

DAIMLER

Challenges & Opportunities for MBC Sales & Marketing Detroit, January 15, 2008

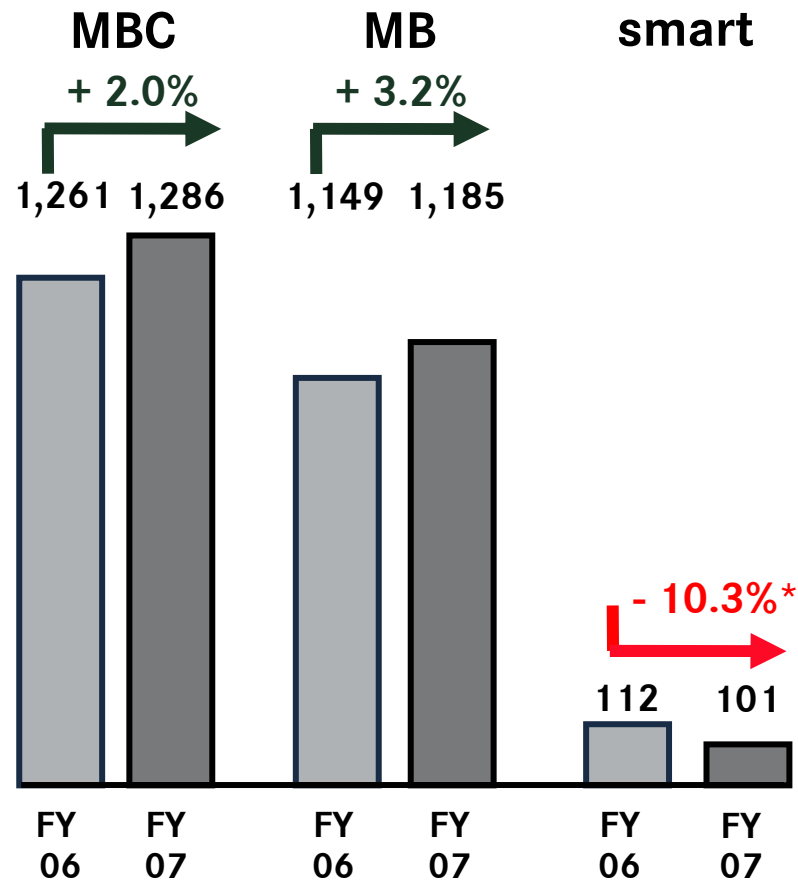


Dr. Klaus Maier
Executive Vice President, Mercedes-Benz Cars,
Sales & Marketing

SALES RECORD FULL YEAR 2007

Sales record full year 2007 - Retail

Sales in 1,000 units



	vs. py.
☒ smart fortwo:	+ 43 %
☒ C-Class:	+ 57 %
☒ Growth in almost all regions for MB	
☒ WEU w/o. Germany	+ 3%
☒ Germany	- 4%
☒ US	+ 2%
☒ China	+53%

* Due to discontinuation of smart roadster and forfour

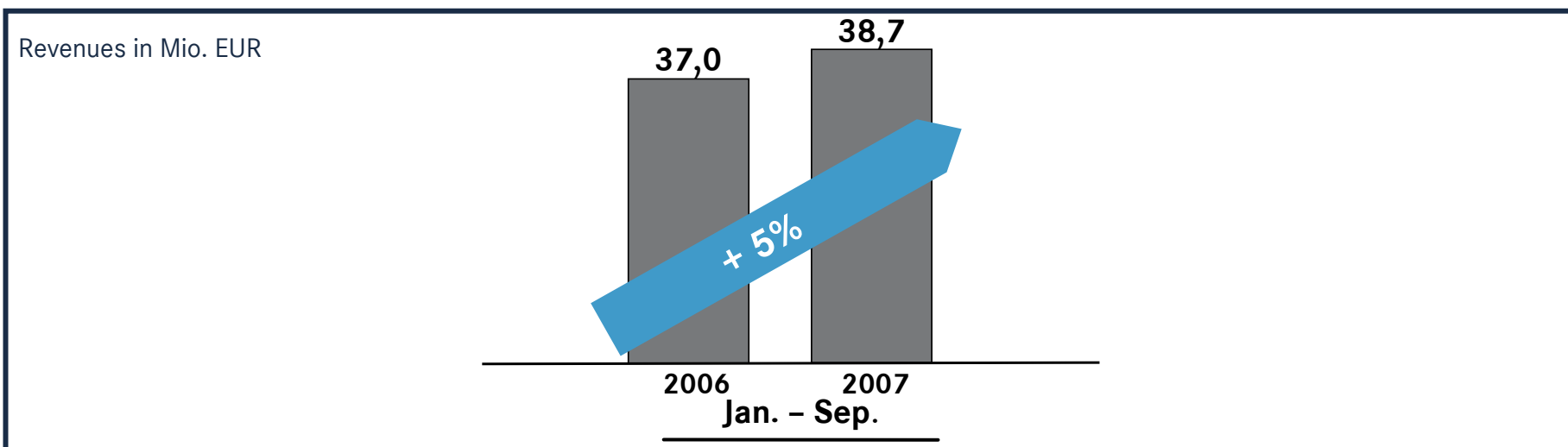
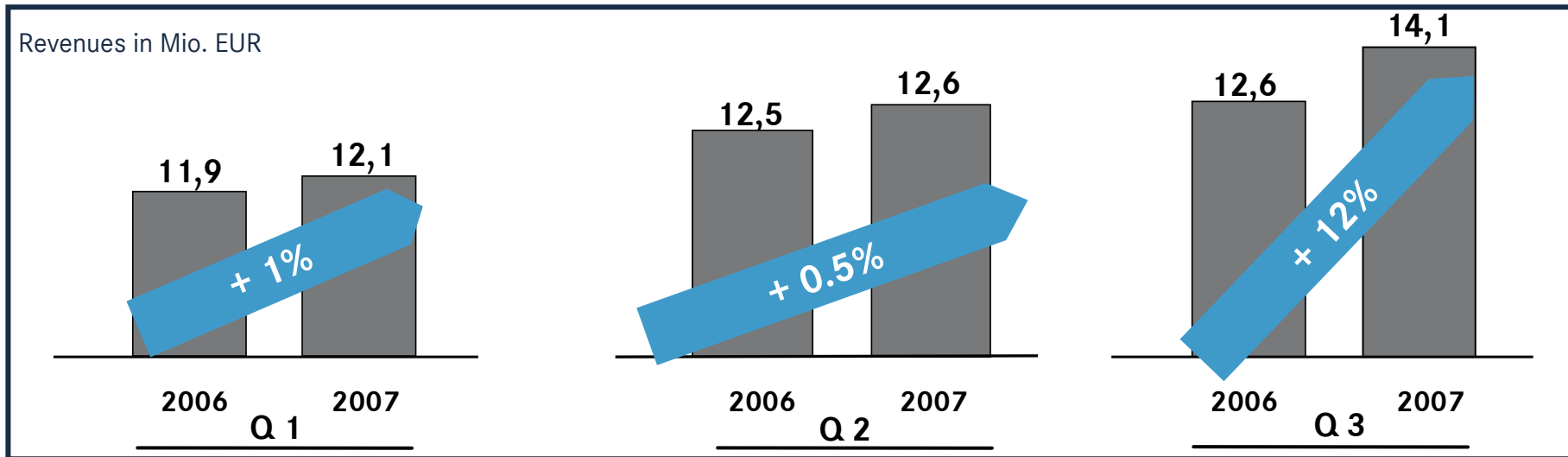
STABLE MARKET SHARE FOR MERCEDES-BENZ – FASTER GROWING IN PREMIUM SEGMENT THAN MARKET AVERAGE

