

Commercial Vehicles Division

Current Status and Strategy

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Stuttgart,
November 16, 2005



- 1 Introduction**
- 2 CVD Business Situation
- 3 CVD Strategy

Trucks Europe/Latin America

DAIMLERCHRYSLER

Actual Figures 2004



Mercedes-Benz

Sales: 137.421



Trucks NAFTA

DAIMLERCHRYSLER

Actual Figures 2004 (w/o Sprinter USA)



Sales: 152.354



Actual Figures 2004 (100% consolidated 8 months)



Sales: 118.061



Vans

DAIMLERCHRYSLER

Actual Figures 2004



Mercedes-Benz

Sales: 260.732



Buses & Coaches

DAIMLERCHRYSLER

Actual Figures 2004



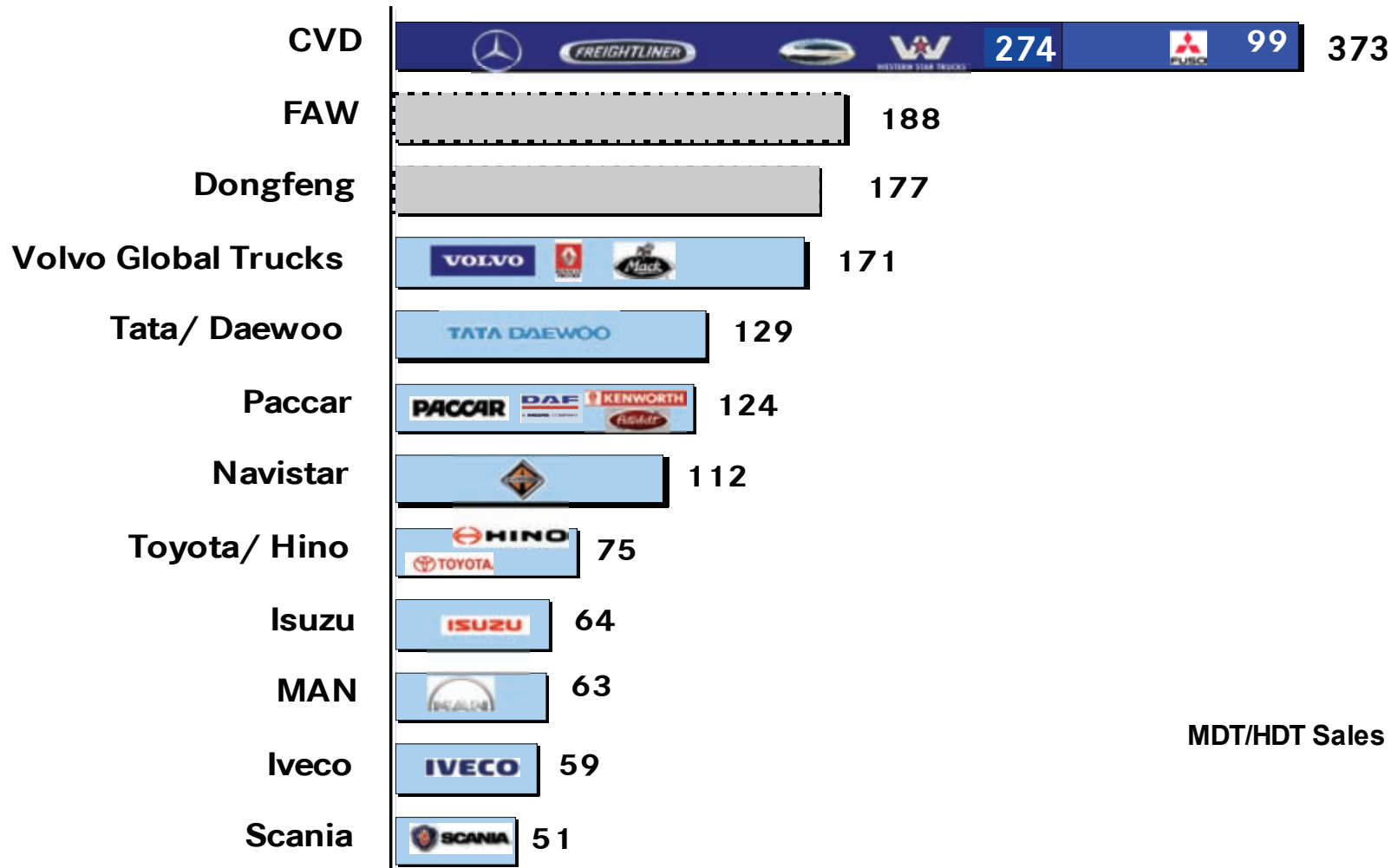
Mercedes-Benz



Sales: 32.810



CVD HAS THE BIGGEST SCALE POTENTIALS IN TRUCK BUSINESS TO REALIZE ADVANTAGES AGAINST COMPETITORS

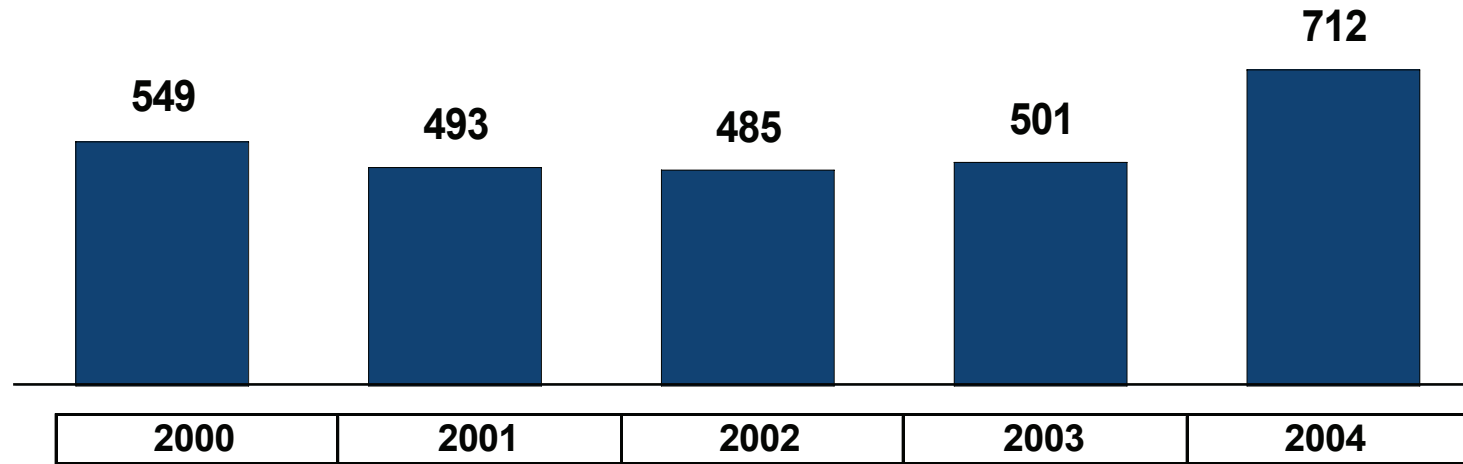


MDT/HDT Sales Ranking 2004

- 1 Introduction
- 2 **CVD Business Situation**
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SALES

- in '000 units -



	2000	2001	2002	2003	2004
Trucks*	272.181	208.360	214.210	232.396	407.808
Trucks EU/LA	121.070	107.936	101.877	110.540	137.421
Trucks NAFTA*	151.111	100.424	110.474	119.316	152.354
Fuso**			1.890	2.594	118.061
Vans	239.984	243.211	236.588	230.862	260.732
Buses	27.512	26.713	25.097	28.338	32.810

