
MERCEDES CAR GROUP

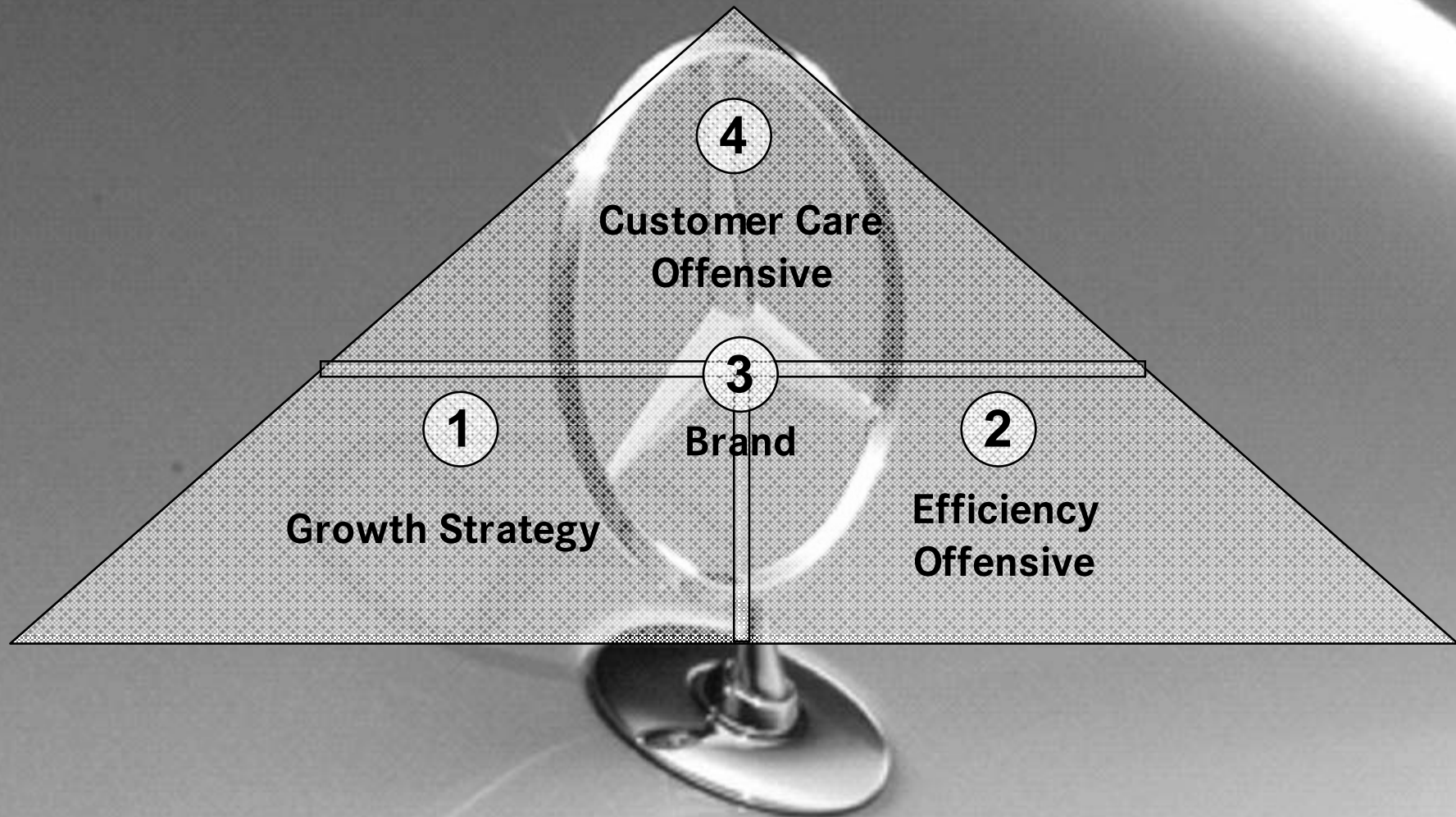
DIVISION DAY

Challenges & Opportunities for the MCG Sales Organization

Dr. Klaus Maier
Executive Vice President, MCG Sales and Marketing

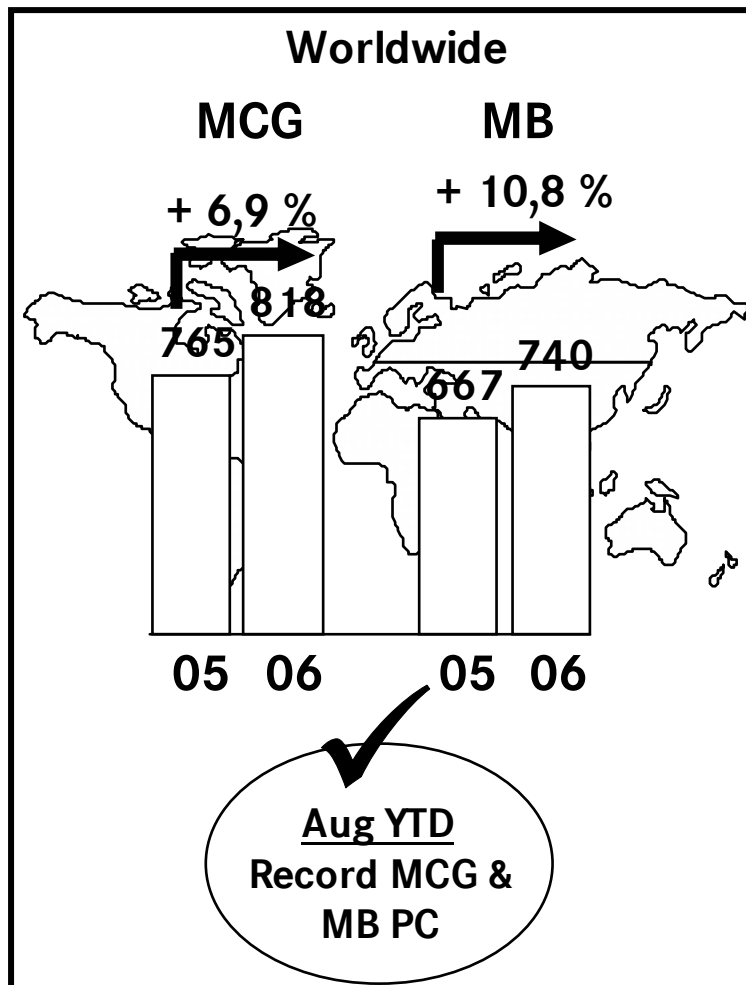
Stuttgart
September 19th, 2006

Measures & Opportunities



Record Sales for the Mercedes Car Group

Sales 2006 YTD vs. 2005 YTD



Regions

	MCG	MB
USA	+13,3%	+ 13,3%
WEU	+2,9%	+ 8,2%
A/P	+17,3%	+18,3%

Growth is mainly driven by new products

B-Class



B-Reicherung "enrichment"

Besser-Klasse

„Better-Class“

B-Class achieved outstanding sales performance in first year after launch with more than 120.000 units sold

M-Class



Mmmh-Klasse

How to build a better off-roader

The name is the only thing that the new ML shares with the old car, this time, it's a proper Mercedes

In Germany and Western Europe, MB is the best-selling premium brand in the SUV-Segment

S-Class



Maßstäbe in puncto SICHERHEIT UND KOMFORT

New standards in
**SAFETY AND
COMFORT**

The S-Class continues to expand its leading world-market position in the luxury segment

E-Class Facelift



„Damit kann Mercedes glänzen“

“Mercedes can glint with this one “

The new E-Class regained its internationally leading market position since July

