

RESULTS AND OUTLOOK 2000 - 2003

Investors and Analysts Conference

**Manfred Gentz
Chief Financial Officer**

**Stuttgart
February 26, 2001**

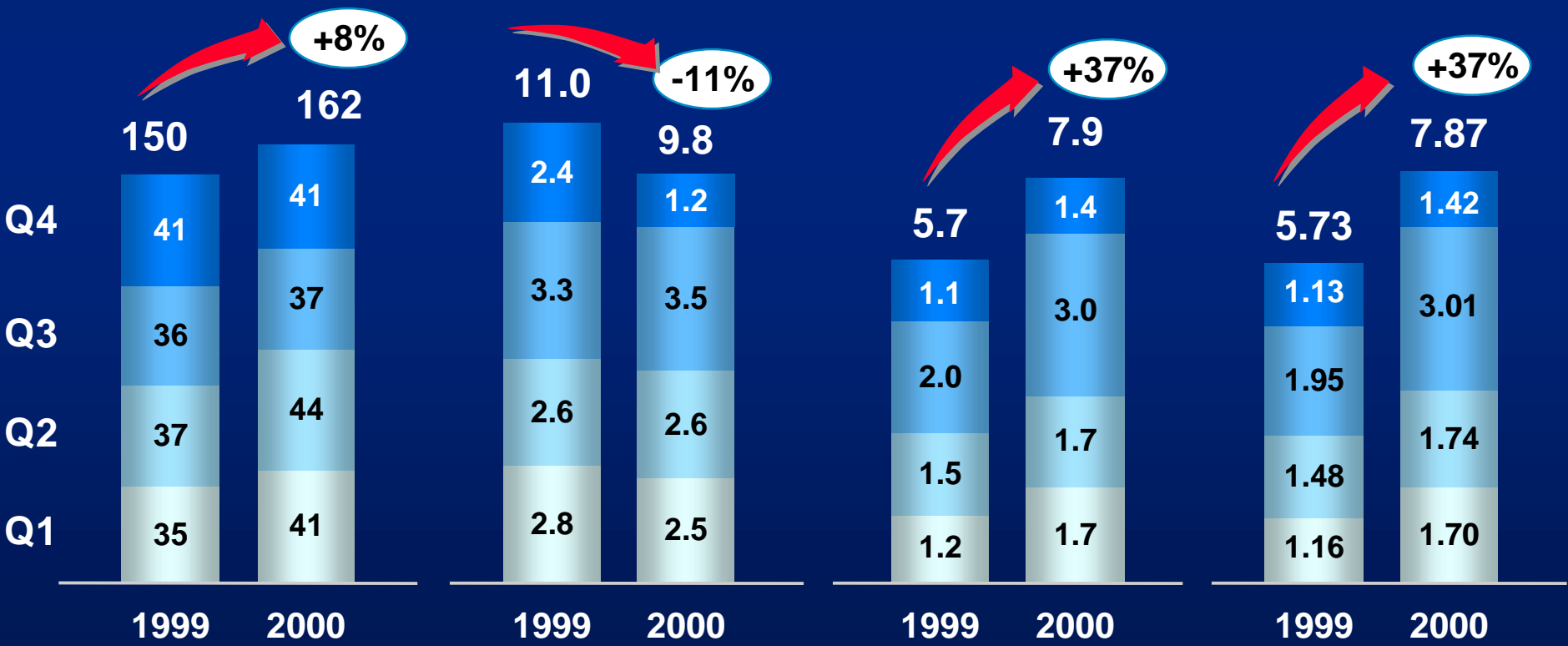
KEY FIGURES – INCLUDING ONE-TIME EFFECTS –

Revenues
- in billions of EUR -

Operating Profit
- in billions of EUR -

Net Income
- in billions of EUR -

Earnings per share*
- in EUR -



*) Average number of shares 1999: 1,002.9 million; 2000: 1,003.2 million

ONE-TIME EFFECTS IN 2000

- in millions of EUR -

	Operating Profit	Net Income
Foundation / IPO of EADS	3,303	3,009
De-consolidation of debis Systemhaus	2,315	2,345
Impairment on leased equipment	(499)	(317)
Costs associated with expanding the smart brand	(536)	(306)
Liability reserve for recycling scrapped cars	(337)	(168)
Sale of a subsidiary of Adtranz	141	89
New German tax law	-	(263)
Other	152	24
Total	4,539	4,413