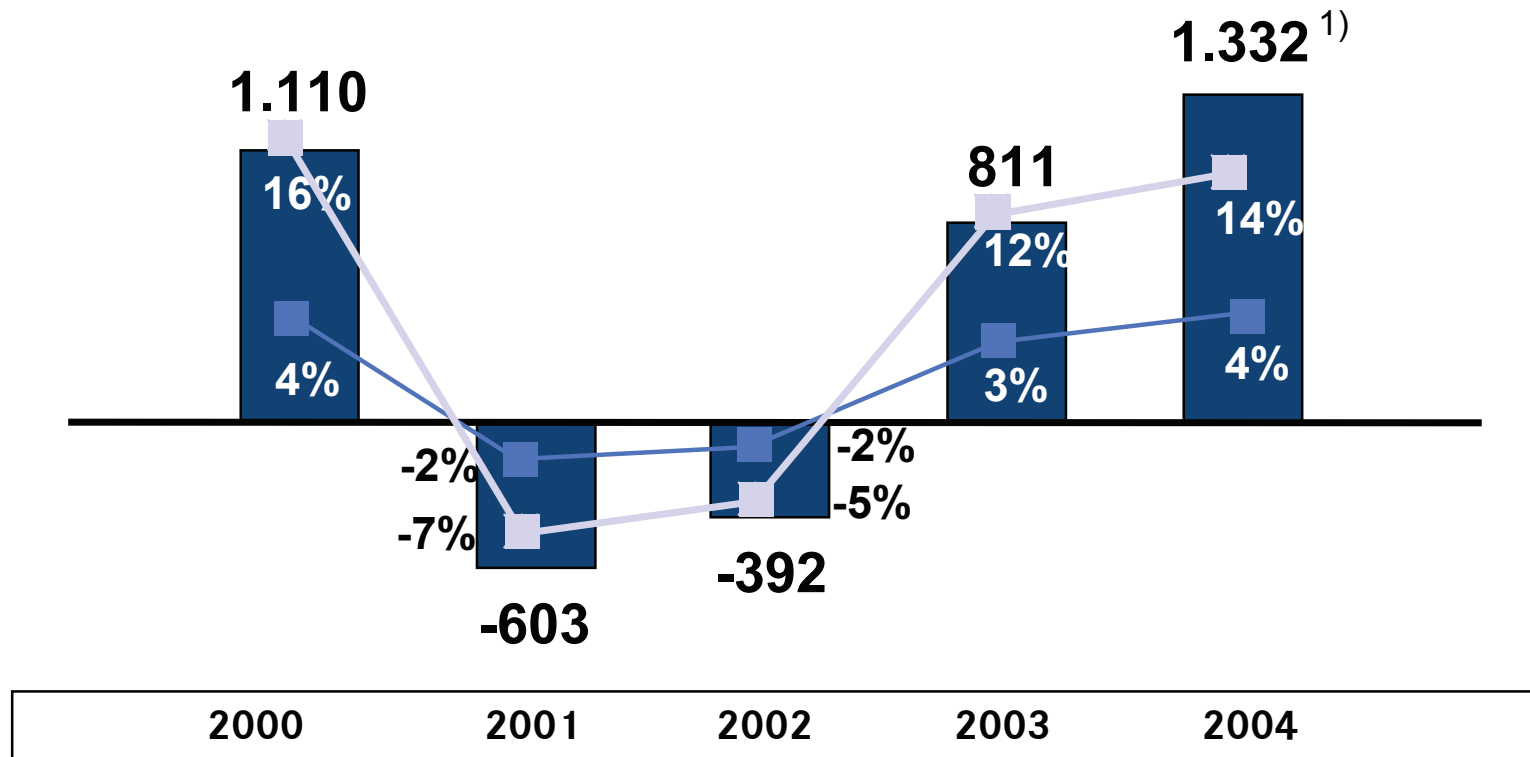
* w/o Sprinter USA

** incl. Mitsubishi Fuso 43% at equity (from 04/2004 100% consolidated)

CVD SHOWS A SIGNIFICANT PROFIT IMPROVEMENT...

Operating Profit







- in mill EUR -



■ OpPr in mill EUR —■— RoNA —■— RoS

1) incl. Mitsubishi Fuso 43% at equity
(from 04/2004 100 % consolidated)




CORE MARKETS SUPPORTED 2004 PROFITS AND CONTINUE WITH POSITIVE TREND IN 2005.

- in '000 units -	YTD 09 2004	YTD 09 2005	Delta in %	Trend 2005
Western Europe Trucks (MDT/HDT)	228	243	+6%	
NAFTA Cl. 8 Trucks	178	229	+29%	
NAFTA Cl. 5-7 Trucks	149	165	+11%	
Japan Total Trucks (Calendar Year)	209	193	-8%	
Western Europe Vans (mid-size/large)	783	831	+6%	
Western Europe Buses/Coaches (heavy)	20	19	-2%	

**POSITIVE DEVELOPMENT OF KEY FIGURES
CONTINUES IN 2005.**

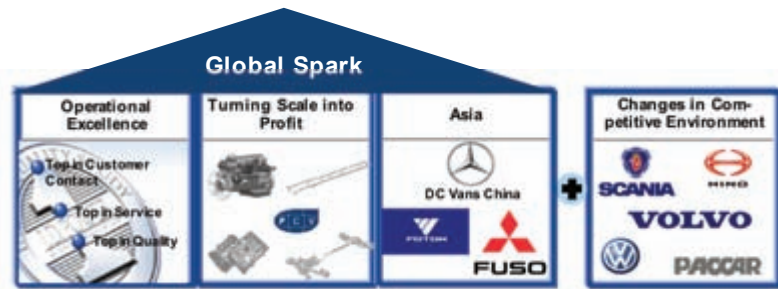
	YTD 09 2004	YTD 09 2005	Delta in %
Group Sales	503,000 units	611,000 units	+21%
Revenues	24.8 bn.€	29.8 bn.€	+20%
Operating Profit	895 mill.€	1.736 mill.€ *	+94%

* incl. MMC Settlement +276 mill. €

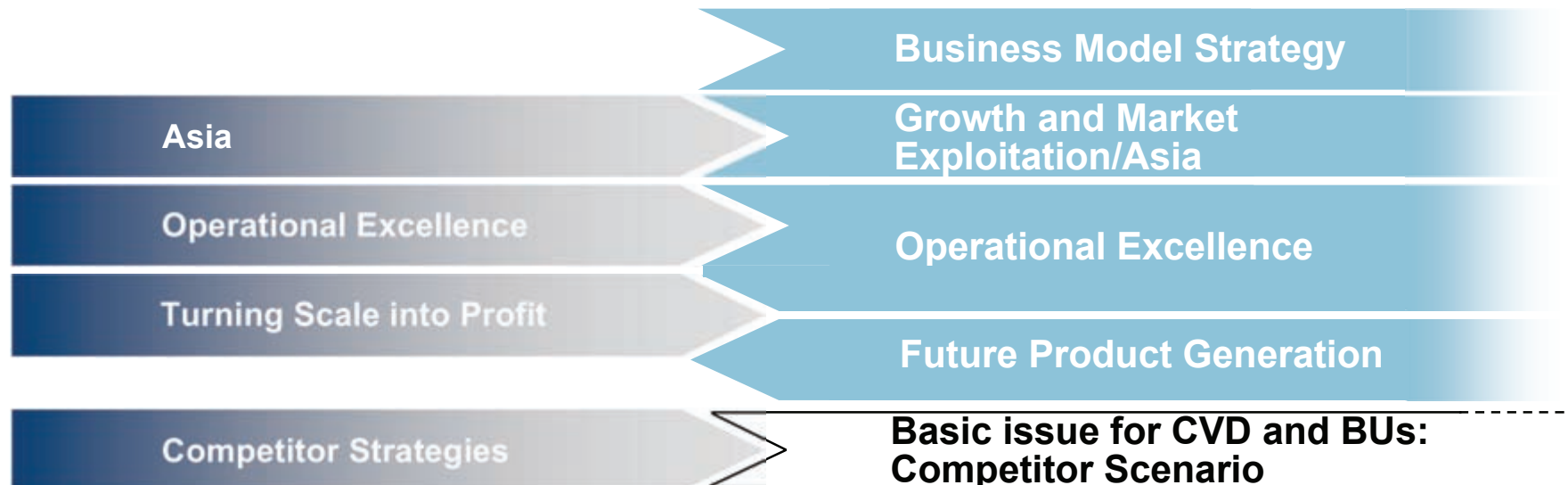
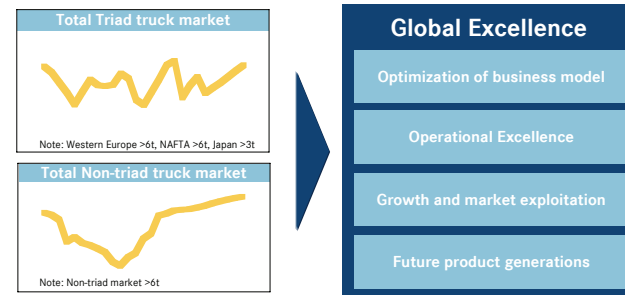
-  Introduction
-  CVD Business Situation
-  **CVD Strategy**