Mercedes-Benz grows faster than market average especially in the premium segment.

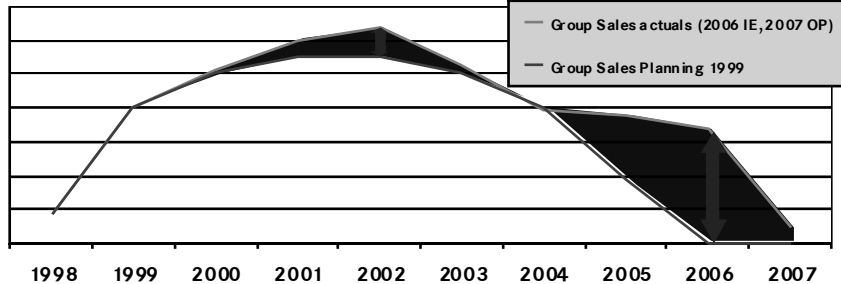
MB Marketshare 2006

Volume Growth (Retail)

	Total market		Premium Segment		YTD 08/06		
	YTD 08/06	vs. prev. y. (in % p.)	YTD 08/06	vs. prev. y. (in % p.)	MB	BMW vs. prev. y. (in %)	Audi
World	2.0	+0.2	5.4	+0.5	10.8	6.0	8.6
W. Europe	4.4	+0.3	12.3	+1.1	15.2	8.2	4.7
Germany	9.8	-0.3	21.9	+0.6	0.9	-3.4	1.5
France	2.8	+0.4	10.0	+1.7	15.1	-0.6	9.8
UK	3.3	+0.5	8.0	+1.1	11.8	2.4	3.0
Italy	3.1	+0.5	12.4	+2.4	24.7	13.4	5.5
USA	1.3	+0.2	3.1	+0.5	13.3	3.1	3.1
Japan	1.0	+0.1	6.8	+1.7	14.6	6.8	6.8
China	0.4	+0.0	1.0	+0.0	47.1	1.0	1.0

smart restructuring is on track

smart fortwo



- more than 750,000 sold over lifecycle
- sales expectation 2006 higher than planned

Successor of smart fortwo

- launch preparation of fortwo successor is on track
- improved driving performance and handling
- further evolution of the extraordinary design



Stop of smart forfour

- stock reduction is proceeding as planned
- agreement with retail network on new principles for the future business based on one product



smart USA



- the US market offers further opportunities
- the right product, at the right time in the right market
- cooperation with Roger Penske's UAG