KEY FIGURES

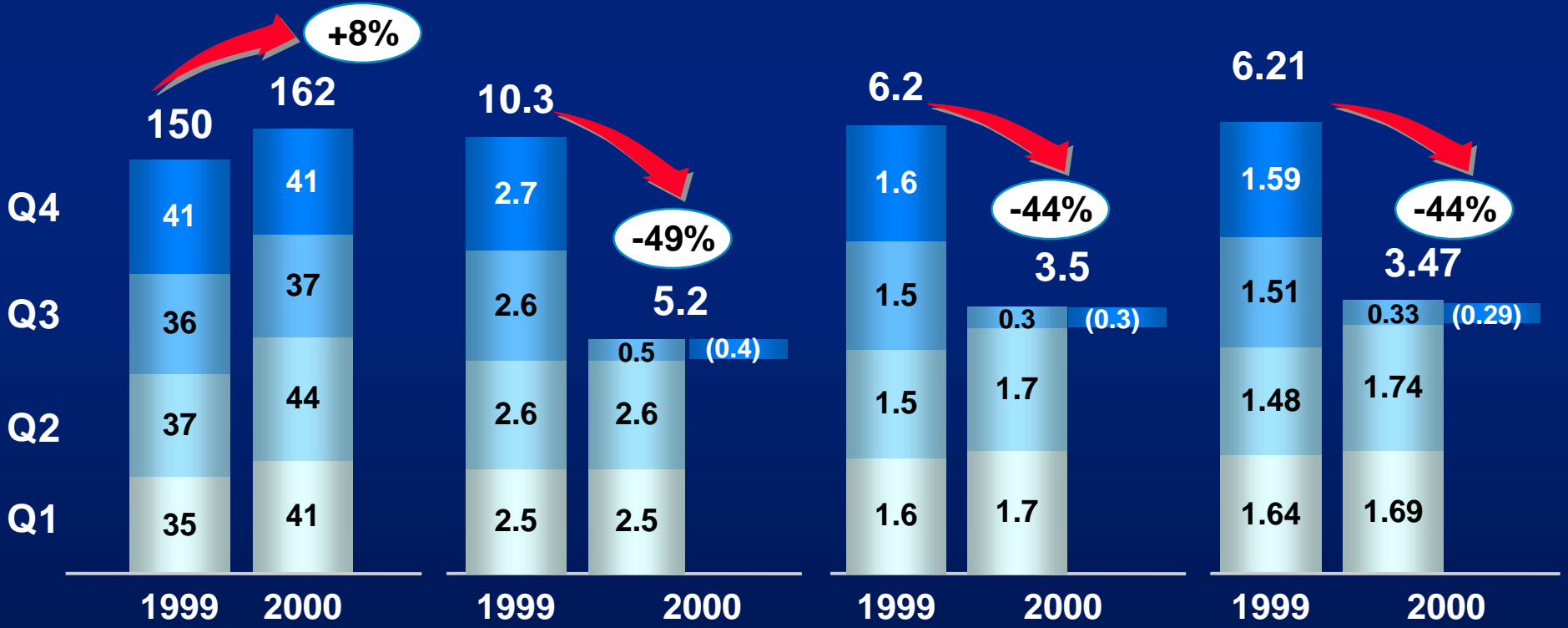
- EXCLUDING ONE-TIME EFFECTS -

Revenues
- in billions of EUR -

Operating Profit
- in billions of EUR -

Net Income
- in billions of EUR -

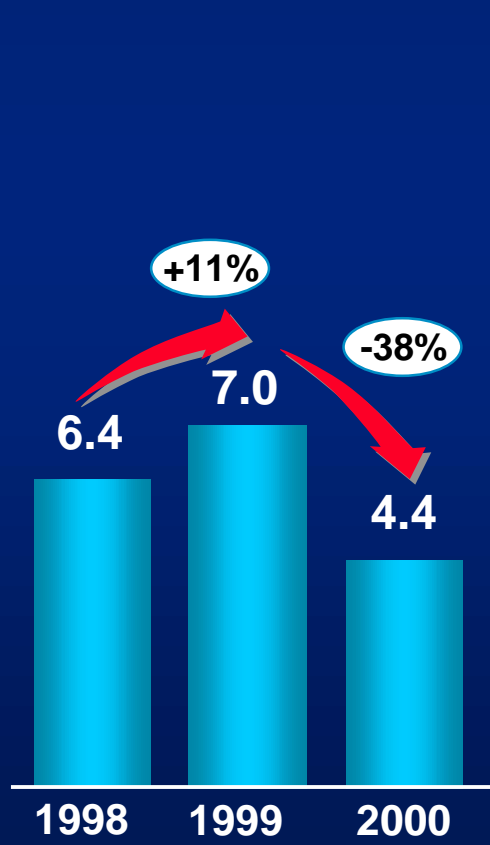
Earnings per share*