GLOBAL EXCELLENCE AS THE RESULT OF CONTINUITY OF CORE CHALLENGES AND ENHANCEMENT THROUGH BUSINESS MODEL FOCUS

Core Challenges 2004



Global Excellence



BECOMING BENCHMARK, ATTAINING PROFITABLE GROWTH AND DEVELOPING BEST-IN-CLASS-PRODUCTS THROUGH GE

Global Excellence

Optimization of business model

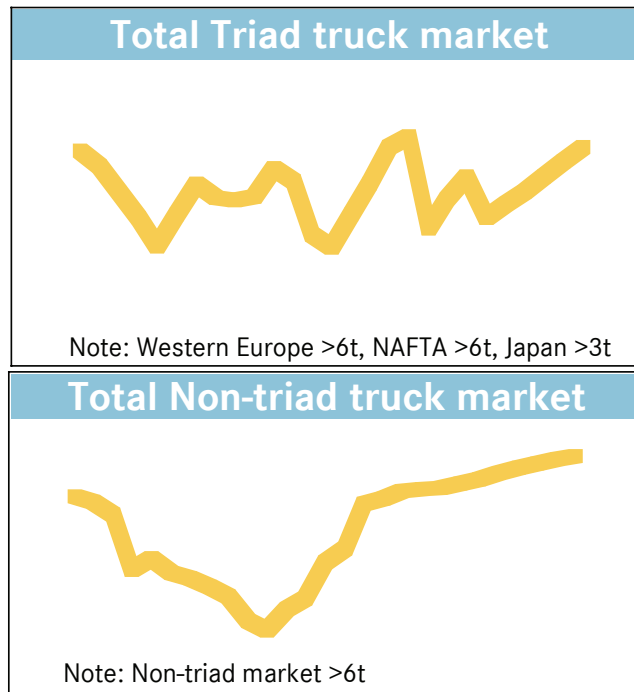
Operational Excellence

Growth and market exploitation

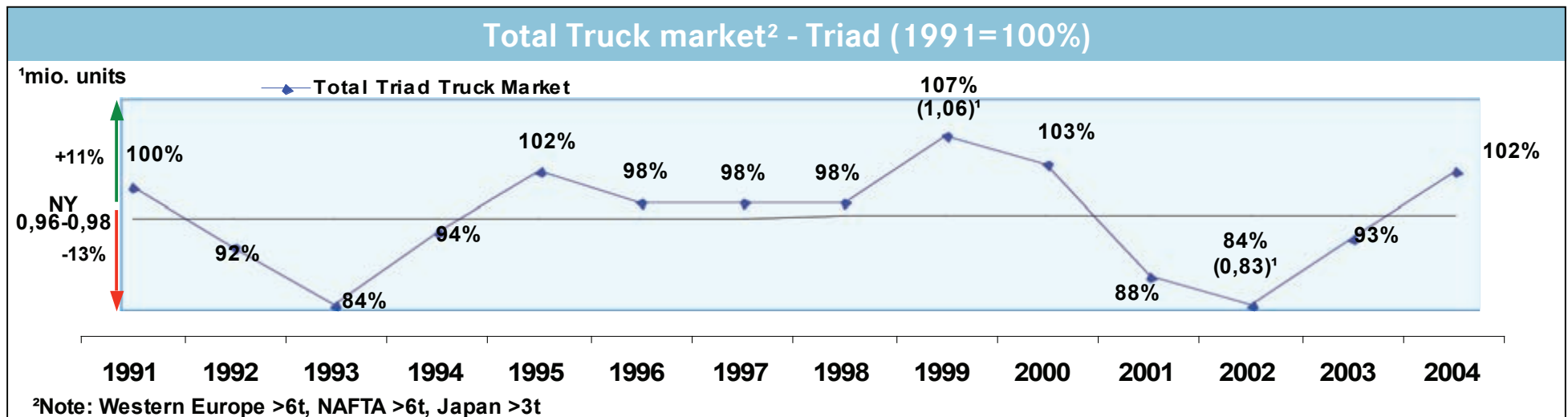
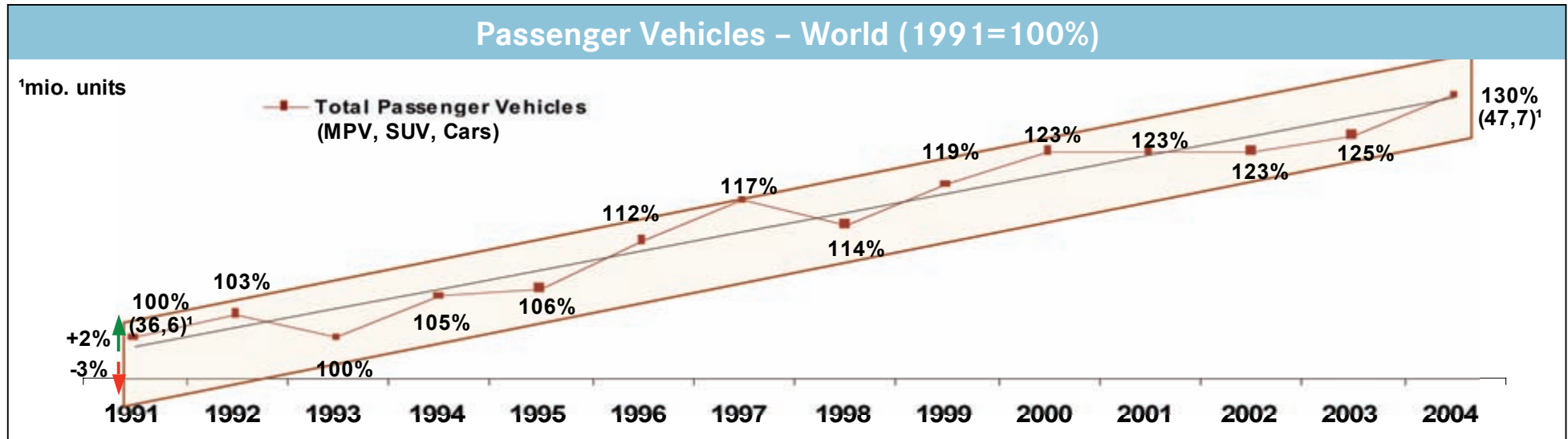
Future product generations

- ... as a means to further improve our efficiency and become benchmark
- ... as a pillar to create sustainable profitable growth in all our target markets
- ... supports and focuses the development of our common product strategy