Growth is addressed along all 4 marketing-P's

Products:
New and attractive range



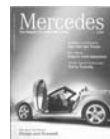
Place:
More professional
dealer network

- Regions
- Channels
- Network

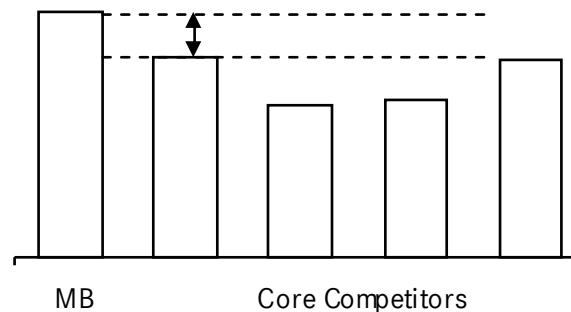


Promotion:
Focused spending

- Brand positioning
- Funnel management
- New agency

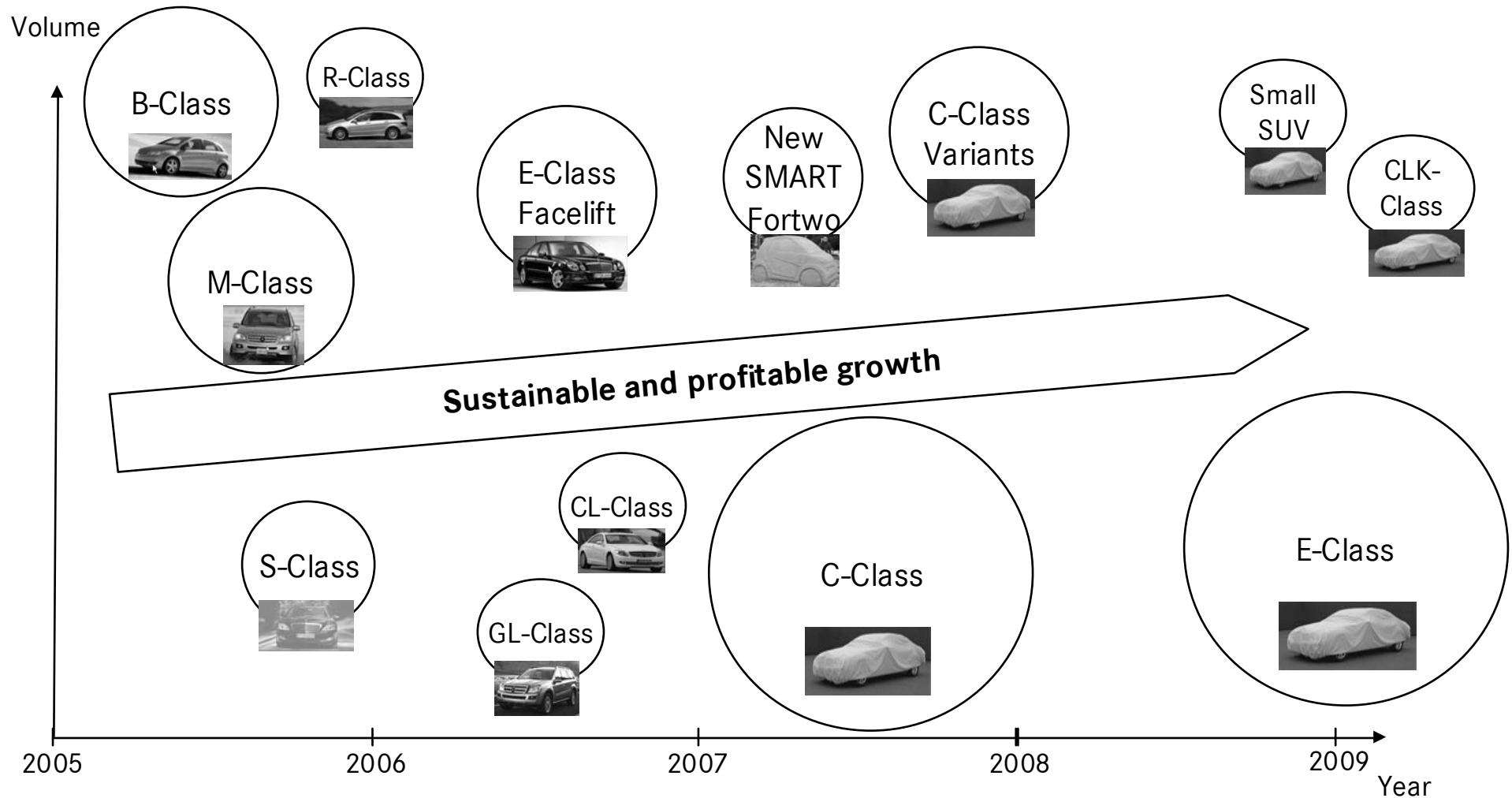


Price:
Keep premium

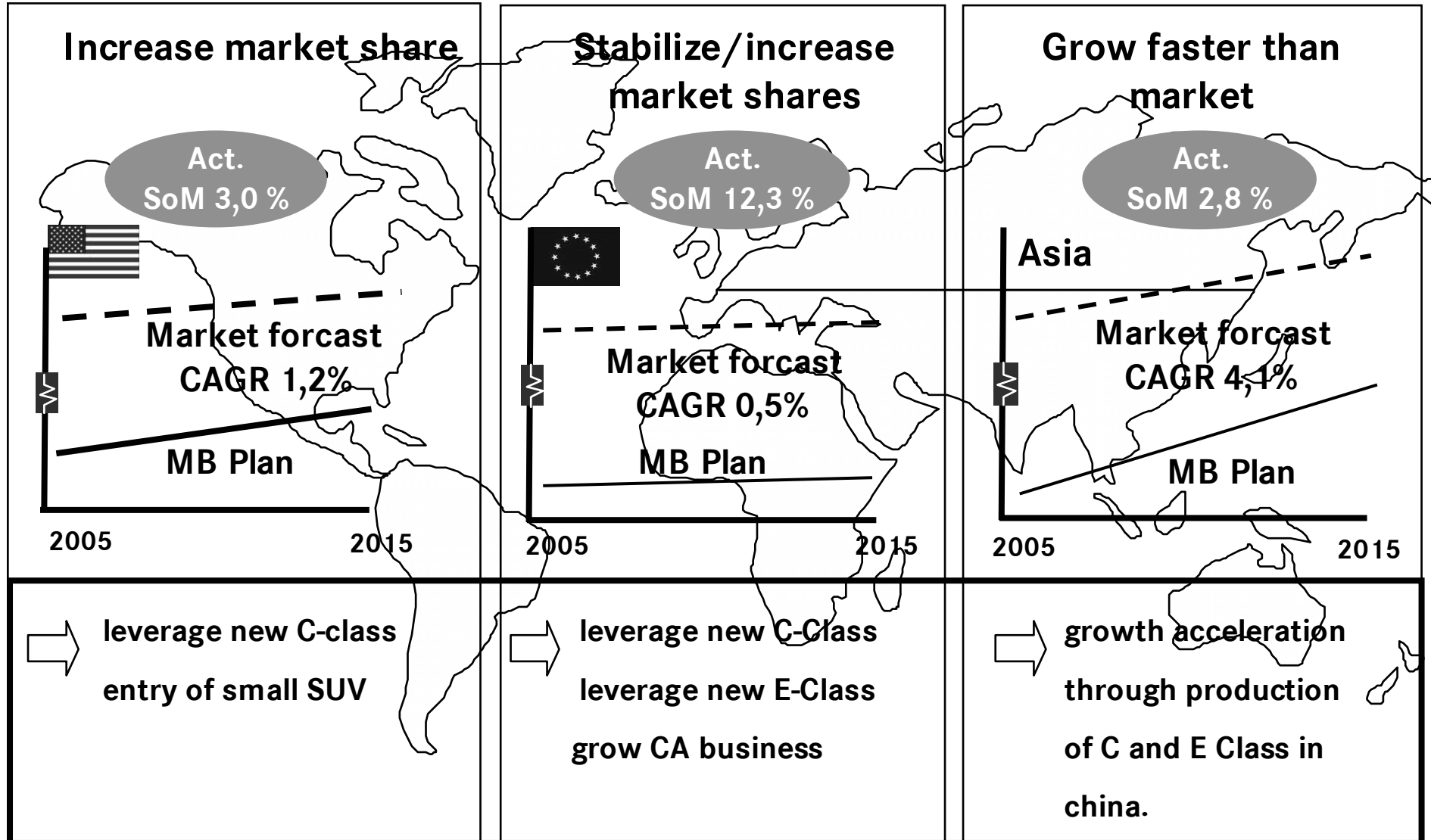


**Sustainable
and
profitable**

Profitable growth fuelled by new products also in the future



Region specific growth strategies

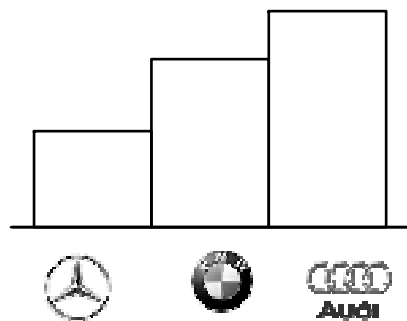


CAGR: Trend adjusted compound annual growth rate, basis total market

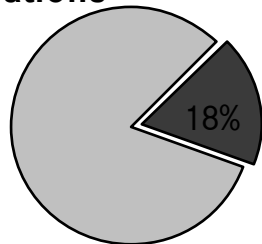
