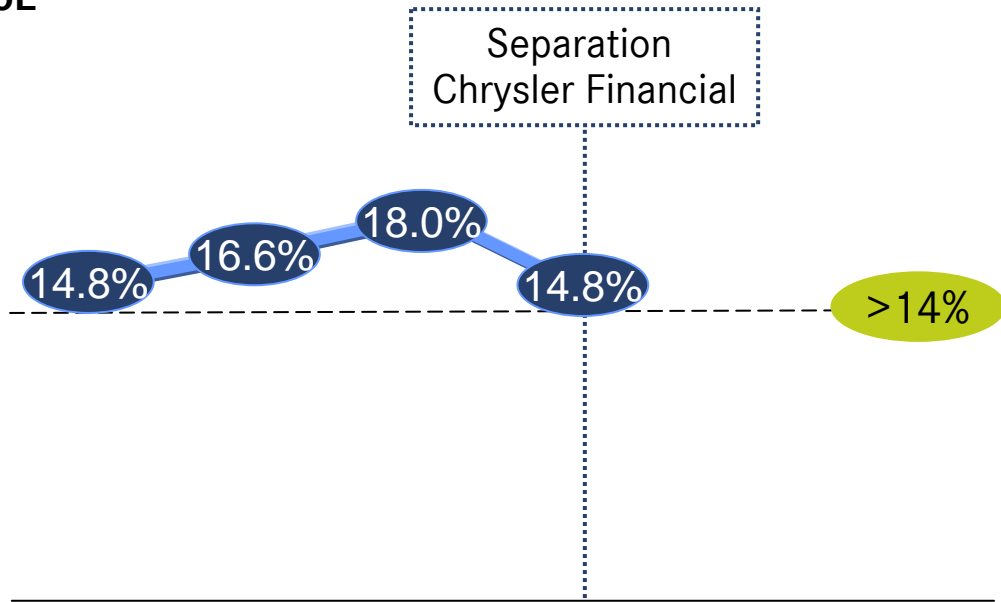
Daimler Financial Services



Target for Daimler Financial Services

Return on Equity > 14%

RoE



Major levers

- “Global Products, Processes & Systems” project
- Penetration of existing markets
- Expansion into new markets
- New products
 - Fleet management
 - Insurance

'04 '05 '06 '07 ...



Note: before '05: RoE based on operating profit (US GAAP); from '05: RoE based on EBIT (IFRS)

To go for our targets, we take a global approach: Captive #1

Driven by our leadership and culture...

Leadership and culture

- Develop a high performance culture that attracts and motivates people

...we go for efficiency and growth

Efficiency

- Operational and functional effectiveness lead us to benchmark efficiency
- Risk management processes

Growth

- Growth in core business
- Addressing New markets and products

Global Products, Processes & Systems (GPS)

- Best in class integrated, global systems based on standardized processes

Short to medium-term future

Long-term future shaping today

Sustainable Mobility

Significant improvements in environmental friendliness are decisive element of our claim to be No. 1

