

Daimler anticipates positive earnings from ongoing business also in fourth quarter of 2009:

- **EBIT in Q3 2009 of plus €470 million (Q2 2009: minus €1,005 million)**
- **Third-quarter net profit of €56 million (Q2 2009: net loss of €1,062 million)**
- **Third-quarter revenue of €19.3 billion (Q2 2009: €19.6 billion)**

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Stuttgart – After returning to profitability in the third quarter of 2009, Daimler AG (stock-exchange abbreviation DAI) anticipates positive EBIT from its ongoing business also in the fourth quarter. However, general economic developments and their effects on dealerships and suppliers could lead to an impact on fourth-quarter earnings.

Dr. Dieter Zetsche, Chairman of the Board of Management (CEO) of Daimler AG and Head of Mercedes-Benz Cars: “In recent months, we have increasingly mastered the crisis. Daimler has been able to maintain its financial flexibility and has intensified the actions taken to enhance efficiency, while pushing forward with the development of new products and markets. We are now very well positioned and can look with confidence to the coming year, which will remain challenging due to the still-difficult situation of automobile markets worldwide.”

Daimler anticipates significant decreases in unit sales and revenue in full-year 2009 (2008: 2.1 million vehicles and €95.9 billion).

The Group has taken measures to cut costs and avoid additional expenditure. These actions include reducing fixed and material costs, reducing labor costs and streamlining the Group’s organizational structures. The measures taken are a supplement to the existing efficiency-enhancing programs. Daimler now assumes that it will

surpass the original target of saving a total of €4 billion in full-year 2009.

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Despite the still-difficult situation of the world's financial markets, the Daimler Group has a sound financial position, which should remain stable also during the fourth quarter. Due to its current very high levels of liquidity, it is intended to make use of the capital markets to only a slight extent during the rest of this year.

The free cash flow of the industrial business increased to plus €2.3 billion in the first three quarters of the year, primarily due to the effective management of inventories, receivables and payables. Due to higher payments to suppliers and a seasonal inventory increase at the end of the year, from today's perspective, the Group forecasts a negative cash flow in the fourth quarter. For full-year 2009, Daimler expects a positive free cash flow in the industrial business.

Mercedes-Benz Cars assumes that business will continue to improve in the last quarter of the year. Sales impetus will be provided not only by the recently launched new E-Class models and the station wagon to be launched in November, but also by the new generation of the S-Class, which was launched at the end of June 2009. However, Mercedes-Benz Cars will not be able to fully compensate for the weakness during the year to date of some important sales markets and market segments.

Overall, the division's unit sales will therefore be lower in 2009 than in the prior year. Daimler sees lower volumes above all in the markets of the United States, Western Europe and Japan. But unit sales will be partially stabilized by growth in the emerging markets, particularly in China.

With support from the new E-Class station wagon and the full availability of the E-Class sedan, unit sales in the fourth quarter of the year are expected to be higher than in the third quarter.

Based on the expected development of unit sales and ongoing efficiency improvements, Mercedes-Benz Cars anticipates a moderate improvement in earnings from the ongoing business in the fourth quarter of the year compared to the third quarter.

At **Daimler Trucks**, orders received have improved continuously in recent months. Nonetheless, the division anticipates a significant decrease in unit sales in full-year 2009 as a result of substantially lower demand for transport services and underutilized transport capacities. From today's perspective, unit sales in the last quarter of the year are expected to be similar to the volume sold in the third quarter. The division assumes that its market shares will at least remain stable in the major markets, although its regional mix will change. Whereas unit sales will rise in Asia, the European markets' share of total unit sales will decrease.

The weak condition of major markets will also be reflected by the development of the division's earnings, and the fourth quarter will be additionally affected by the unfavorable regional mix of its sales structure. The measures taken to reduce costs will only partially offset that negative effect.

The expenses of the measures initiated to restructure and reposition the business operations of Daimler Trucks North America and Mitsubishi Fuso Truck and Bus Corporation will reduce EBIT once again in the fourth quarter of 2009.

Overall, EBIT in the fourth quarter is likely to be lower than in the third quarter.