Commercial accounts offer profitable growth potentials in Europe

Germany (2005)

Commercial Accounts registrations



Share CA registrations of total registrations

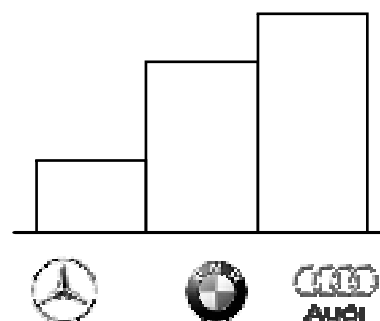


Total: 3.320.000 units
CA: 620.000 units

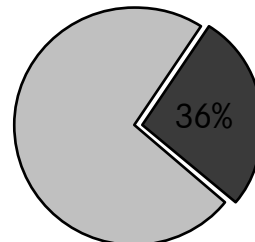
Source: KBA/Dataforce

UK (2005)

Commercial Accounts registrations



Share CA registrations of total registrations



Total: 2.430.000 units
CA: 880.000 units

Source: SMMT

Levers

- Attractive product range (new C- and E-Class)
- Dedicated TCO approach
- Setup of a specific fleet sales organisation.
- Fleet CRM/loyalty programs

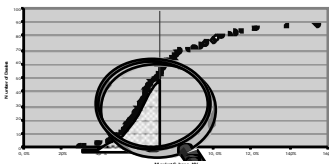
Growth is addressed along all 4 Marketing-P's