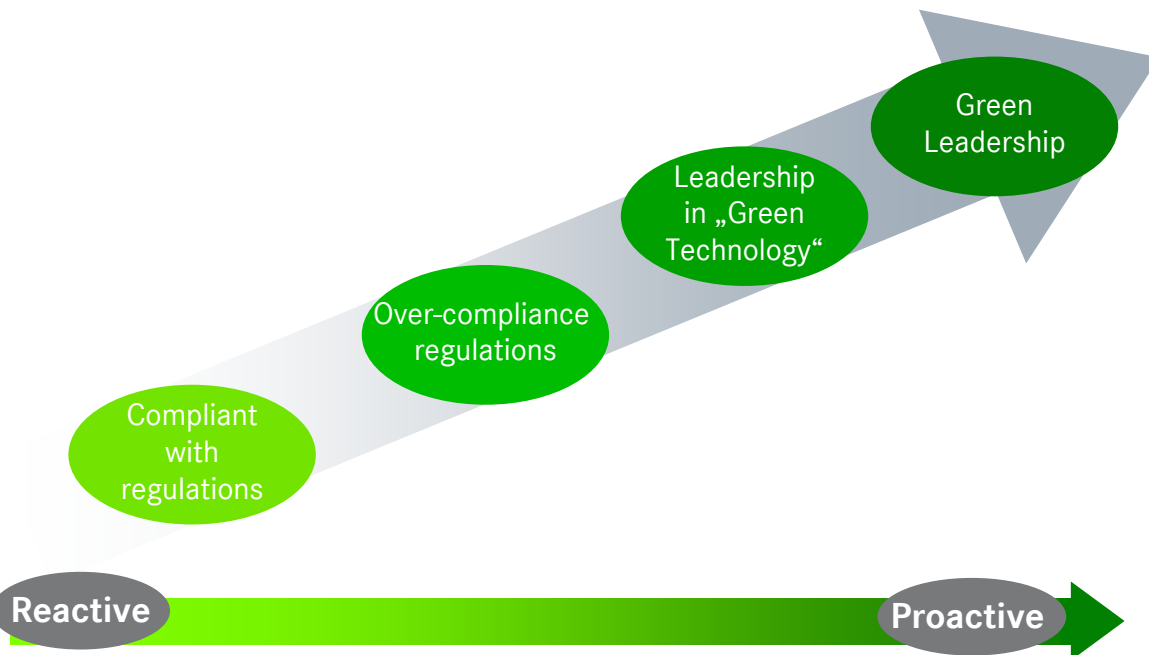
Aspiration: Leadership in "Green Technologies"

Customer advantages

Fuel efficient cars



Eco-friendly brand



In comparison to small car manufacturers our product portfolio allows no absolute „Green Leadership“