- in EUR -



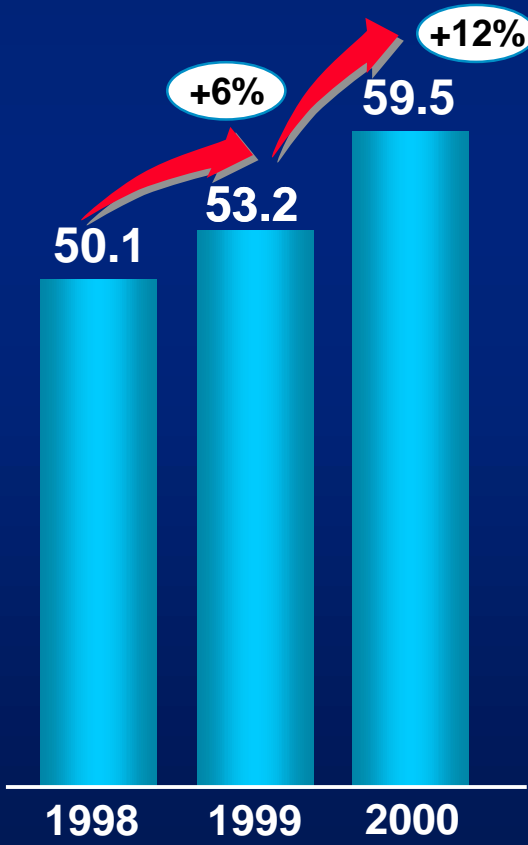
*) Average number of shares 1999: 1,002.9 million, 2000: 1,003.2 million

PERFORMANCE MEASURES - EXCLUDING ONE-TIME EFFECTS -

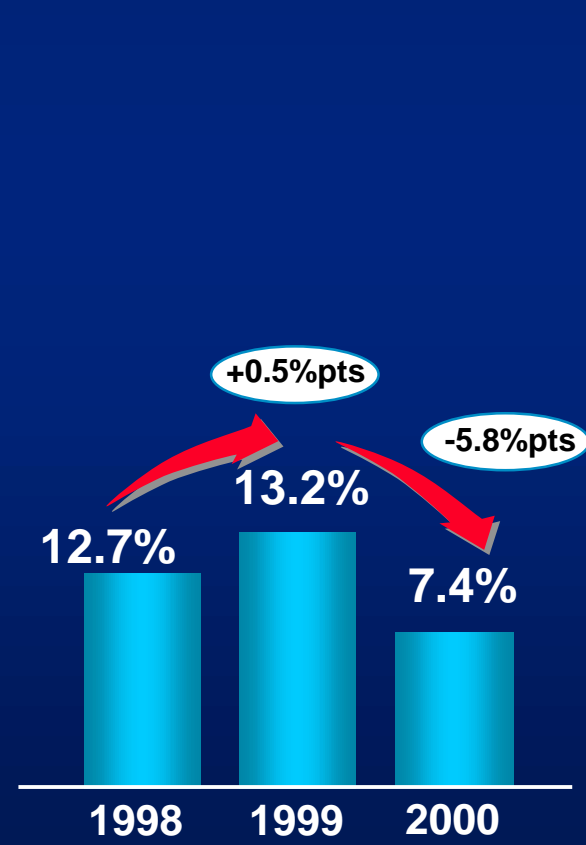
Net Operating Income
- in billions of EUR -