MB Market Share 2007

	Total Market		Premium Segment	
	YTD* 12/07	vs. py. (in %)	YTD* 12/07	vs. py. (in %)
World	2.4	+0.0	5.5	+0.0
West. Europe	4.5	+0.0	11.9	+0.1
Germany	10.4	+0.5	21.2	+0.7
US	1.5	+0.0	3.5	+0.1
Japan	1.6	+0.0	6.6	-0.3
China	0.5	+0.1	1.1	+0.2

*Preliminary data

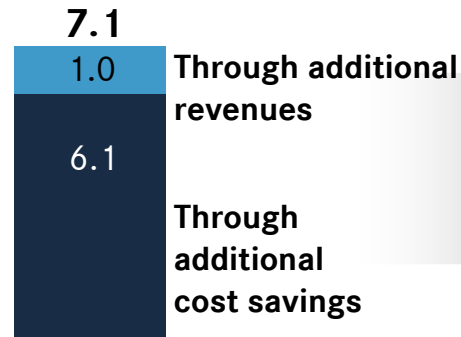
THE REVITALISATION OF MBC IS ALSO REFLECTED BY THE QUARTERLY REVENUE IMPROVEMENTS



CORE SUCCESSFULLY COMPLETED IN 2007

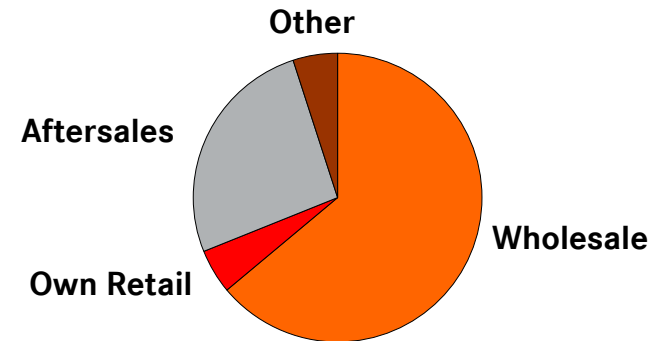
CORE-Success

In bn EUR



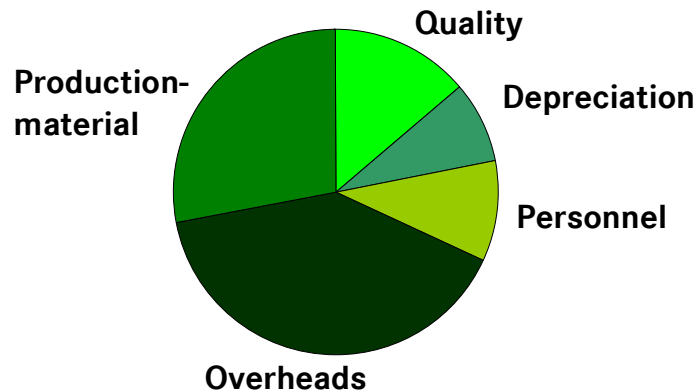
Thereof revenues: 15%

Additional revenues