Despite the continuation of the very difficult economic situation in major regions, **Mercedes-Benz Vans** expects unit sales in the fourth quarter of the year to be slightly higher than in the third quarter. In terms of EBIT, the division anticipates at least breakeven in the fourth quarter.

Daimler Buses expects core markets to stabilize in the fourth quarter. Due to higher vehicle shipments in connection with major orders, unit sales should increase compared to the third quarter. The division continues to anticipate positive EBIT in the fourth quarter.

Daimler Financial Services anticipates rising credit defaults and continued high refinancing expenses in full-year 2009. The division is confident that it will be able to compensate for the increased costs at least partially through its efficiency programs, and expects its operating result to be positive once again in the last quarter of the year.

Overview of the third quarter of 2009

As already disclosed on October 19, 2009, Daimler posted **Group EBIT** of €470 million in the third quarter of 2009 (Q3 2008: €648 million). Group EBIT had amounted to minus €1,005 million in the second quarter of 2009 and minus €1,426 million in the first.

The development of earnings in the third quarter reflects on the one hand declining unit sales in all vehicle segments. On the other hand, the full availability of the E-Class and the measures taken to improve efficiency had a positive impact on third-quarter earnings. Daimler Financial Services posted a decrease in earnings, primarily due to increased credit risks.

A gain of €48 million was recognized on the valuation of Chrysler-related assets in the third quarter. The plans for the repositioning of the business operations of Mitsubishi Fuso Truck and Bus Corporation

and Daimler Trucks North America led to total charges of €3 million in the reporting period. In connection with the expected increase in annual contributions to the German Pension Protection Association, the Group increased its provisions for contributions by a prorated €59 million.

EBIT for the prior-year quarter was reduced by charges relating to the reassessment of vehicles' residual values (€449 million) and relating to the equity interest in Chrysler that the Group still held at that time (€351 million). (See the table on page 9 for special items.)

Net profit for the third quarter of 2009 amounted to €56 million (Q3 2008: €213 million). In the second quarter of this year, the Group posted a net loss of €1,062 million. Earnings per share for the third quarter amounted to €0.04 (Q3 2008: €0.21).

Unit sales down by 26% in third quarter

In the third quarter of 2009, Daimler sold 386,500 cars and commercial vehicles worldwide, which is 26% fewer than in the prior-year quarter.

Daimler's revenue fell to €19.3 billion from €24.5 billion in the third quarter of 2008. Adjusted for exchange-rate effects, revenue fell by 22%.

At the end of the third quarter of 2009, 256,900 people were employed by Daimler worldwide (end of Q3 2008: 275,500). Of that total, 163,500 people were employed in Germany (end of Q3 2008: 168,700).

The **free cash flow of the industrial business** was positive in the first three quarters despite the difficult economic situation at €2.3 billion (Q1-3 2008: negative €0.3 billion). The main reason for the

increase in the free cash flow was the development of inventories, trade receivables and payables, as well as of investments in property, plant and equipment, which offset the negative effects from the divisions' earnings.

There was also a negative net impact of €0.6 billion from internal payments within the Group received by the industrial business from companies in the financial services business in connection with fiscal unities (cash outflow in prior-year period). These intercompany payments are related to a settlement with the US tax authorities and are not recognized in profit and loss.

Details of the divisions in the third quarter

In a still-challenging market environment, **Mercedes-Benz Cars** sold 271,900 vehicles in the third quarter of this year (Q3 2008: 315,800). After the seasonally weaker summer months of July and August, the division achieved its strongest month of the year in September. Compared to the third quarter of last year, revenue decreased by 12% to €10.2 billion.

The division's EBIT amounted to €355 million, which is significantly higher than the €112 million posted in the prior-year quarter. The earnings improvement primarily reflects the fact that EBIT for the prior-year quarter was reduced by €449 million due to charges relating to the reassessment of leased vehicles' residual values. The reduction in earnings in the third quarter of 2009 caused by generally lower unit sales was partially offset by the action taken to optimize business operations, particularly in production and sales, as well as by measures designed to adjust personnel expenses. There were additional positive effects on earnings from the full availability of the new E-Class and a more favorable model mix.