Average Net Assets
- in billions of EUR -



Return on Net Assets



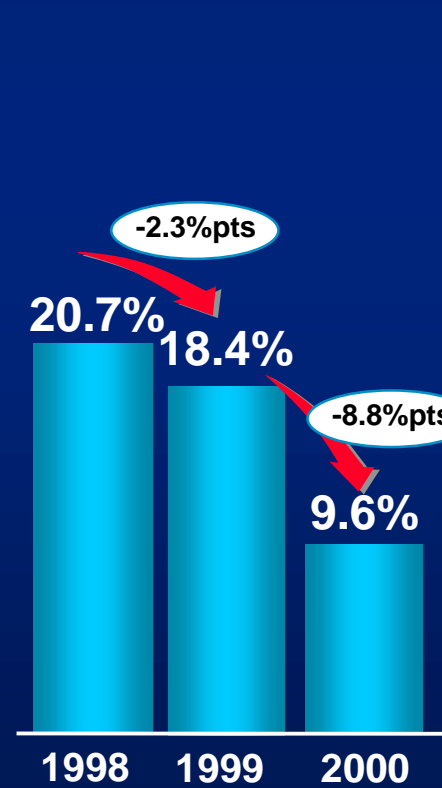
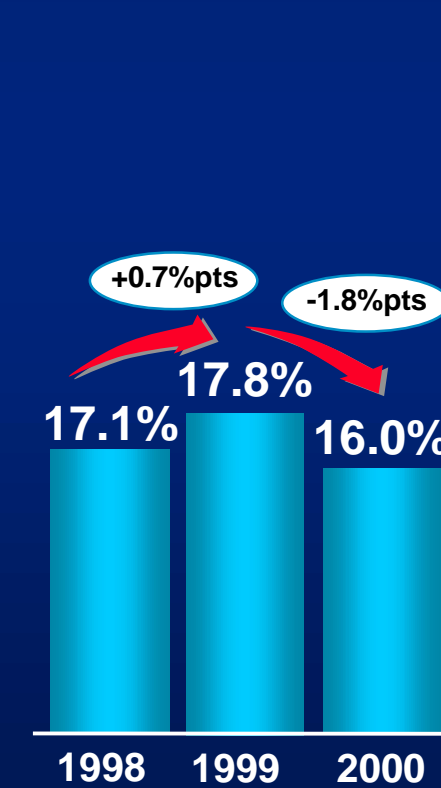
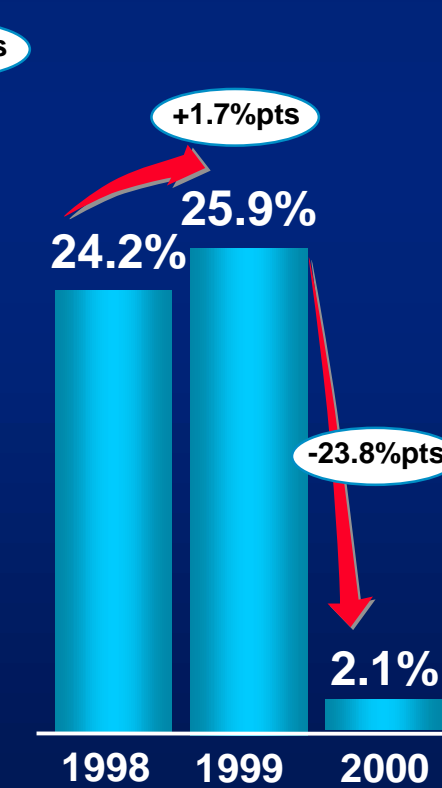
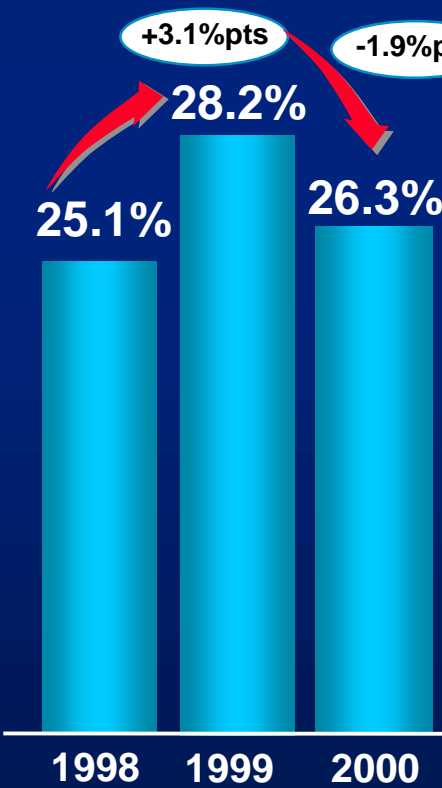
RONA OF THE DIVISIONS - EXCLUDING ONE-TIME EFFECTS -