Thereof costs: 85%

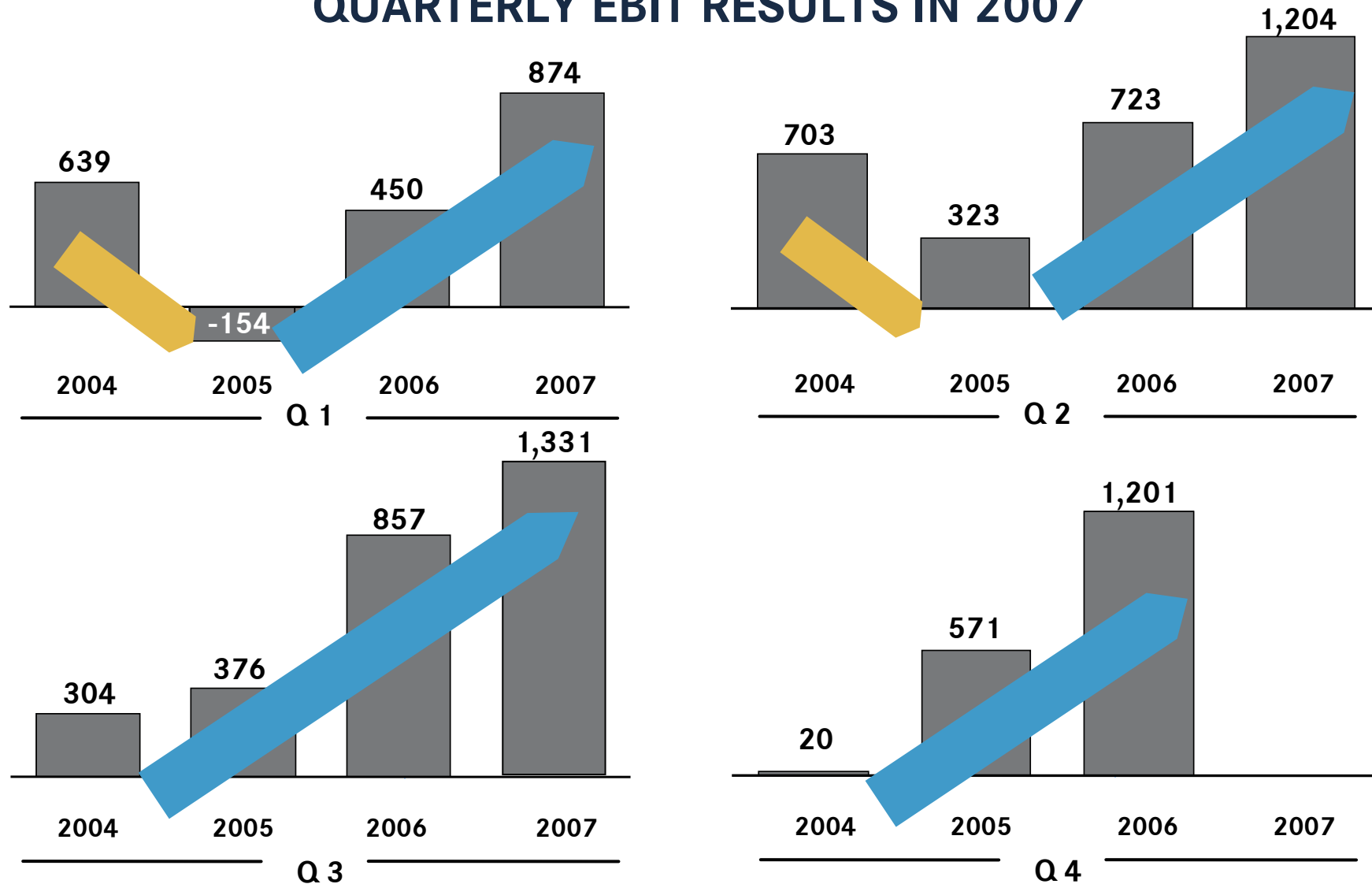
Cost savings



CORE Summary

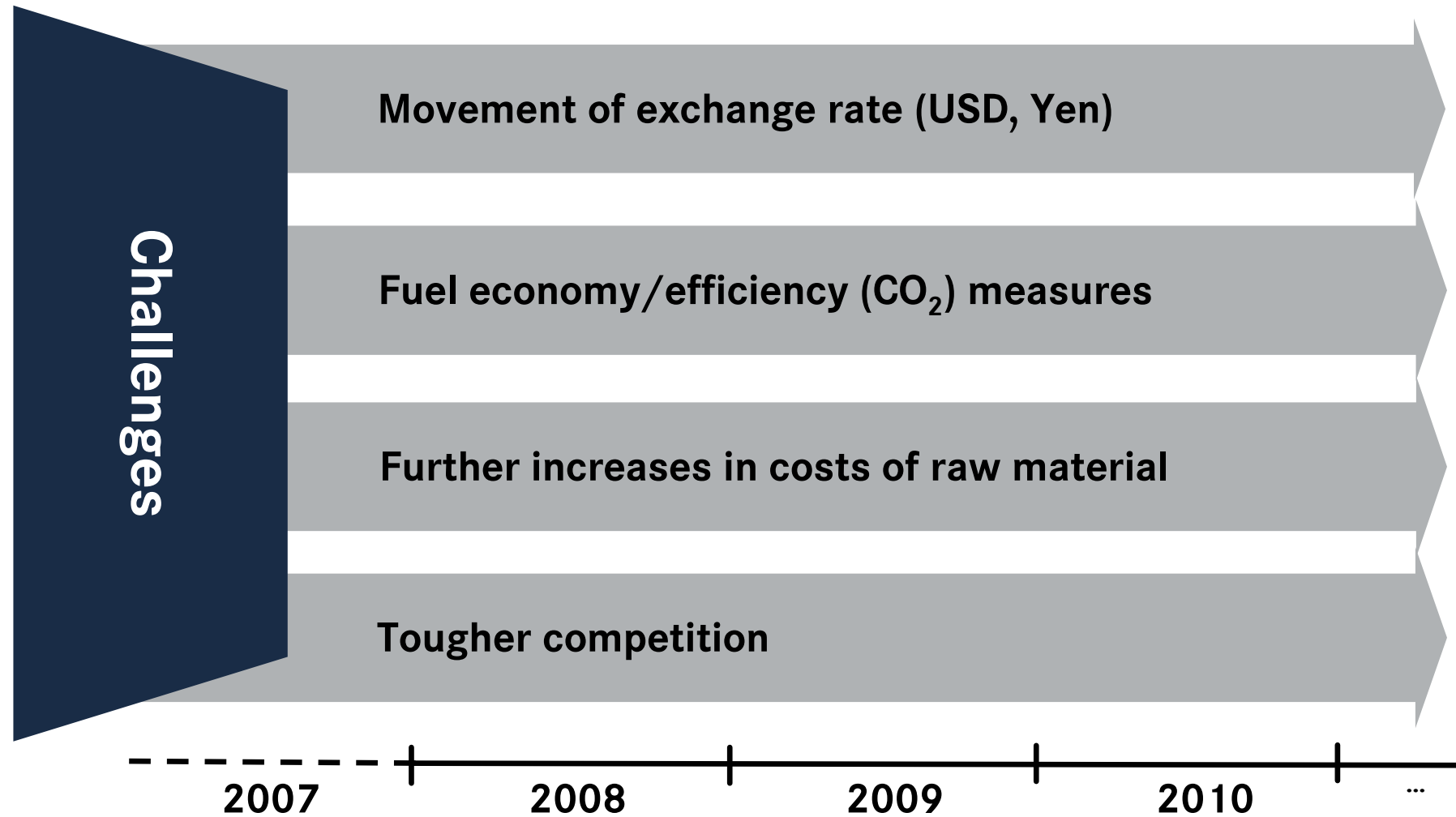
- 43,000 individual measures lead to earnings improvements of 7.1 bn EUR through cost savings and additional revenues
- Long-term measures will be transferred to the line organization and continuously tracked for implementation, e.g. modular strategy

**PROFITABLE GROWTH REFLECTED BY THE MBC
QUARTERLY EBIT RESULTS IN 2007**

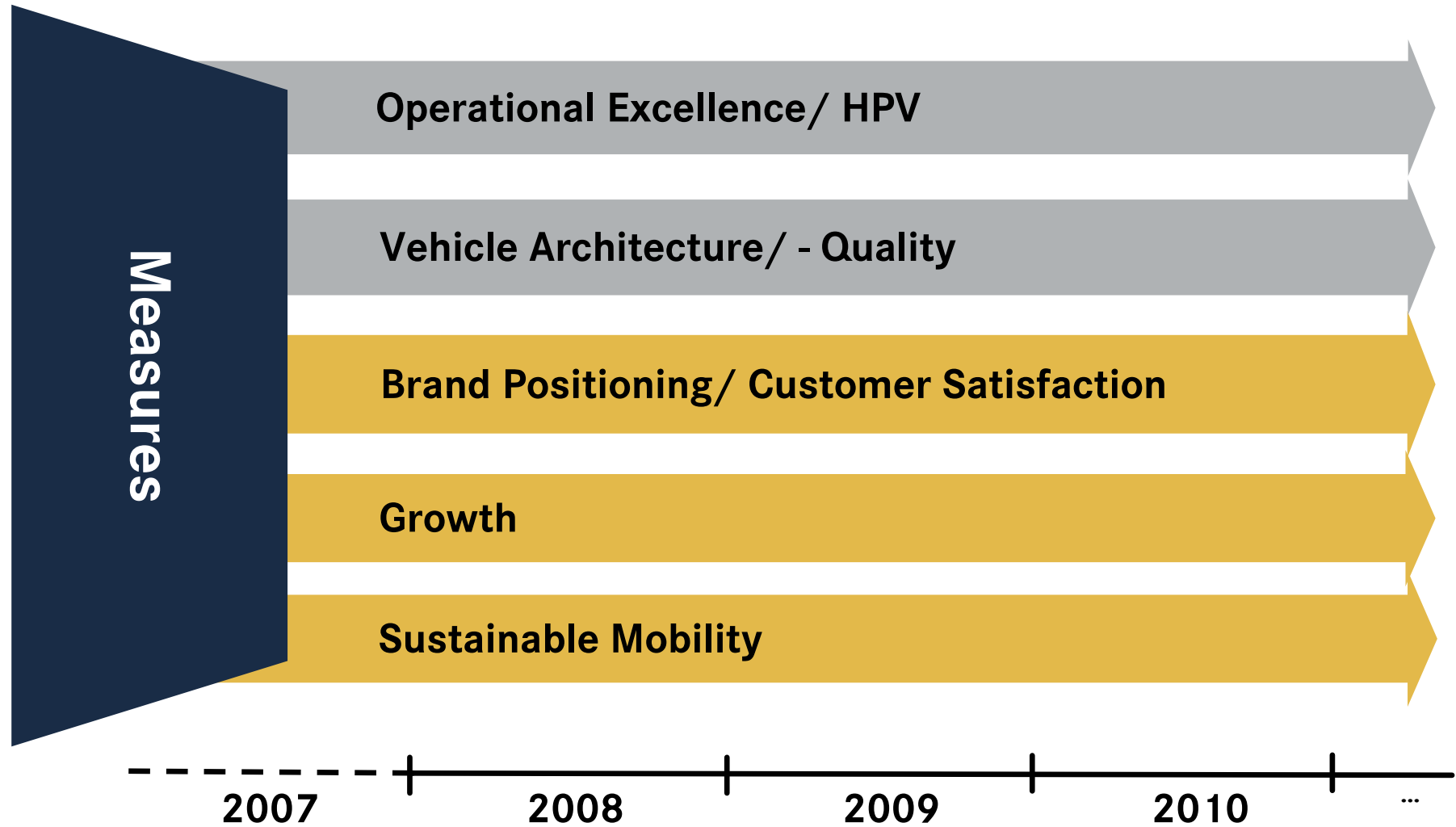


Ebit Figures in Mio. € acc. to US GAAP until 2005 and acc. to IFRS since 2006, without special reporting items