Daimler Trucks sold 66,100 units in the third quarter of 2009 (Q3 2008: 122,700). This substantial drop in sales is due to a slump in demand for transport services. Revenue fell from €7.3 billion to €4.4 billion.

The division's EBIT of minus €127 million was substantially below the very high EBIT for the prior-year period of plus €510 million. This earnings development was primarily the result of lower unit sales. The implementation of efficiency improvements such as the adjustment of personnel expenses had a positive effect on EBIT. The realignment of the business operations of Mitsubishi Fuso Truck and Bus Corporation resulted in additional charges of €13 million. The adjustment of provisions recognized in connection with the repositioning of Daimler Trucks North America had an opposing effect, leading to a gain of €10 million.

Mercedes-Benz Vans sold 40,100 vehicles in the third quarter, which is significantly better than the average of the first and second quarters (Q3 2008: 73,200). Weak markets continued to affect the division's business development, however, so it was not possible to equal the record unit sales of the prior-year quarter (Q3 2008: 73,200 units). Revenue fell from €2.4 billion to €1.6 billion.

The division achieved EBIT breakeven (Q3 2008: €212 million). It was unable to escape the general market development, so unit sales fell although market share increased. The resulting charges on earnings were not fully offset by efficiency improvements.

Daimler Buses slightly increased its unit sales compared to the second quarter of this year, but sales of 8,400 buses and chassis were

below the high level recorded in the third quarter of last year (Q3 2008: 10,800). Revenue of €1.0 billion was also lower than in the prior-year quarter (€1.2 billion).

The division posted third-quarter EBIT of €23 million, which was below the high prior-year figure of €92 million. In addition to negative currency effects, the division's earnings decline was primarily caused by the worldwide slump in demand, reflecting the general market development. Demand was significantly weaker than the high level of the prior-year quarter, above all in Mexico and the other markets of Latin America. In Europe, the city bus business continued its stable development, while demand for coaches weakened.

At the end of the third quarter, **Daimler Financial Services'** contract volume decreased compared to the end of 2008 by 7% to €58.7 billion. Adjusted for exchange-rate effects, there was also a decrease of 7%. Compared to the third quarter of 2008, new business decreased by 22% to €6.0 billion.

The division posted EBIT of €101 million (Q3 2008: €173 million). The decline in earnings was mainly caused by higher expenses for credit risks, but expenses were also incurred in connection with the expansion of the direct banking business at Mercedes-Benz Bank.

Other business activities, in particular the investments in EADS and Tognum, which are accounted for using the equity method, have been included in the "reconciliation" item since the beginning of the year 2009.

The special items shown in the following table affected EBIT in the third quarters of 2009 and 2008:

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Special items affecting EBIT		
Amounts in millions of €	Q3 2009	Q3 2008
Mercedes-Benz Cars		
Reassessment of residual values	-	(449)
Daimler Trucks		
Realignment of Mitsubishi Fuso Truck and Bus Corporation	(13)	-
Repositioning of Daimler Trucks North America	10	-
Reconciliation		
Gain/loss related to the transfer of shares in EADS	-	(7)
Equity-method result Chrysler	-	(351)
Other charges/gains relating to Chrysler	48	-
New management model	-	(61)

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 a lack of or a considerable delay in improvement or a further deterioration of global economic conditions; a continuation or worsening of the tense situation in the credit and financial markets, which could result in ongoing high borrowing costs or limit our funding flexibility; changes in currency exchange rates and interest rates; the introduction of competing, fuel-efficient products and the possible lack of acceptance of our products or services, which may limit our ability to adequately utilize our production capacities or 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 further decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization programs at all of our segments, including the repositioning of our truck

activities in the NAFTA region and in Asia; the business outlook of companies in which we hold an equity interest, most notably EADS; 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.

Further Investor Relations information on Daimler is available on the Internet via <http://www.daimler.com/investors> and on handhelds via <http://mobile.daimler.com>.