Place: Professionalize dealer network

- CSI Number One
- Restructuring of retail network



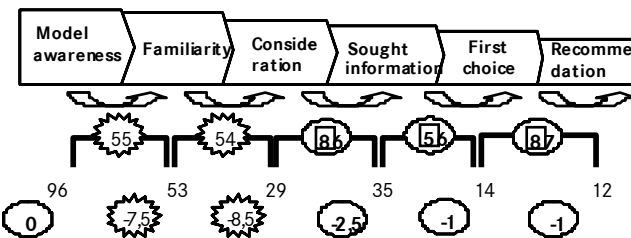
- Dealer performance tracking



Promotion: Focused spending

- New agency for MB
- Measuring of marketing spend effectiveness
- Focused marketing spending along the sales process

Funnel

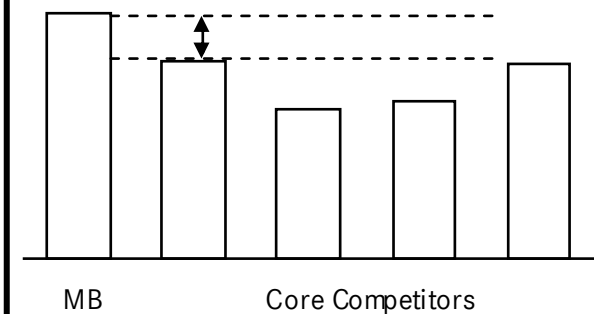


Spending

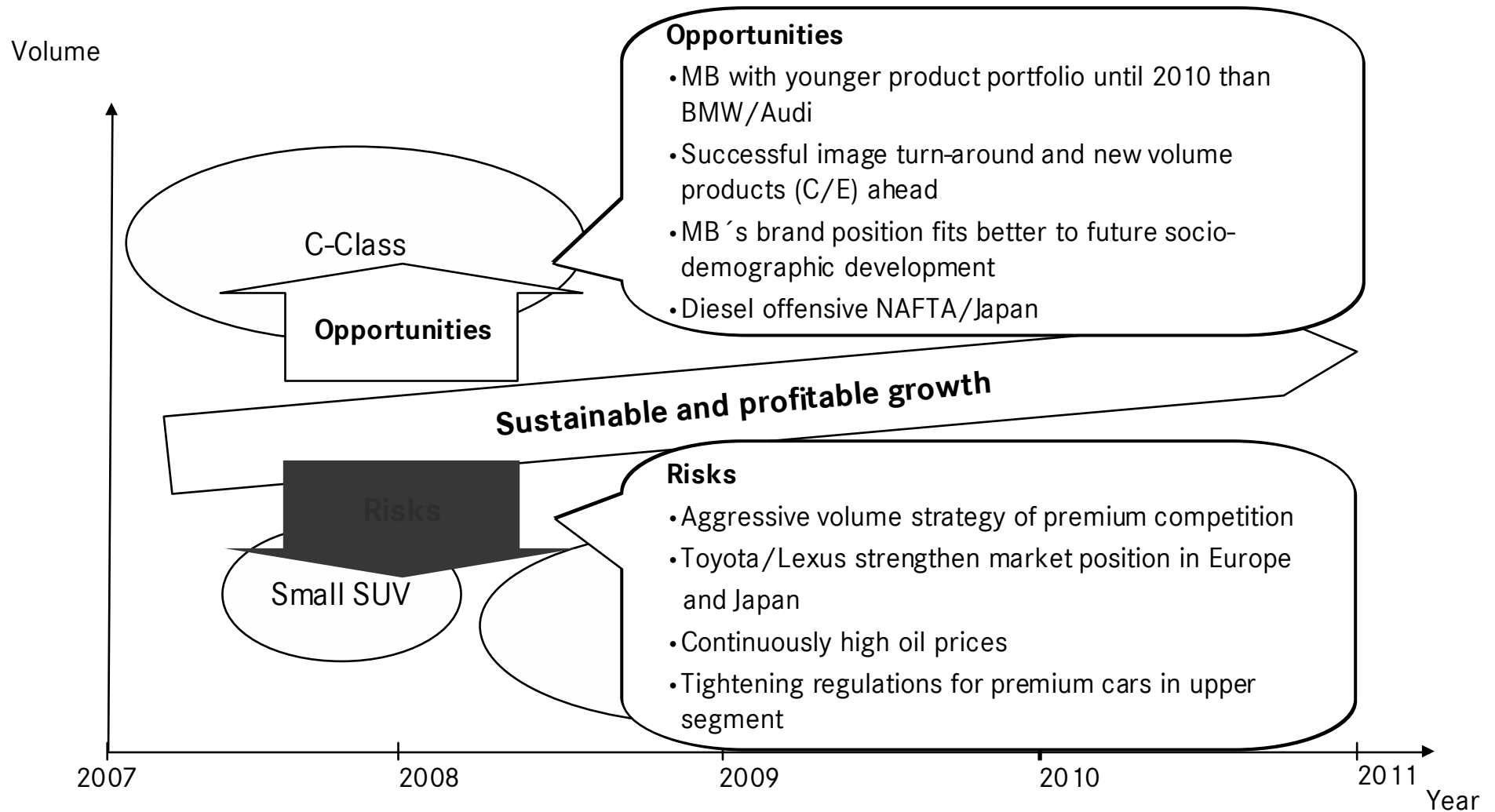


Price: Keep premium

- Premium versus core competitors
- Competitive TCO
- Selective readjustment of price positioning (modelrange and region)