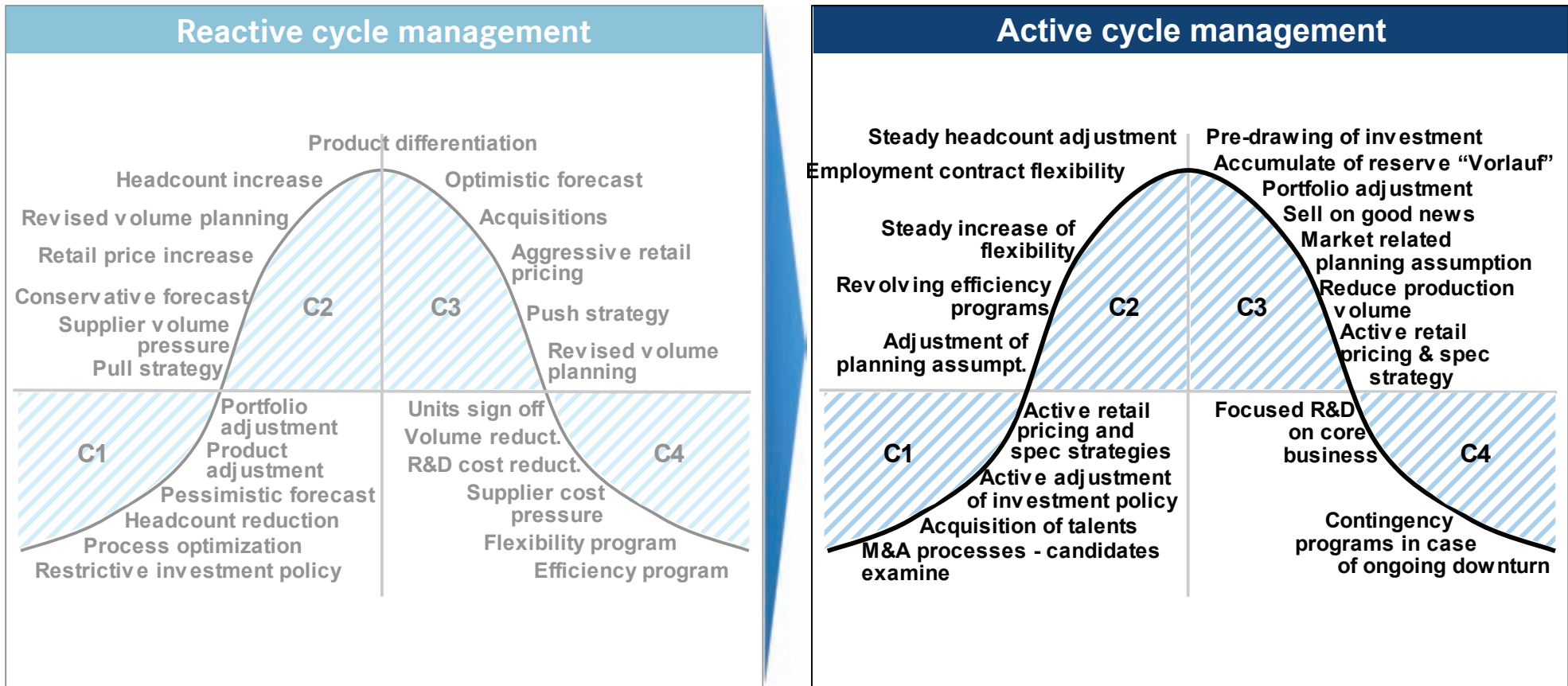
OPTIMIZATION OF BUSINESS MODEL ADDRESSES THE EFFECTIVENESS OF CVD



WHILE PC MARKET SHOWS STEADY OVERALL GROWTH, TRIAD CV MARKET WITH HIGH VOLATILITY ON CONSTANT LEVEL

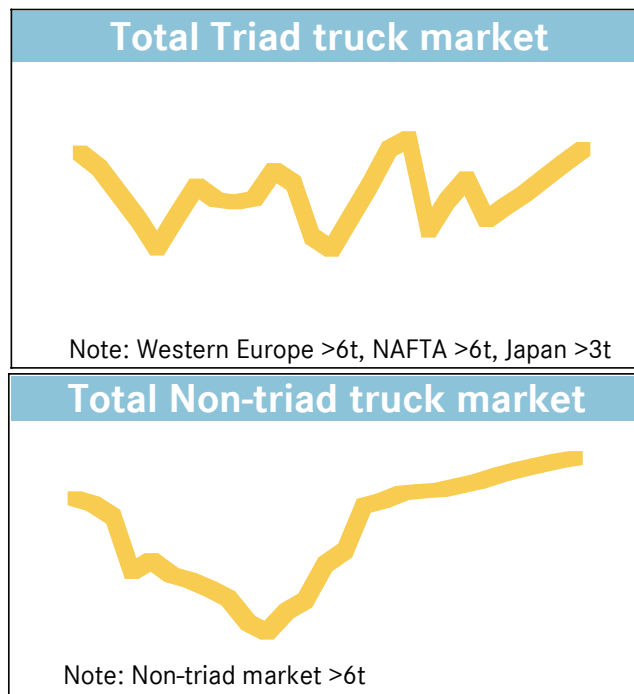


A CHANGE OF PAST BEHAVIORS IS PREREQUISITE FOR ACTIVE CYCLE MANAGEMENT

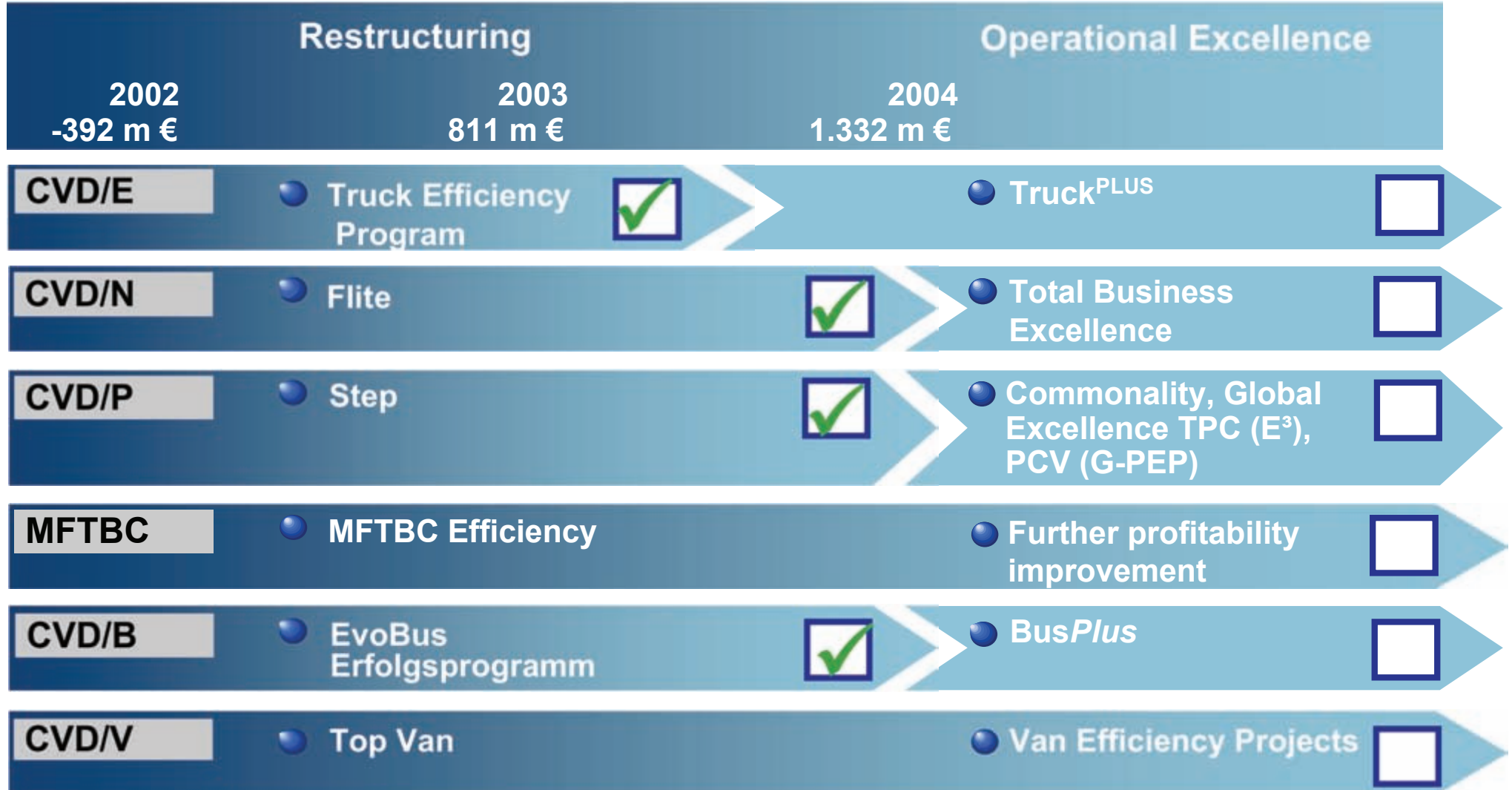


Transparency, consequence, consistence and revolving installed processes like efficiency-/talent-program and flexibility are preconditions of ACM