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Figures for the 3rd Quarter 2009/2nd Quarter 2009

Daimler Group amounts in €	Q3 2009	Q2 2009	Change Q3/Q2
Revenue, in millions	19,310	19,612	- 2 %
EBIT, in millions	470	(1,005)	-
Net profit (loss), in millions	56	(1,062)	-
Net profit (loss) from continuing operations, in millions	56	(1,062)	-
Earnings (loss) per share (EPS)	0.04	(0.99)	-
Employees (September 30)	256,857	257,427	0 %

EBIT by Divisions/Segments in millions of €	Q3 2009	Q2 2009	Change Q3/Q2
Mercedes-Benz Cars	355	(340)	-
Daimler Trucks	(127)	(508)	+ 75 %
Mercedes-Benz Vans	1	(10)	-
Daimler Buses	23	49	- 53 %
Daimler Financial Services	101	79	+ 28 %
Reconciliation	117	(275)	-

Revenue by Divisions/Segments in millions of €	Q3 2009	Q2 2009	Change Q3/Q2
Mercedes-Benz Cars	10,238	10,568	- 3 %
Daimler Trucks	4,388	4,217	+ 4 %
Mercedes-Benz Vans	1,601	1,481	+ 8 %
Daimler Buses	1,024	1,103	- 7 %
Daimler Financial Services	2,864	3,108	- 8 %
Reconciliation	(805)	(865)	+ 7 %

Unit Sales in units	Q3 2009	Q2 2009	Change Q3/Q2
Daimler Group	386,461	391,540	- 1 %
Mercedes-Benz Cars	271,917	287,243	- 5 %
Daimler Trucks	66,071	54,134	+ 22 %
Mercedes-Benz Vans	40,123	41,871	- 4 %
Daimler Buses	8,350	8,292	+ 1 %

Figures for the 3rd quarter and the first nine months 2009

Daimler Group amounts in €	Q3 2009	Q3 2008	Change 09/08	YTD 2009	YTD 2008	Change 09/08
Revenue, in millions	19,310	24,470	- 21 %	57,601	74,473	- 23 %
EBIT, in millions	470	648	- 27 %	(1,961)	4,677	-
Net profit (loss), in millions	56	213	- 74 %	(2,292)	2,940	-
Net profit (loss) from continuing operations, in millions	56	218	- 74 %	(2,292)	2,965	-
Earnings (loss) per share (EPS)	0.04	0.21	- 81 %	(2.30)	2.94	-
Employees (September 30)	256,857	275,535	- 7 %	256,857	275,535	- 7 %

EBIT by Divisions in millions of €	Q3 2009	Q3 2008	Change 09/08	YTD 2009	YTD 2008	Change 09/08
Mercedes-Benz Cars	355	112	+ 217 %	(1,108)	2,476	-
Daimler Trucks	(127)	510	-	(777)	1,521	-
Mercedes-Benz Vans	1	212	- 100 %	(100)	660	-
Daimler Buses	23	92	- 75 %	137	337	- 59 %
Daimler Financial Services	101	173	- 42 %	13	524	- 98 %
Reconciliation	117	(451)	-	(126)	(841)	+ 85 %

Revenue by Divisions in millions of €	Q3 2009	Q3 2008	Change 09/08	YTD 2009	YTD 2008	Change 09/08
Mercedes-Benz Cars	10,238	11,608	- 12 %	29,873	37,026	- 19 %
Daimler Trucks	4,388	7,307	- 40 %	13,523	21,019	- 36 %
Mercedes-Benz Vans	1,601	2,388	- 33 %	4,373	7,280	- 40 %
Daimler Buses	1,024	1,202	- 15 %	3,031	3,442	- 12 %
Daimler Financial Services	2,864	3,030	- 5 %	9,122	8,721	+ 5 %
Reconciliation	(805)	(1,065)	+ 24 %	(2,321)	(3,015)	+ 23 %

Unit Sales in units	Q3 2009	Q3 2008	Change 09/08	YTD 2009	YTD 2008	Change 09/08
Daimler Group	386,461	522,525	- 26 %	1,110,253	1,592,821	- 30 %
Mercedes-Benz Cars	271,917	315,796	- 14 %	790,353	988,057	- 20 %
Daimler Trucks	66,071	122,678	- 46 %	185,610	353,215	- 47 %
Mercedes-Benz Vans	40,123	73,241	- 45 %	110,828	220,496	- 50 %
Daimler Buses	8,350	10,810	- 23 %	23,462	31,053	- 24 %