CHALLENGES FOR MERCEDES-BENZ CARS BEYOND CORE

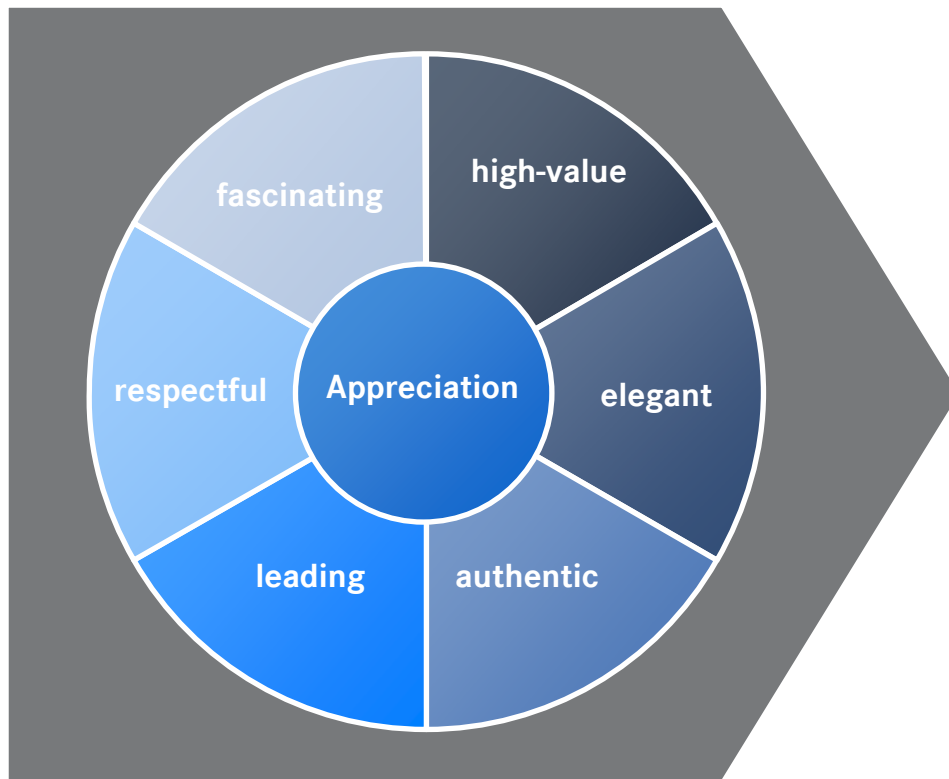


MEASURES AT MERCEDES-BENZ CARS BEYOND CORE



MERCEDES-BENZ BRAND-POSITIONING: APPRECIATION MEANS LEADERSHIP IN FIVE PRODUCT DIMENSIONS

Brand values



Product dimensions

A grid of six images illustrating product dimensions. The top row features "Styling/Design" (a silver Mercedes-Benz sedan) and "Safety" (a car's structural frame). The middle row features "Sustainability" (a car's side profile). The bottom row features "Quality/Value perception" (a car's interior dashboard) and "Comfort/Agility" (a car's interior seats).

VARIOUS WORK-PACKAGES ADDRESS ALL ASPECTS OF OUR BRAND POSITIONING ALONG THE ENTIRE VALUE CHAIN

Customer Care/ CSI No. 1

- 1 First Contact and vehicle purchase
- 2 Delivery period/ - reliability
- 3 Dealer visit etc.
- 4 Customer binding

Product

- 5 Product portfolio
- 6 Reliability
- 7 Value perception
- 8 Design
- 9 Safety
- 10 Driving comfort
- 11 Innovation
- 12 Total cost of ownership

Communication

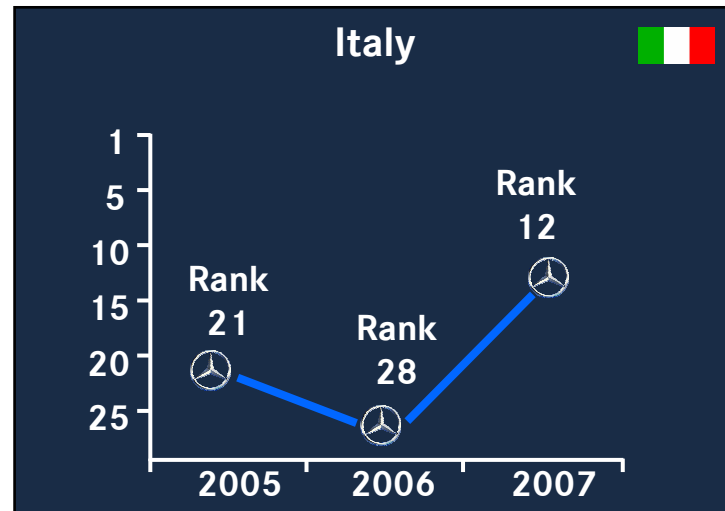
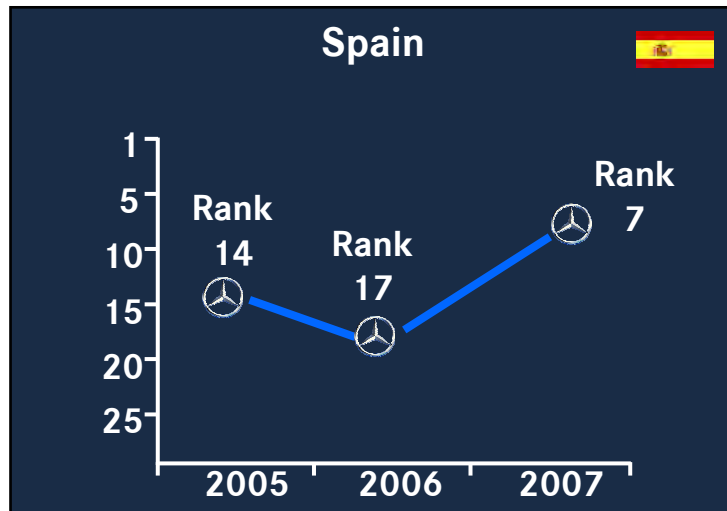
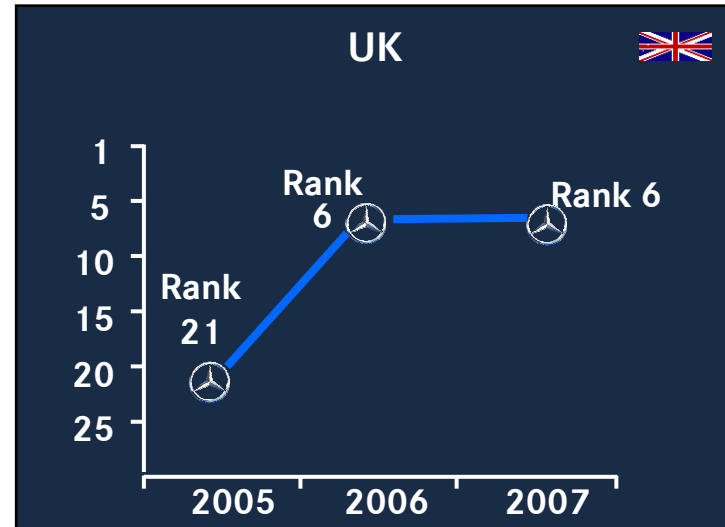
- 13 TV, print, internet, sponsoring
- 14 PR
- 15 Trade marketing
- 16 Face-to-face communication

Behavior

- 17 Internal communication
- 18 LEAD
- 19 Dealer relationship
- 20 Supplier relationship