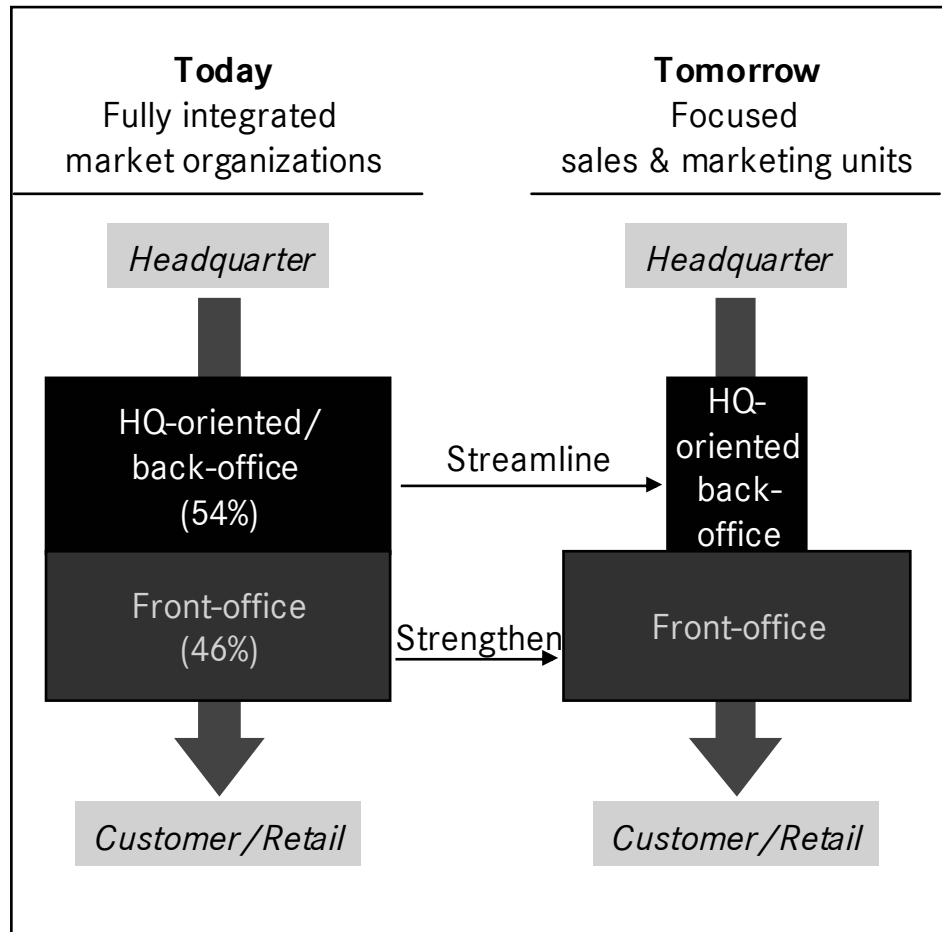


Balanced opportunities and risks portfolio



More customer orientation through streamlined sales and marketing processes

Implementation of shared services concept



Building of a European service center



Mercedes-Benz: Future brand positioning

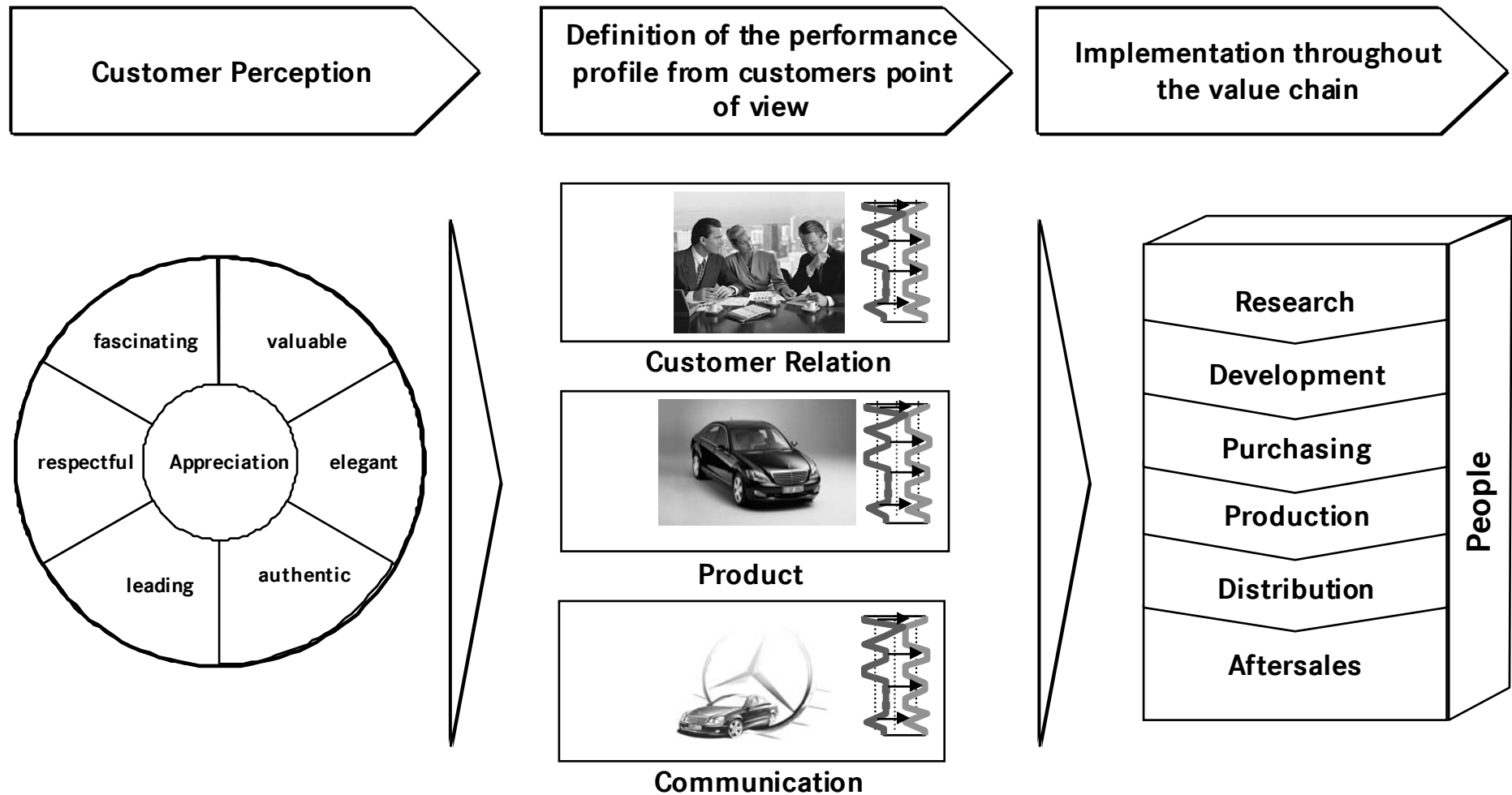
Brand promise



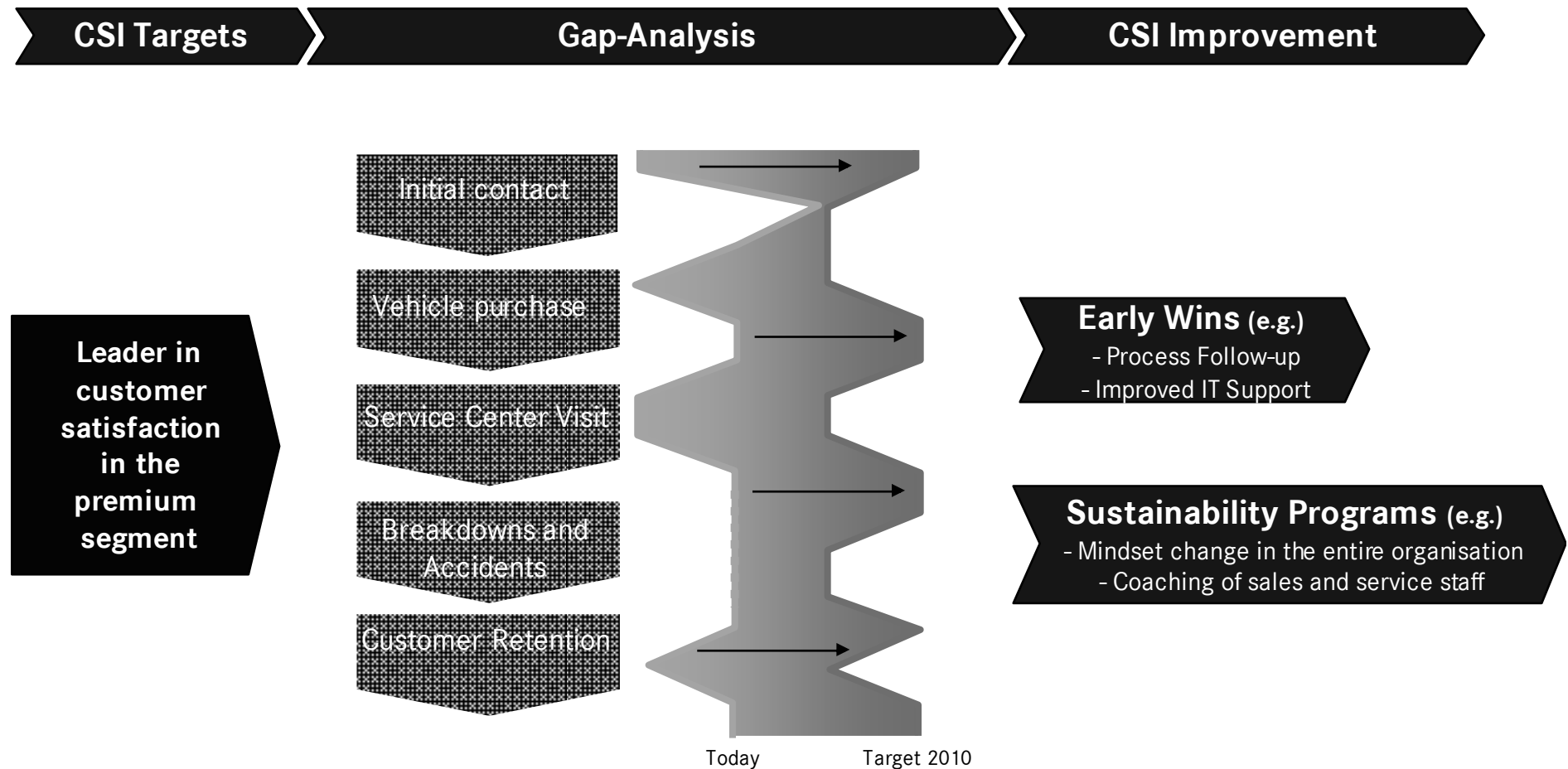
Brand values



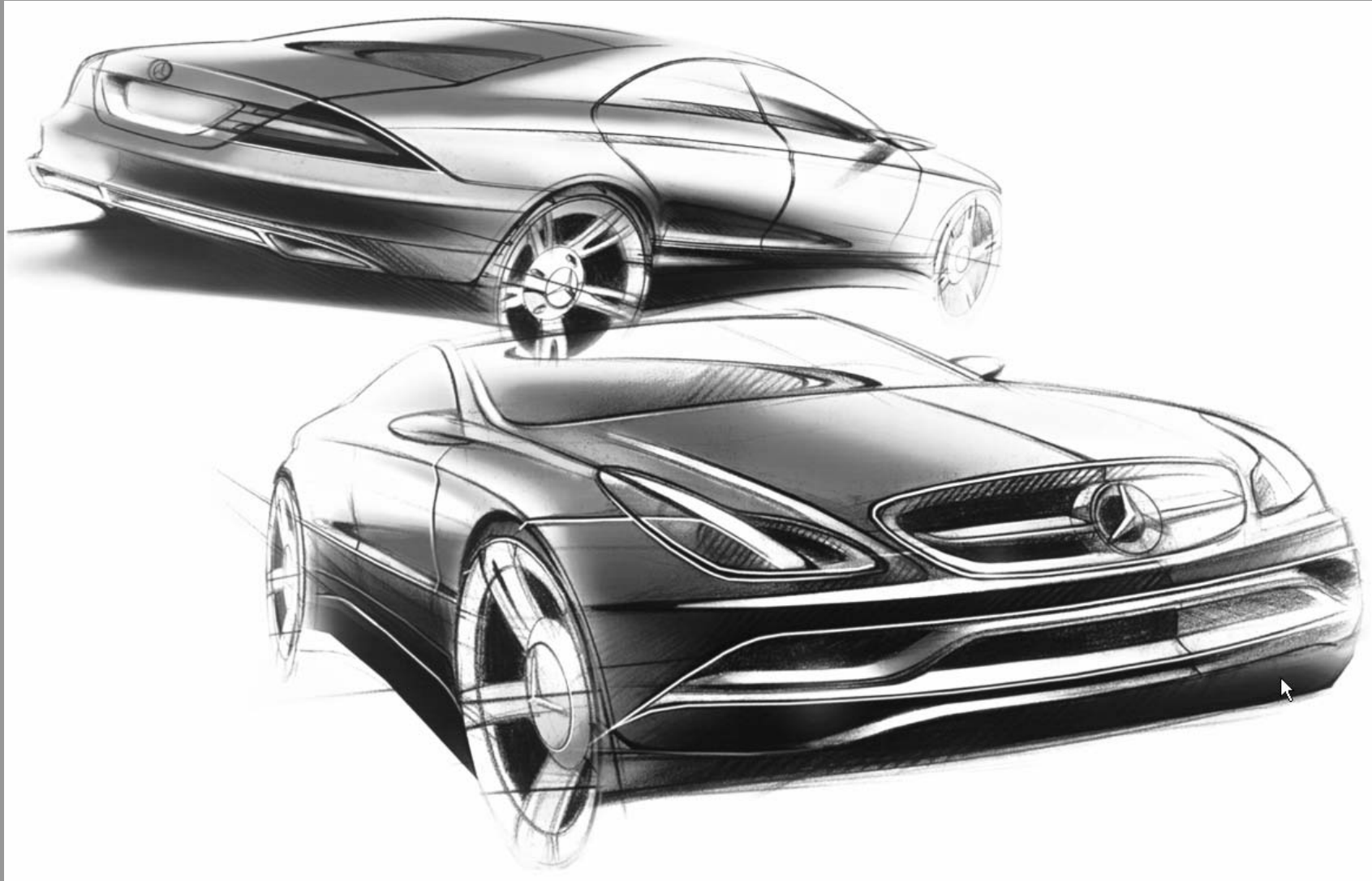
The brand values address all aspects of our business system



Systematic customer care approach from HQ to retail



Thank you



DISCLAIMER

This presentation contains forward-looking statements that reflect management's current views with respect to future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “project” and “should” and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties, including, but not limited to: an economic downturn in Europe or North America; changes in currency exchange rates, interest rates and in raw-material prices; introduction of competing products; increased sales incentives; the effective implementation of our New Management Model, and the CORE program, including the new business model for smart, at the Mercedes Car Group; renewed pressure to reduce costs in light of restructuring plans announced by our major competitors in NAFTA; disruption of production or vehicle deliveries, resulting from shortages, labor strikes or supplier insolvencies; the resolution of pending governmental investigations; and decline in resale prices of used vehicles. If any of these or other risks and uncertainties occur (some of which are described under the heading “Risk Report” in DaimlerChrysler’s most recent Annual Report and under the heading “Risk Factors” in DaimlerChrysler’s most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission), or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.