Mercedes-Benz PC & smart

Chrysler Group

Commercial Vehicles

Financial Services (ROE)



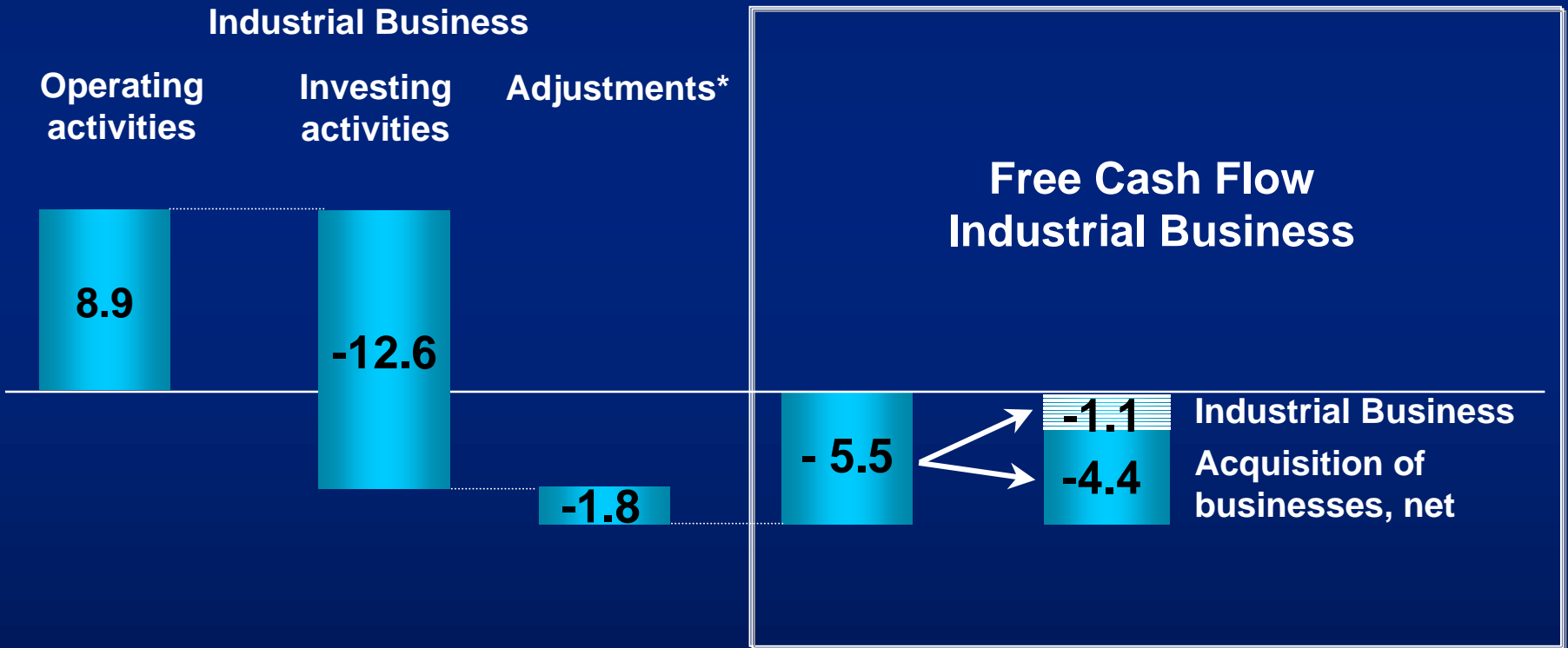
FINANCIAL INCOME

- in millions of EUR -

	1999	2000
Income from investments	64	(224)
Interest income, net	653	280
Other financial income, net	(384)	100
Financial income, net	333	156

INDUSTRIAL BUSINESS RECONCILIATION TO FREE CASH FLOW 2000

- in billions of EUR -



* Including change in cash from exchange of businesses (EADS, IT Services)

KEY BALANCE SHEET FIGURES

- in billions of EUR -

	1999	2000
Gross liquidity group	16.9*	12.5
■ as a percentage of total assets	9.7%	6.3%
Liquidity industrial business	15.3*	10.6
Equity ratio group	19.3%	20.1%
Equity ratio industrial business	27.8%	31.2%
Financial liabilities group	64.5	84.8
Financial liabilities industrial business	4.4	9.5
Net debt group	(47.6)*	(72.3)
Net liquidity industrial business	10.9*	1.1

* For comparison purposes excluding EUR 1.3 bn contribution to the German pension trust in January 2000

EARNINGS OUTLOOK Q1, 2001

- **DaimlerChrysler Group – operating loss expected**
 - EUR 0.8 to 1.0 bn (excluding one-time effects)
 - EUR 3.8 to 4.3 bn (including one-time effects)

- **Expected one-time effects**
 - EUR 3.0 bn restructuring charge at Chrysler Group
 - EUR 0.4 bn restructuring charge related to Mitsubishi Motors
 - EUR 0.3 bn gain from the sale of remaining debitel shares

- **Chrysler Group – operating loss expected**
 - EUR 1.5 bn (excluding one-time effects)
 - EUR 4.5 bn (including one-time effects)