Sustainable Mobility

Mercedes-Benz Roadmap

Optimization of our vehicles with high-tech combustion engines

BlueEFFICIENCY
CGI, BlueTEC
DIESOTTO

Hybridization for further increase in efficiency

HYBRID
Range Extender
Plug-In

Emission-free driving with fuel-cell/ electric vehicles

Fuel cell
Battery-/E-Drive



Energy sources for the mobility of the future

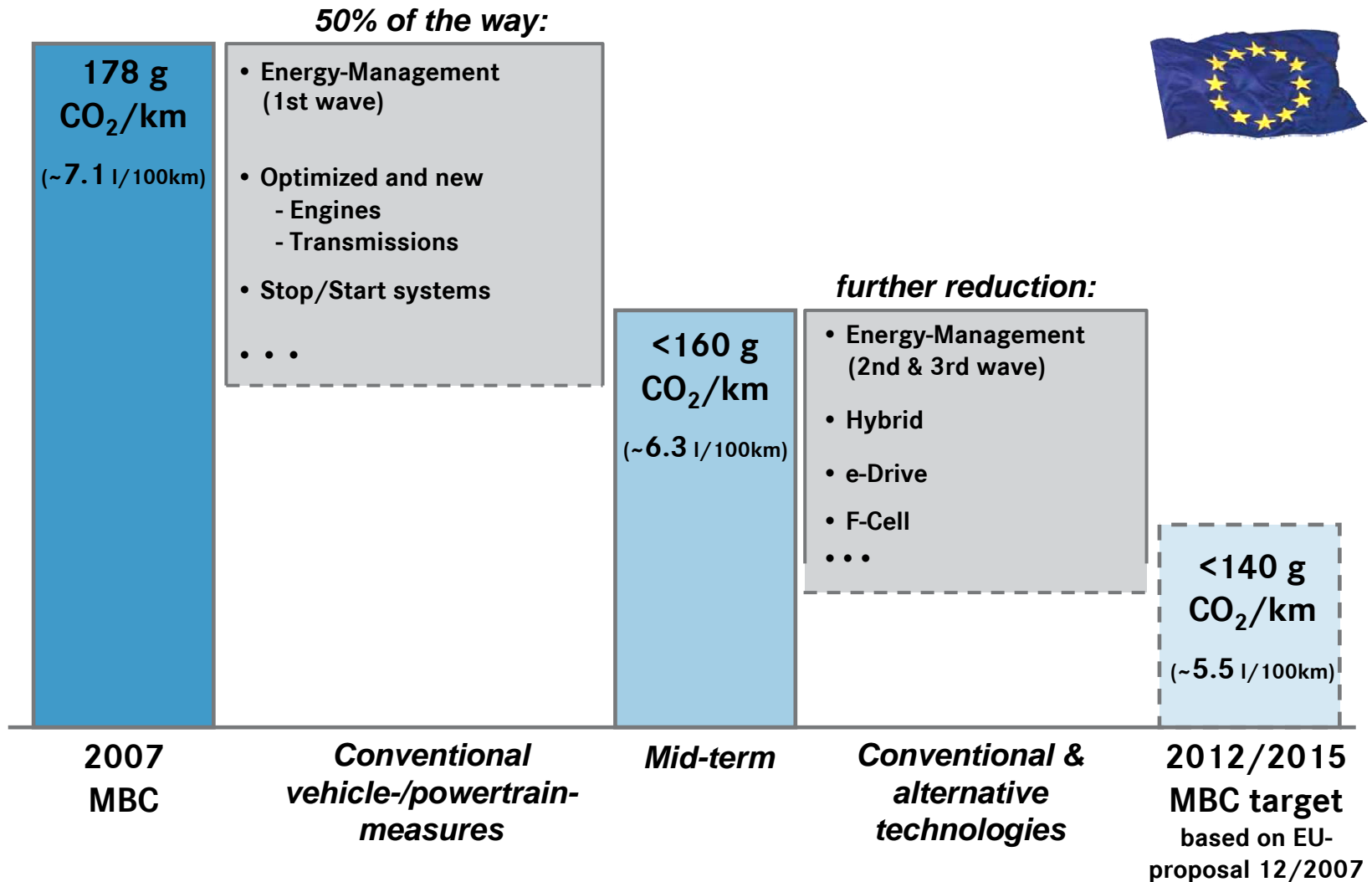


Clean fuels for combustion engines

Emission-free driving

Sustainable Mobility

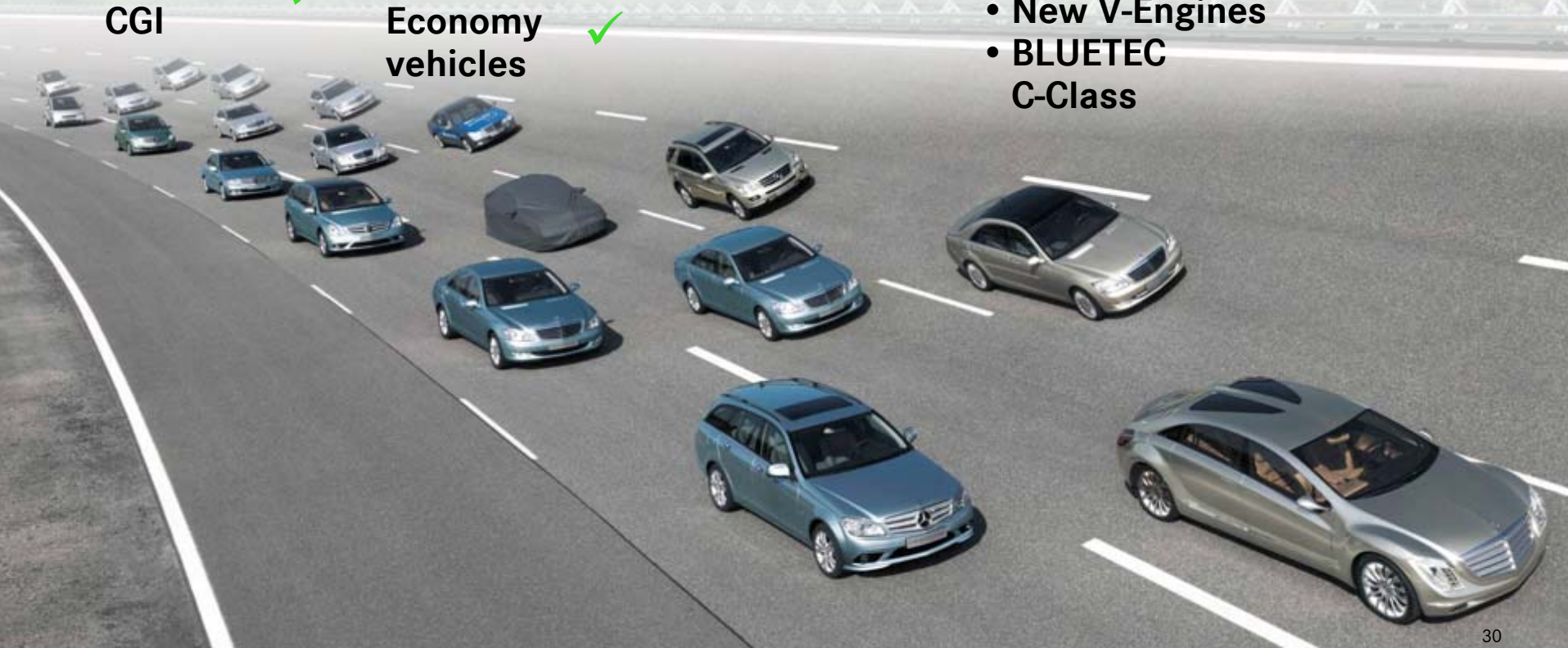
Possible Development of MBC EU Fleet Average