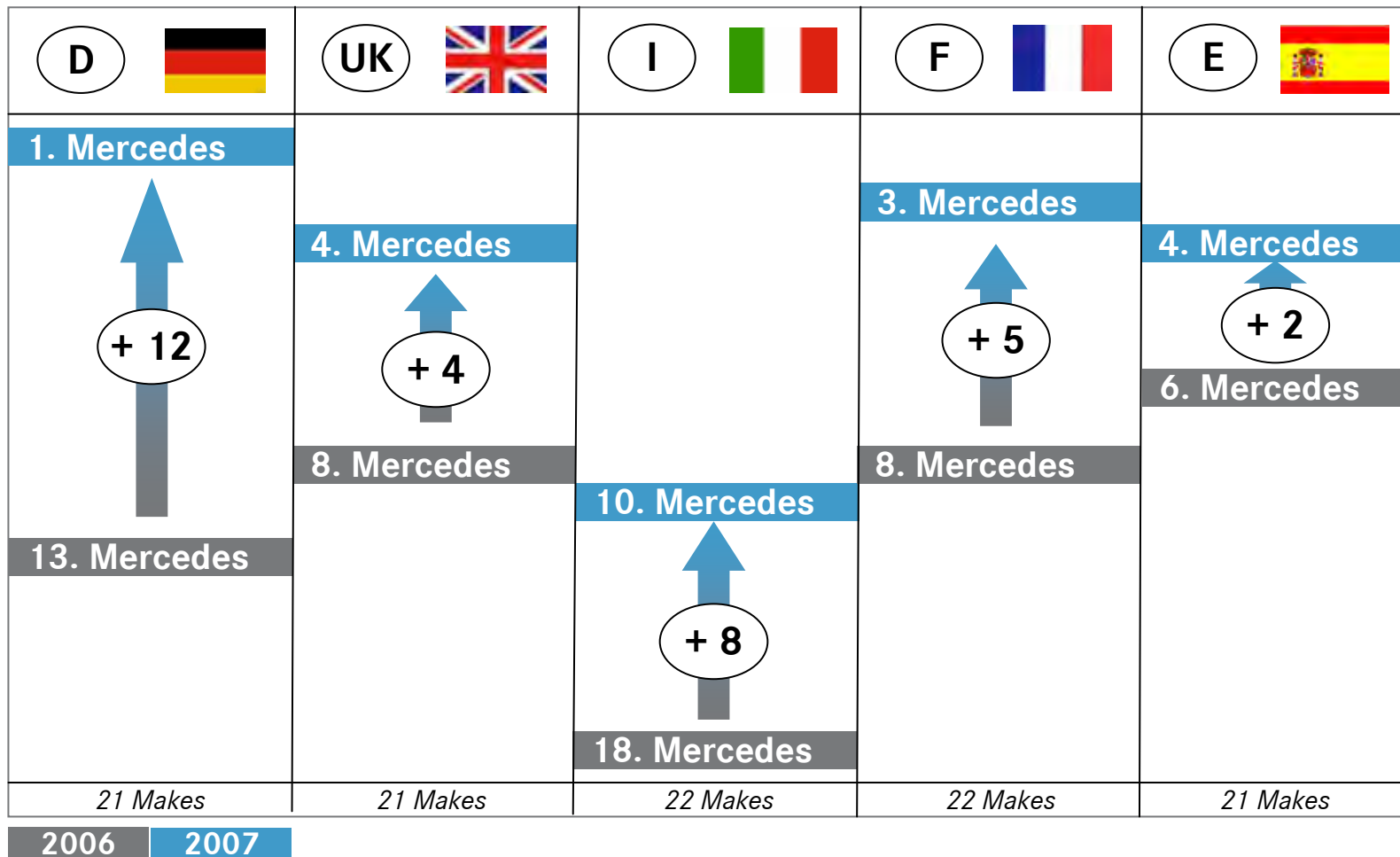


CSI NO. 1: WE ARE ON THE RIGHT TRACK

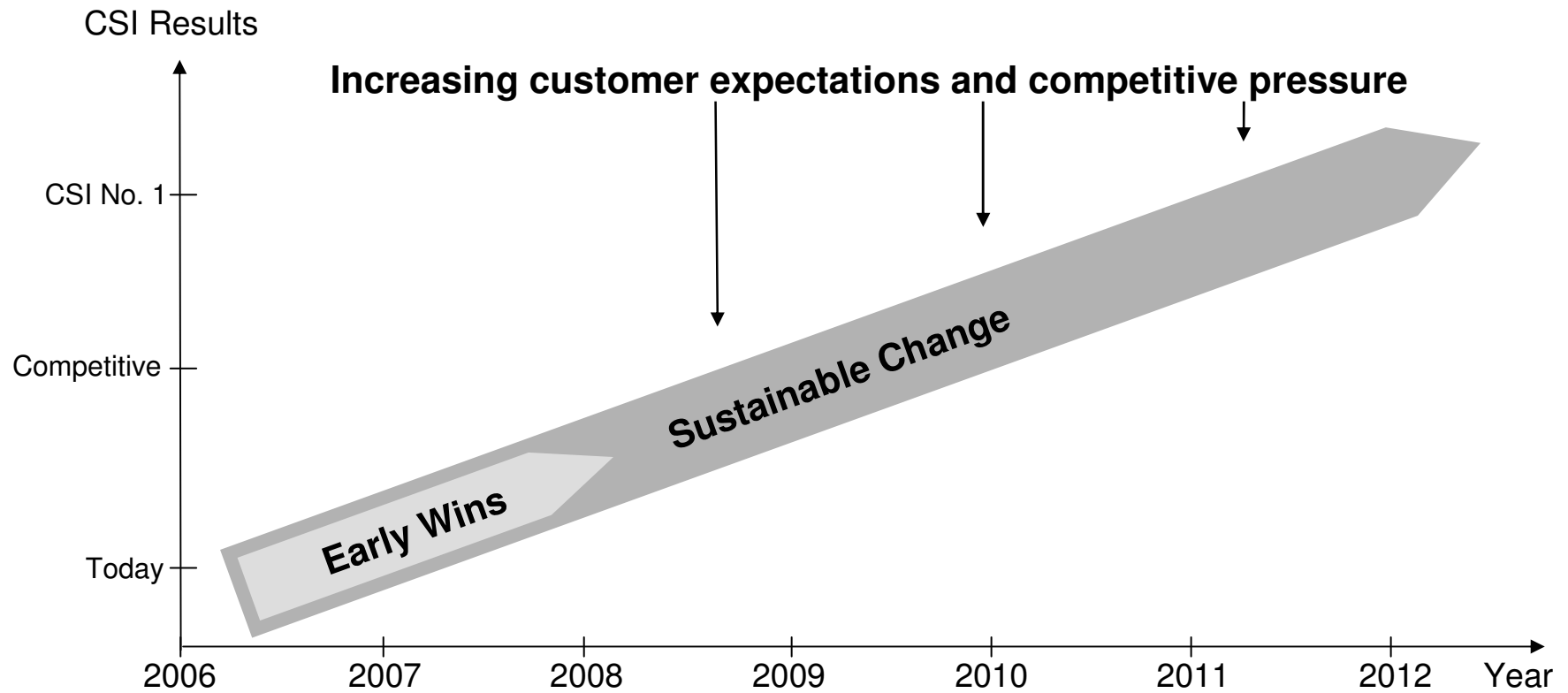


ALSO SATISFACTION OF MERCEDES-BENZ DEALERS INCREASED

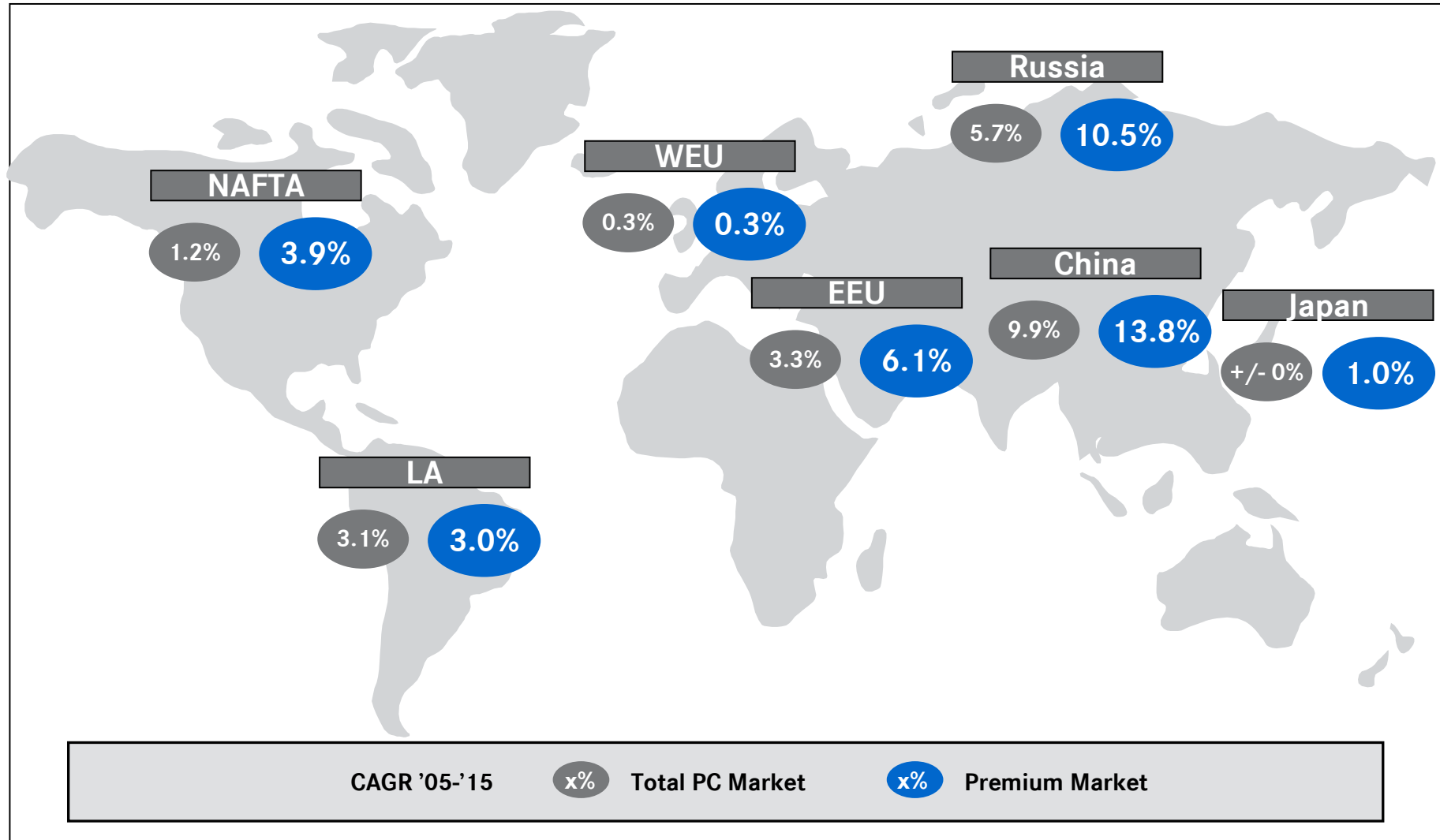
Overall dealer satisfaction with manufacturer



CUSTOMER- AND DEALER-SATISFACTION NEEDS SUSTAINABILITY

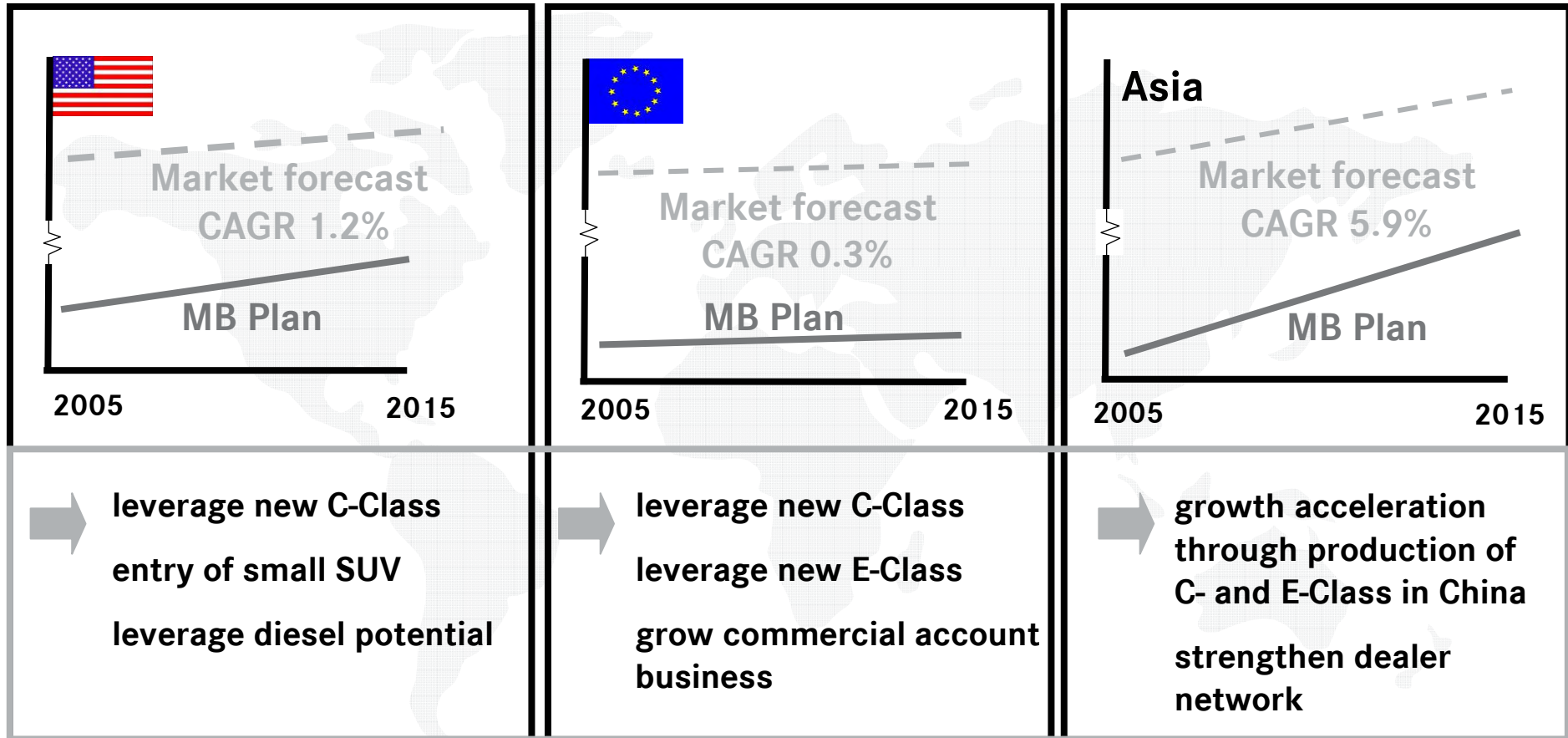


GROWTH ESPECIALLY IN EASTERN EUROPE AND CHINA



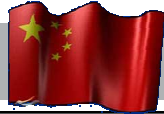
Source: Global Insight, SP 08

REGION SPECIFIC GROWTH STRATEGIES AT MBC



SPECIAL FOCUS OF MERCEDES-BENZ IN EMERGING MARKETS

China



- **Opening of new factory in Peking 09/2006**
 - CKD production E-Class since 07/06
 - Start of production C-Class at the beginning of 2008
- **Sales growth MB PC:**
 - +53% FY 2007
- **More than 80 dealers- & service-outlets in China**