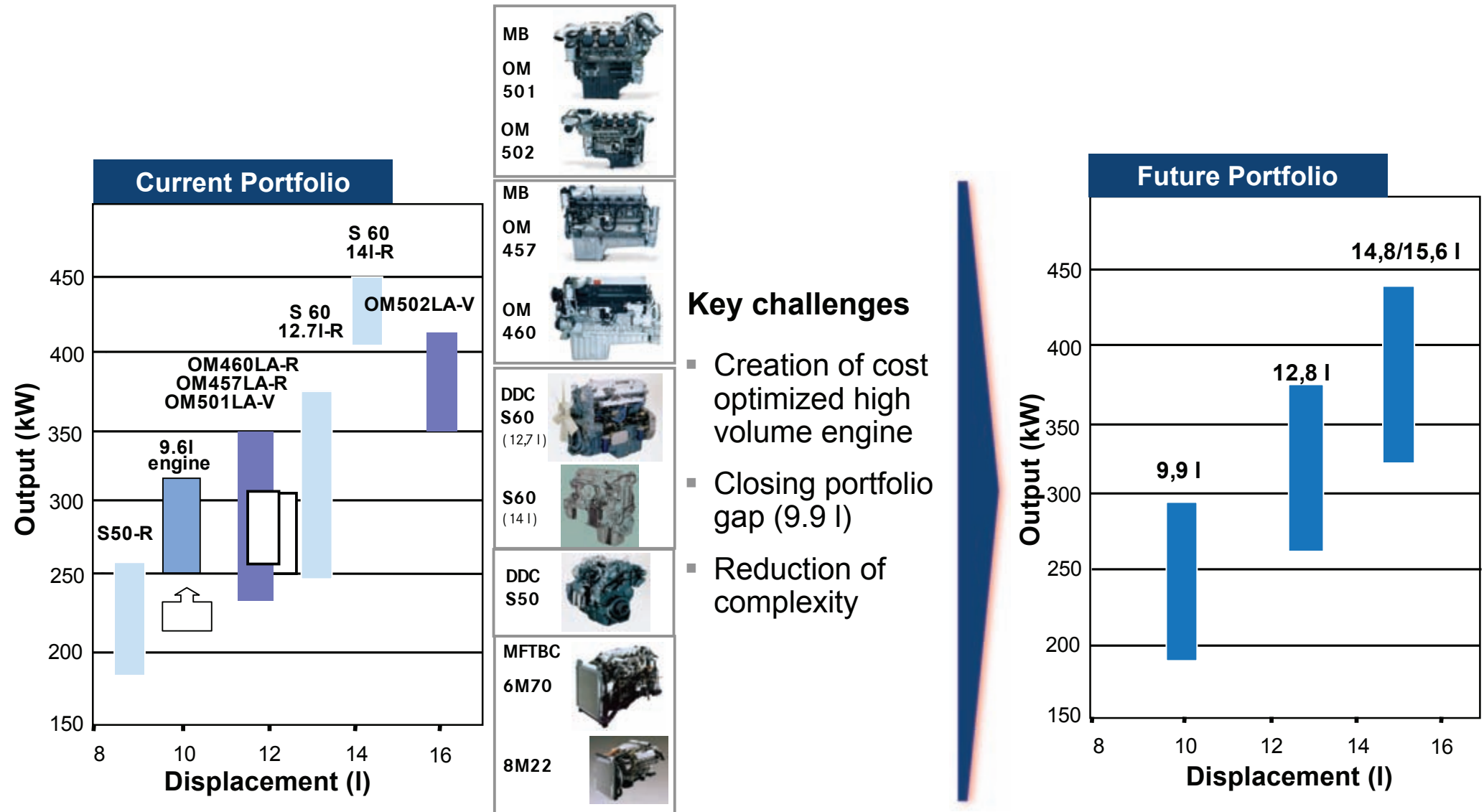
OPERATIONAL EXCELLENCE IN ORDER TO FURTHER IMPROVE OUR EFFICIENCY



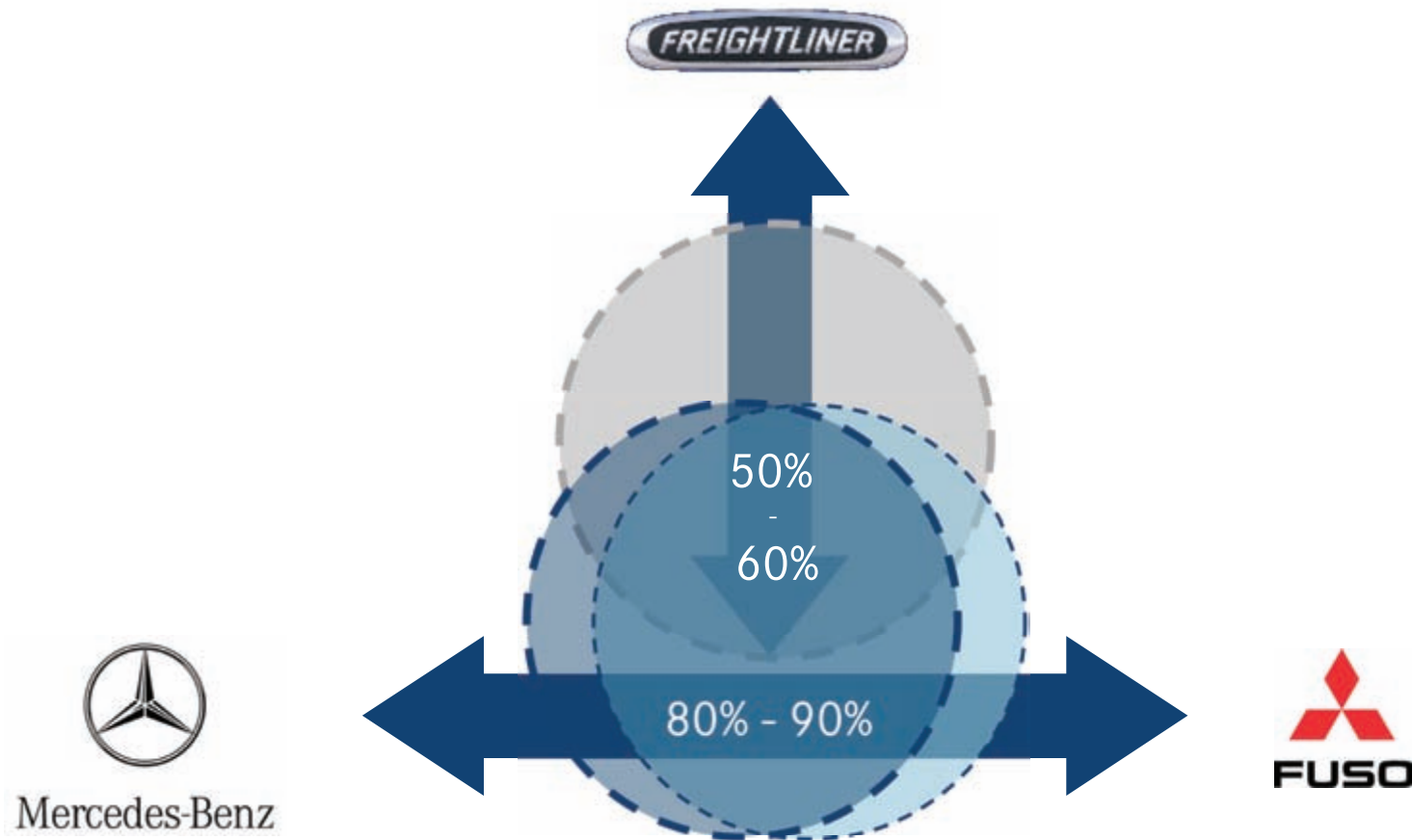
AFTER HAVING ACHIEVED BEST PROFITABILITY IN HISTORY, CVD IS NOW STRIVING FOR OPERATIONAL EXCELLENCE