[FE-values „l/100km“ based on expected Diesel/Gasoline mixture]

Mercedes-Benz Cars “Road to the Future”

2006 / 2007	2008	2009	2010	...
<ul style="list-style-type: none"> • BLUETEC E-Class ✓ • mhd/ed smart ✓ • 2nd Gen. CGI ✓ 	<ul style="list-style-type: none"> • BLUETEC ML/R/GL-Class ✓ • NGT B-Class ✓ • 20 Fuel Economy vehicles ✓ 	<ul style="list-style-type: none"> • Hybrid S-Class • Hybrid ML-Class 	<ul style="list-style-type: none"> • Fuel Cell B-Class • BLUETEC Hybrid S-/E-Class • New V-Engines • BLUETEC C-Class 	<ul style="list-style-type: none"> • DiesOtto • Other BLUETEC Hybrids



Mercedes-Benz S 400 BlueHYBRID: The CO2 champion in the luxury class



S 400 BlueHYBRID:

- 3.5 litres , 205kW / 279 hp
- electric motor: 15kW / 20 hp
- 385 Nm , 0-100 in 7.0 sec
- 7.9 l/100km , 190 g/km CO2

The new S 400 BlueHYBRID is the first series-production model to be equipped with a particularly efficient lithium-ion battery specially developed for automotive use



Latest achievements on the way to sustainable mobility

smart ed and new 4-cylinder diesel engine



“e-mobility Berlin”:
Joint project with more than 100 electric vehicles from Mercedes-Benz and smart and 500 charging points provided by RWE

- C 250 CDI
BlueEFFICIENCY:**
- 2.2 litres , 150kW / 204 hp
 - 500 Nm , 0-100 in 7.0 sec
 - 5.2 l/100km , 138 g/km CO₂



“Shaping Future Transportation” – CleanDrive technologies at Daimler Trucks and Buses on the road



Shaping Future Transportation.
CleanDrive Technologies.

200,000 MB BlueTec trucks
7,000 MB BlueTec buses
1,000 MB Citaro CNG buses
700 MB Econic NGT trucks
36 MB Citaro F-Cell buses

160 Freightliner Business
Class M2eHybrid

350 Mitsubishi Canter Eco Hybrid trucks
900 Mitsubishi Fuso Canter CNG
160 Mitsubishi Fuso Fighter CNG
165 Mitsubishi Aero Star CNG
9 Mitsubishi Fuso Aero Star Eco Hybrid

1,600 Orion Hybrid buses
4,700 Setra BlueTec buses



We want to achieve the following profitability targets



**Mercedes-Benz
Cars**



**Daimler
Trucks**



**Mercedes-Benz
Vans**



**Daimler
Buses**



**Daimler
Financial
Services**

Daimler Automotive Return on Sales

Ø 9 %

Return on Equity

>14 %

DAIMLER

Paris Motor Show 2008

Bodo Uebber

Member of the Board of Management
Finance & Controlling, Daimler Financial Services

October 1, 2008

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.