India

















- **Since 1995 local production (E-, S-, C-Class)**
 - May 2007 start of building a new factory with an invest of 50 bil. € over the next years
 - Production from 2009
- **Sales growth MB PC:**
 - +8% FY 2007
- **Dealer network in 27 cities in India**
 - Fulfills as the first automotive company the ISO standard 9001

Russia



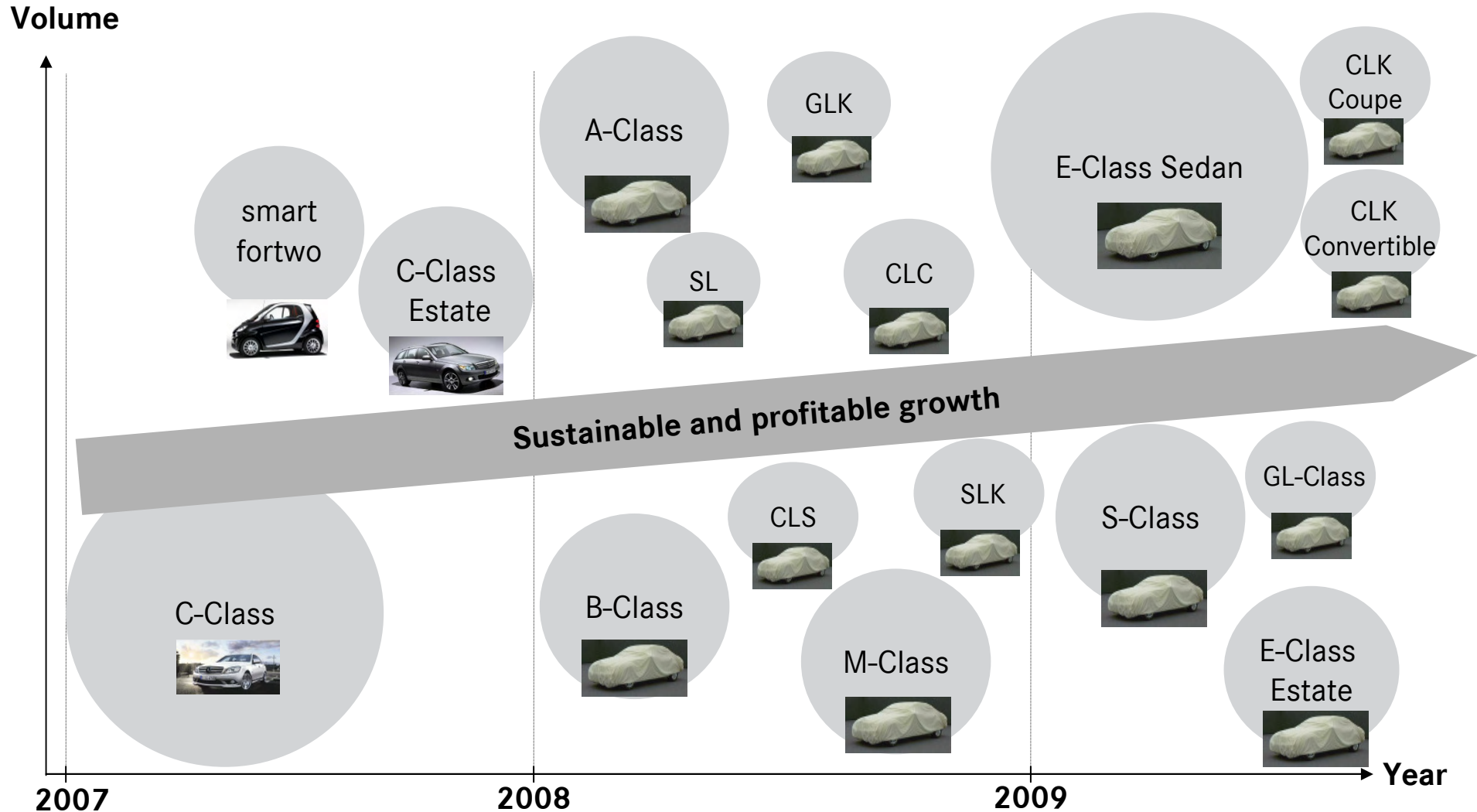
- **Sales growth MB PC:**
 - +65% FY 2007
- **MB is the fastest growing premium brand**
- **Dealer network in 38 cities in Russia**
 - Above all a Brand Center in Moscow

STILL GROWING SEGMENTS IN THE AUTOMOTIVE MARKET

Segment	Growth 2007 - 2010	Respective MB models
SUV	24%	    <p>M-Class GL-Class GLK-Class G-Class</p>
Crossover/MPV	21%	  <p>R-Class B-Class</p>
Luxury Full-Size Car	15%	 <p>E-Class</p>
Specialty	14%	      <p>C-Class sports coupe CLS-Class SLK-Class CLK-Class CL-Class SL-Class</p>
Compact Car	12%	 <p>A-Class</p>

Source: Global Insight, SP 08

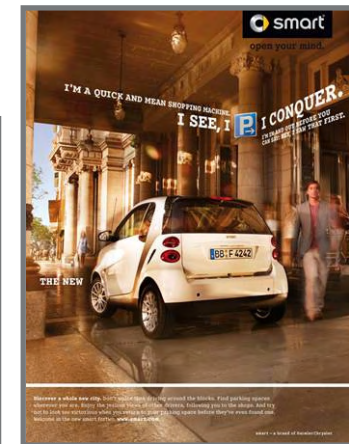
WITH THE NEW 2008 AND 2009 PRODUCTS MERCEDES-BENZ CARS WILL ALSO GROW PROFITABLY IN THE FUTURE



SMART REACHED TARGETS



- The structural and process-related integration of smart in MBC is completed!
- The smart fortwo market launch in our established markets was successful!
- We created a brilliant fundament for our US market entry!
- We considerably improved our brand-perception and -awareness due to a consequent and consistent marketing communication!
- In 2007 we have reached our goals!



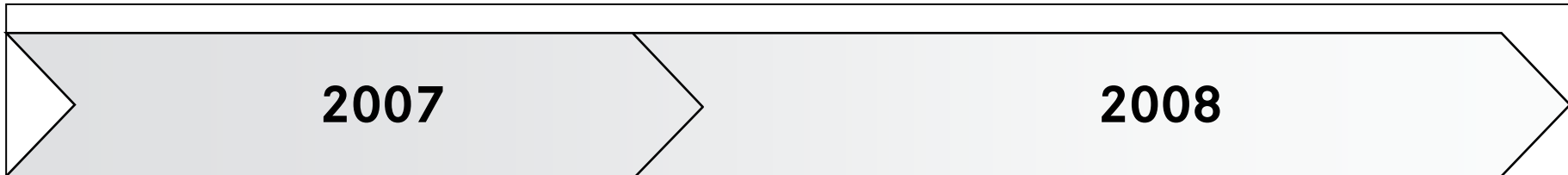
ALREADY TODAY LARGE RANGE OF FUEL-EFFICIENT VEHICLES



- **20%** reduction CO₂ MB-fleet since 1998
- **38%** of all MB cars **below 6.5 l/100 km**
- **20%** of new MB cars around **5 l/100 km**
- **11 models** between 4.9 and 6.5 l/100 km
- **Smart CDI:** Most sold 3-liter car in the world



TRUE BLUE SOLUTIONS: OUR FUTURE ROADMAP: 2007-2008



- E 320 BLUETEC (US)