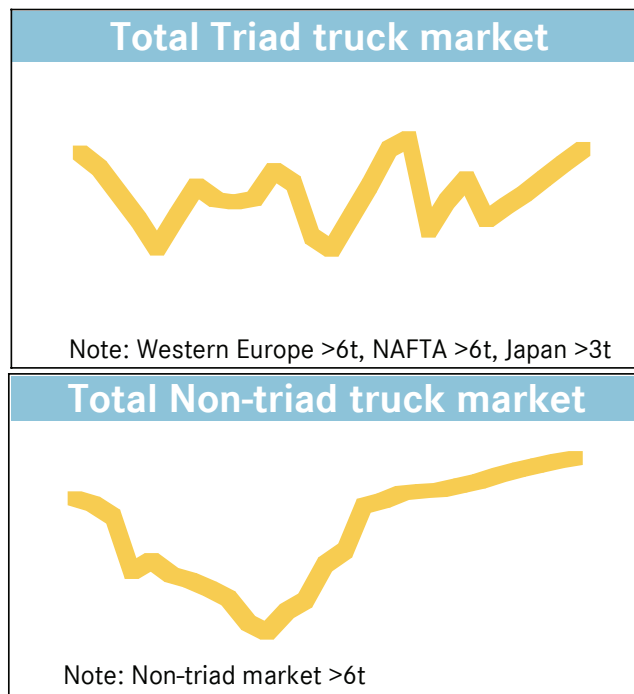
FUTURE HEAVY DUTY ENGINE CONCEPT WITH STREAMLINED AND EXTENDED PORTFOLIO



COMMONALITY POTENTIALS OF FUTURE TRUCK PRODUCTS



GROWTH AND MARKET EXPLOITATION AIMS AT EXISTING AND EMERGING MARKETS

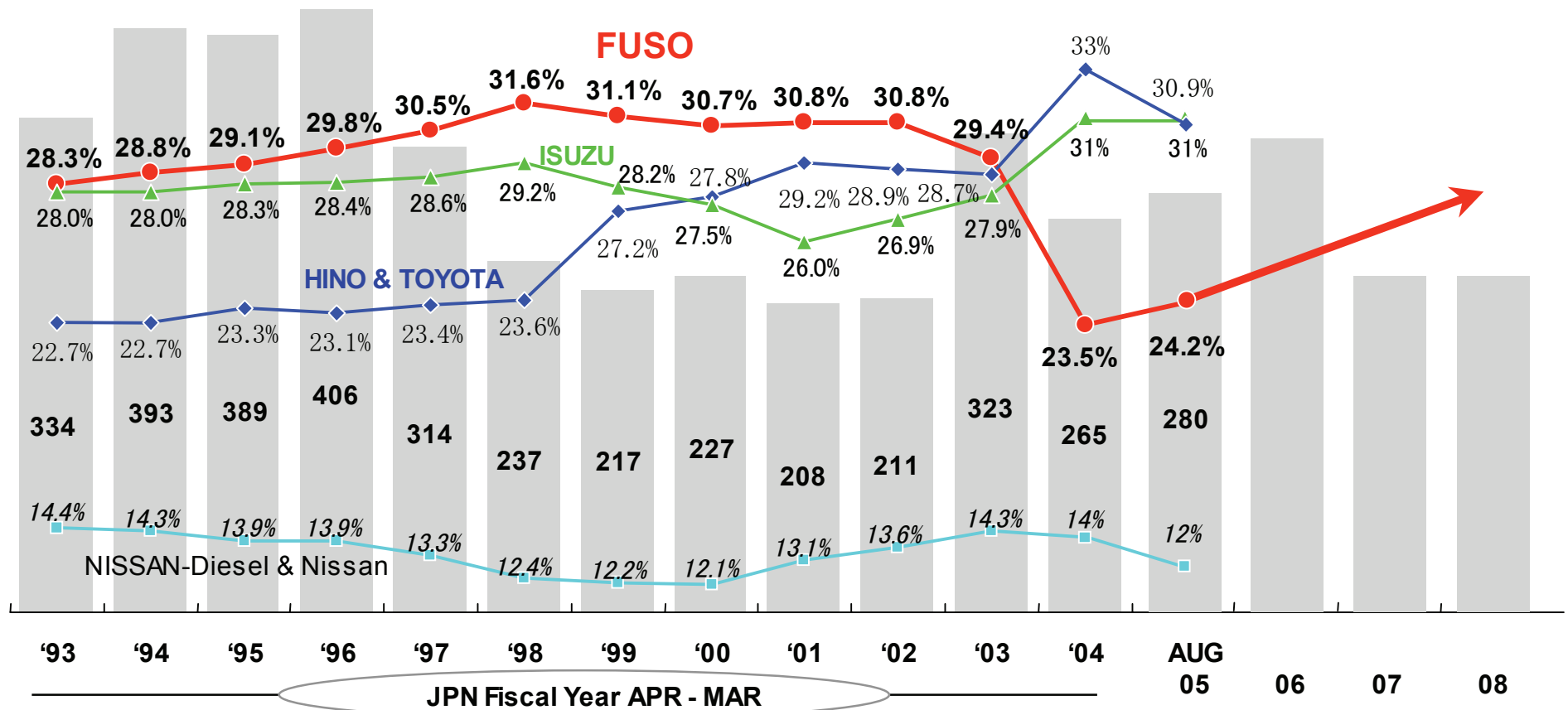




A full line Trucks and Buses manufacturer



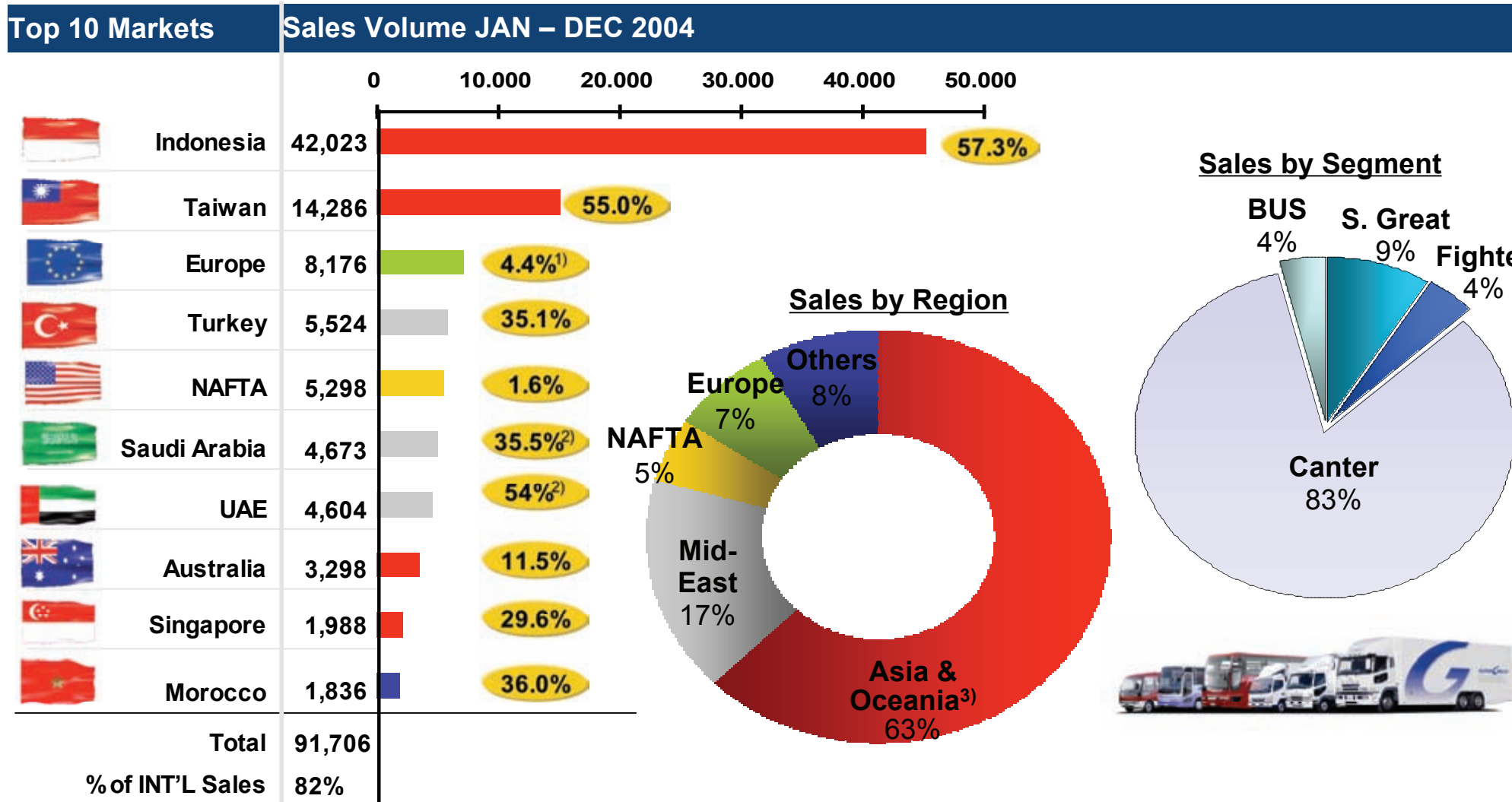
TOP MARKET SHARE FUSO IN JAPAN 1993-2003, SIGNIFICANT SoM LOSS IN 2004 DUE TO QUALITY ISSUES. SINCE MAR 2005 CONTINUED RECOVERY OF MARKET SHARE