PERFORMANCE OUTLOOK

- **Operating performance is expected to be in the range of:**
 - **2001: EUR 1.2 - 1.7 bn (excluding one-time effects)**
 - **2002: EUR 5.5 - 6.5 bn (excluding one-time effects)**
 - **2003: EUR 8.5 - 9.5 bn (excluding one-time effects)**

-
- **RONA well above cost of capital by 2003**

Assumptions: - Exchange rate 2001: 1EUR = \$0.93; 2002/2003 strengthening of the euro against the US\$ expected
- Stable economic developments in our most important markets
- Continuation of relatively high unit sales levels in most automotive markets during 2001 - 2003, weakening demand in North America (2001 in USA 16 mn. vehicles)

PERSPECTIVE ON KEY FIGURES

- **Gross liquidity of the Group expected to remain in the range of EUR 10 bn - EUR 12 bn over the coming years**

- **Liquidity of the industrial businesses expected to remain stable, adequate to finance**
 - **Restructuring measures**
 - **Capital expenditure**
 - **Research and development**

- **Free cash flow**
 - **Industrial free cash flow expected to be negative in 2001 but improve thereafter turning positive in 2002**
 - **At a Group level free cash flow expected to be positive in 2001**

Assumptions: - Exchange rate 2001: 1EUR = \$0.93; 2002/2003 strengthening of the euro against the US\$ expected
- Stable economic developments in our most important markets
- Continuation of relatively high unit sales levels in most automotive markets during 2001 - 2003, weakening demand in North America (2001 in USA 16 mn. vehicles)