- smart mhd (micro hybrid drive)



- Rollout CGI (2nd generation direct injection)



- E 300 BLUETEC (Europe)



- C 200 CDI T



- B 170 NGT (Natural Gas)



- R, ML, GL with BLUETEC (US)

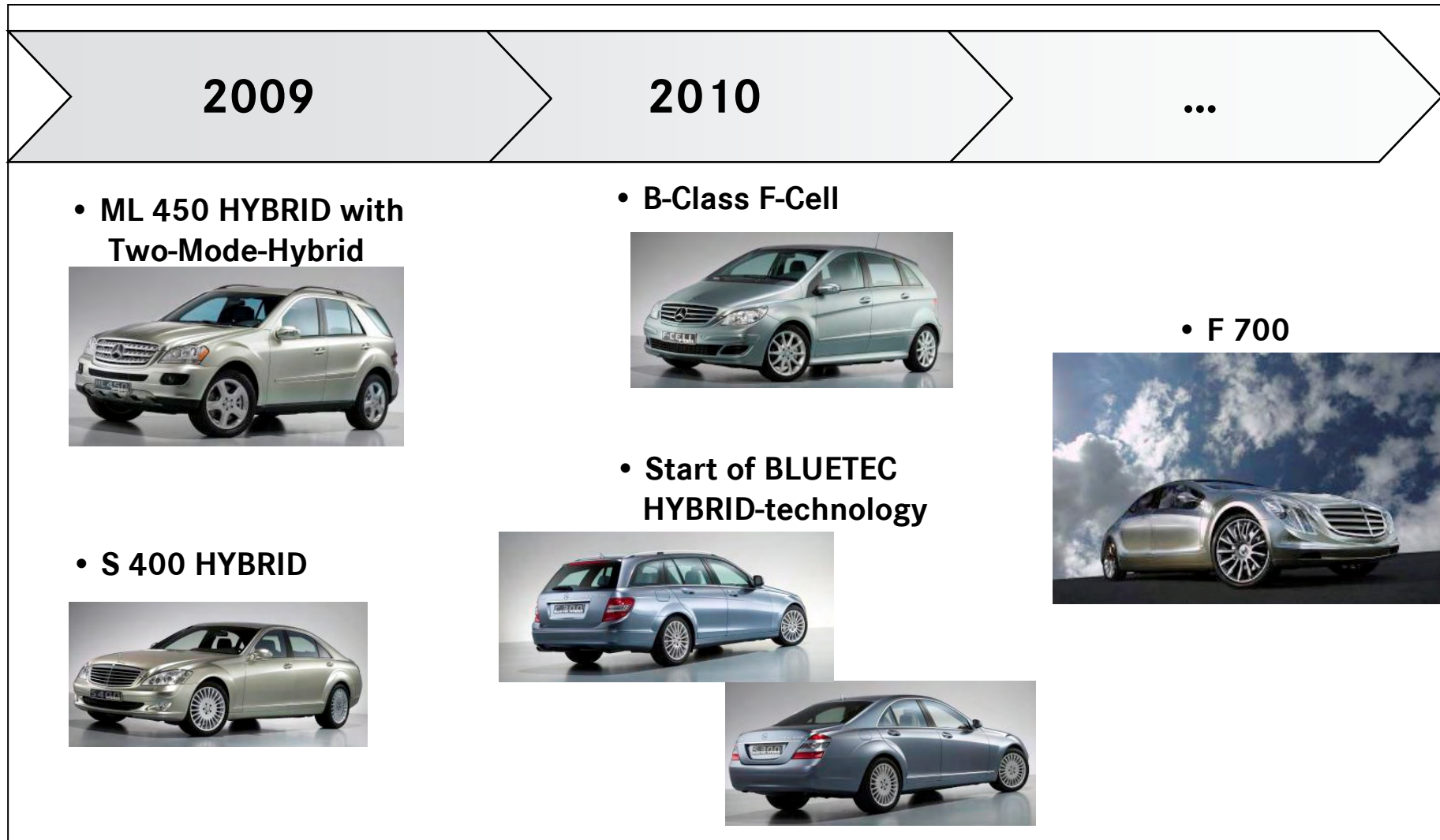
- Fuel efficiency models



- New, FE-optimized gasoline and diesel engines (4-Cyl.)



TRUE BLUE SOLUTIONS: OUR FUTURE ROADMAP: 2009ff.



TRUE BLUE SOLUTIONS IN THE FUTURE

TODAY:
Focus on „Power“

S 500

- Power
- Torque
- Size = Comfort
- Weight = Safety



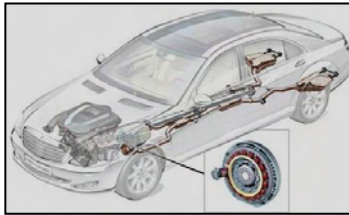
Price Premium „power/torque“



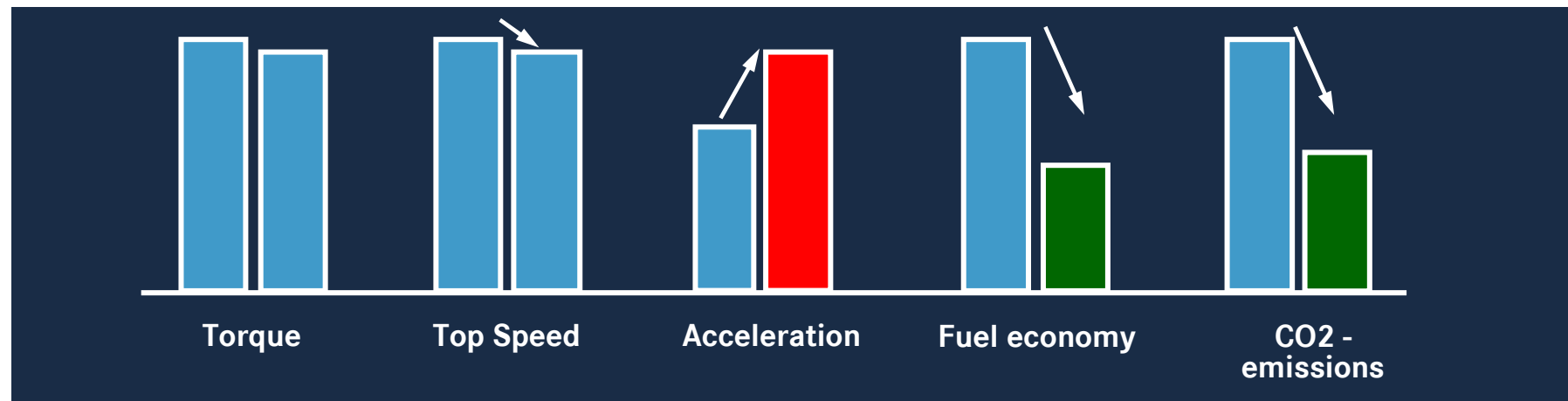
FUTURE:
Focus on „Green Luxury“

S „300“ BLUETEC Hybrid

- Efficiency
- Social acceptance
- Reasonable comfort
- Fascinating technology



Price Premium „fuel economy/efficiency“



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Thank you!

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; changes in currency exchange rates and interest rates; the introduction of competing products and the possible lack of acceptance of our products or services which may limit our ability to 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 decline in resale prices of used vehicles; the business outlook for Daimler Trucks, which may be affected as a result of a longer than originally expected sustained weakness in demand of the US and Japanese commercial vehicle markets; 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 Recovery and Transformation Plan; 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 DaimlerChrysler’s most recent Annual Report and under the headings “Risk Factors” and “Legal Proceedings” in DaimlerChrysler’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.