- Truck & Bus Total, Total Demand in '000 units -



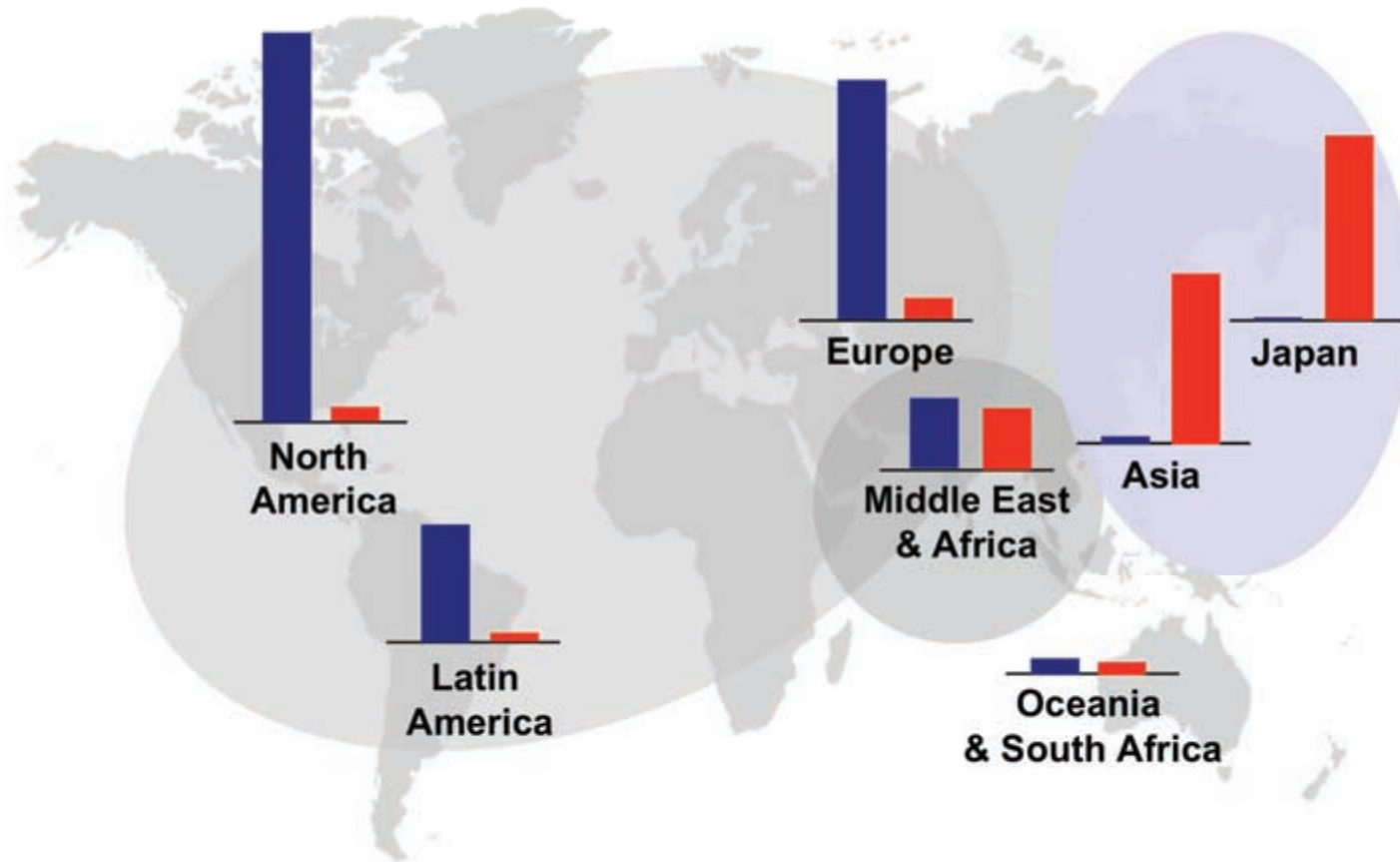
INTERNATIONAL SALES



1) JAN '04 ~ NOV '04 2) Japanese Shipments 3) Excluding Japan



FUSO CONTRIBUTES TO GLOBAL STRENGTH AND COVERAGE OF DC



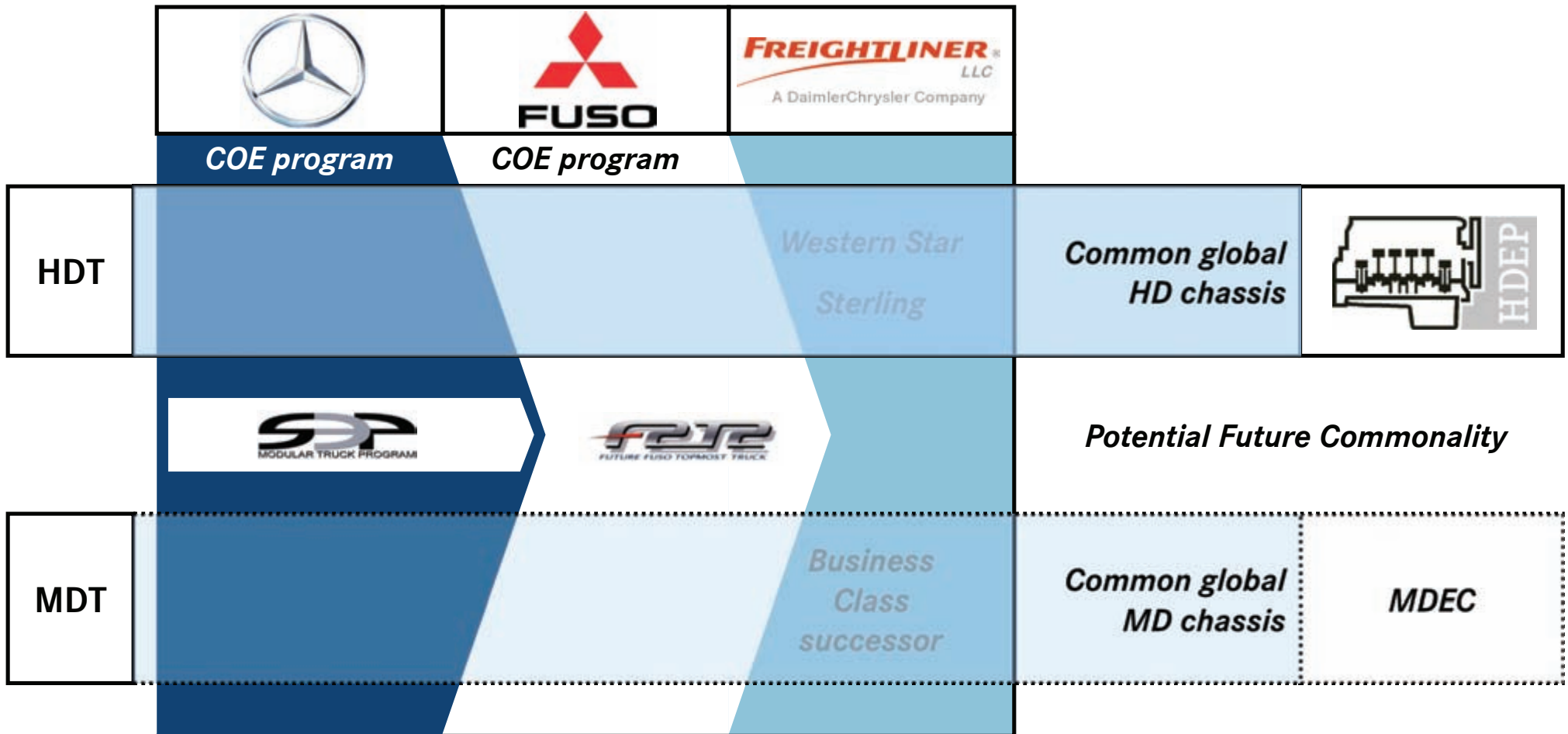
- Strong DC market position
- MFTBC to leverage on DC's strengths

- Protect positions and look for synergies

- Dominant market position of Mitsubishi Fuso
- Maintain and balance Mitsubishi Fuso's position absolute priority
- Integration of Mitsubishi Fuso in CVD's global Organization



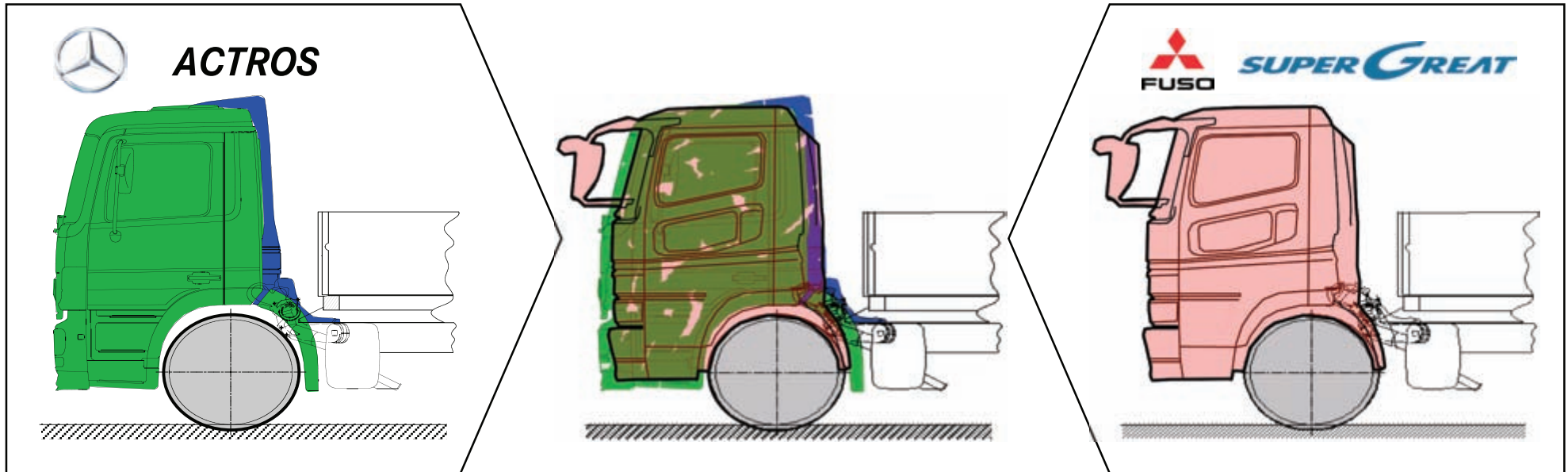
COMMON PROJECT APPROACH TO REDUCE FUNDING REQUIREMENTS* AND UTILIZE COMMONALITY POTENTIALS



* Funding requirements: CapEx and Investments



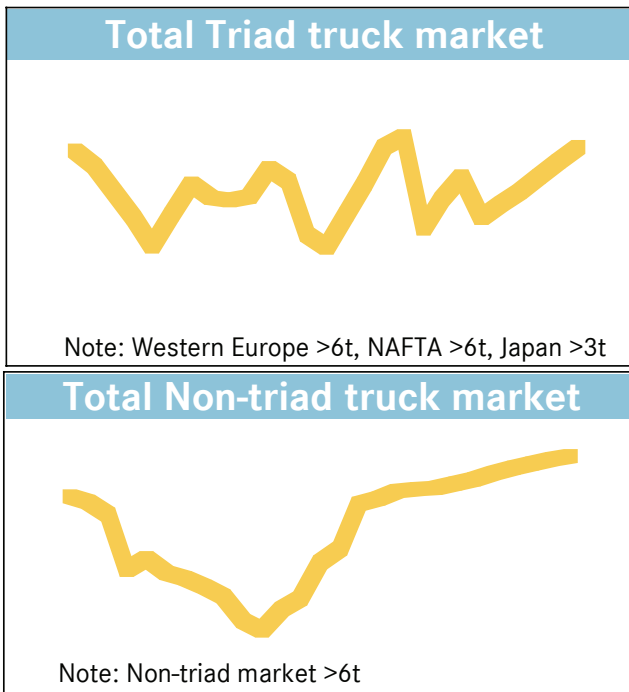
COMMON COE PROGRAM FOR CVD DUE TO COMPARABLE PRODUCT CONCEPTS



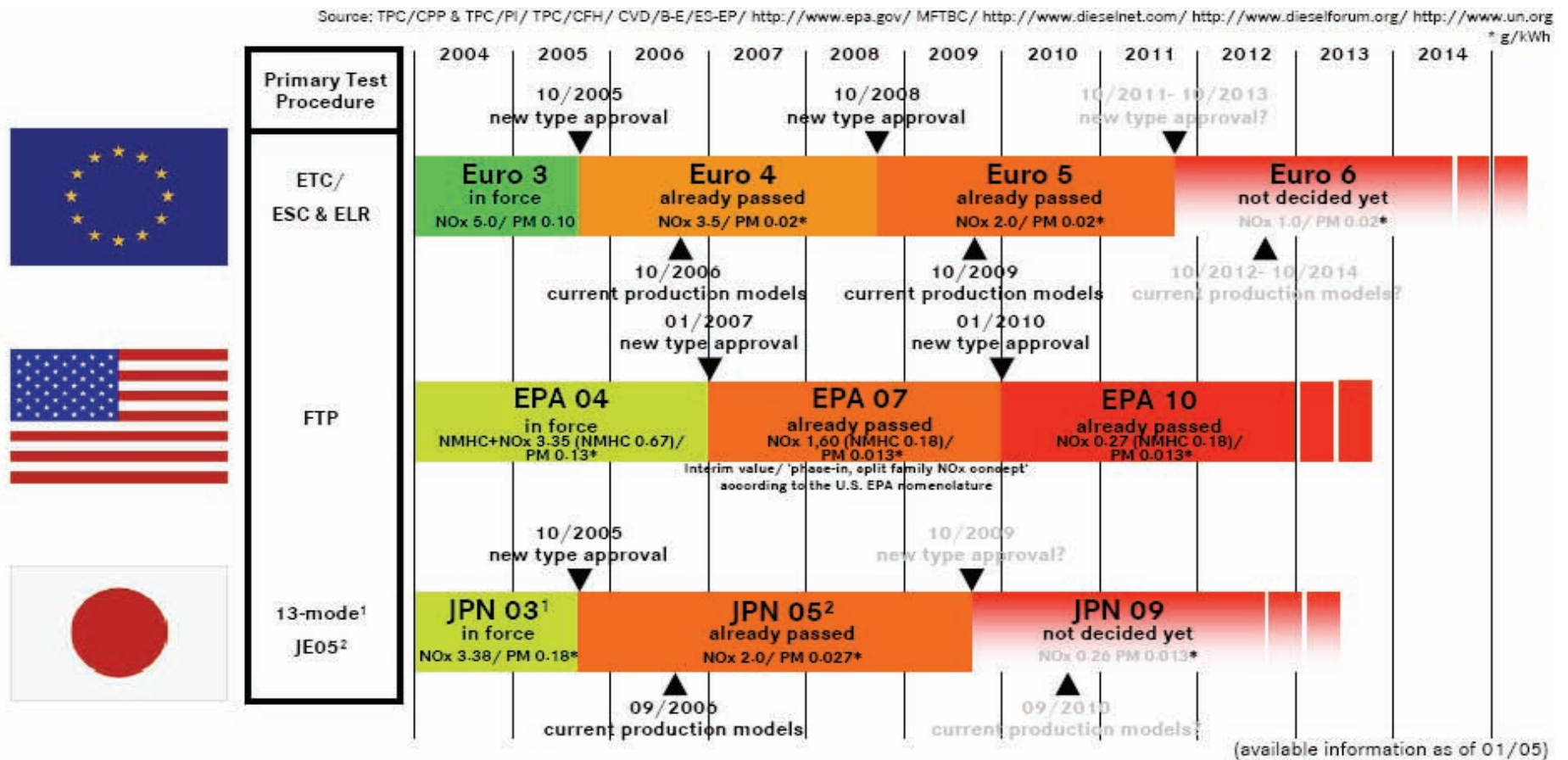
Common COE program



FUTURE PRODUCT GENERATIONS – TRUCKS YOU CAN TRUST

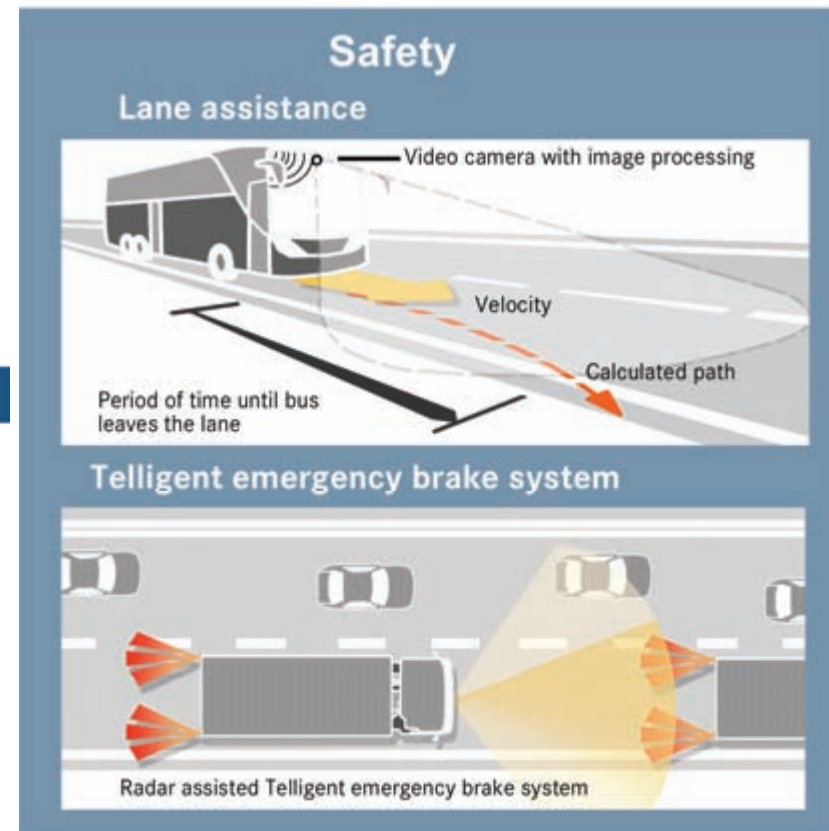
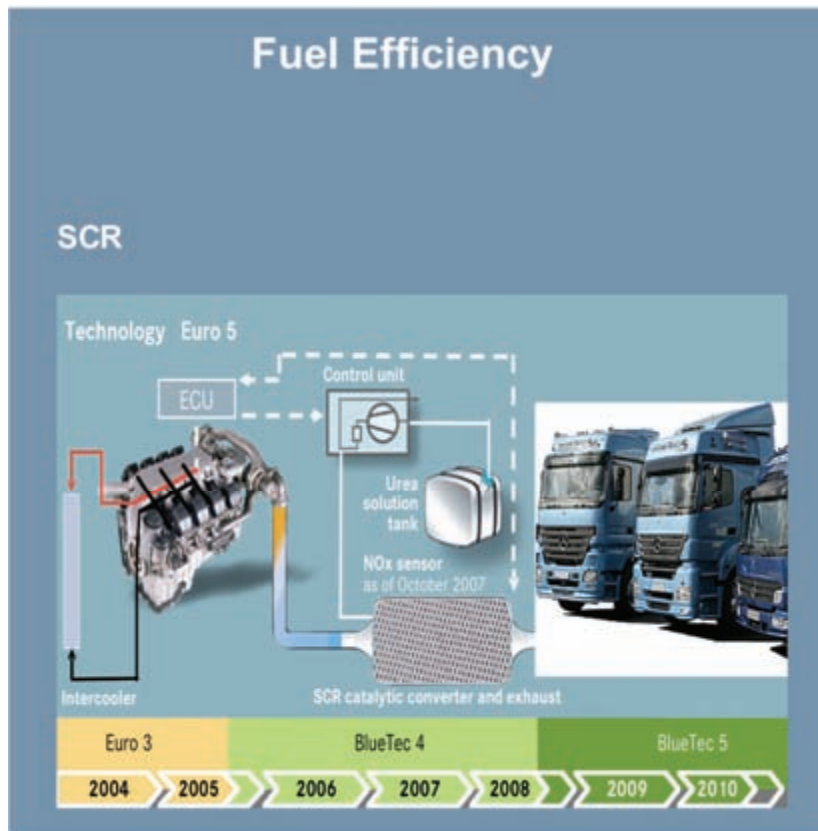


EMISSIONS REGULATION TIMEFRAME



*Assumption: yearly driving performance 60.000 km, external regeneration every 2500 km required

SAFETY AND FUEL EFFICIENCY REMAIN CORE VALUES IN FUTURE PRODUCT GENERATIONS



DISCLAIMER

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