

Daimler Annual General Meeting: Important strategic actions have been taken for a successful future

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- **Board of Management Chairman Dr. Dieter Zetsche affirms earnings forecast for 2010**
- **Global sales of the Mercedes-Benz brand up by 27 percent in the first quarter**
- **Additional growth and more efficiency through cooperation with strong partners**
- **Playing an active role in the technological change of the automotive industry**
- **CO2 emissions further reduced in 2009**

Berlin – In the past twelve months, Daimler AG (stock-exchange symbol DAI) has taken some important strategic actions in an extremely difficult environment and has thus created the right conditions for a successful future. “We did not limit ourselves to simply trying to somehow keep our head above water in the crisis,” said Dr. Dieter Zetsche, Chairman of the Board of Management of Daimler AG and Head of Mercedes-Benz Cars, according to the advance text of his speech to approximately 5,000 shareholders this Wednesday at the ICC in Berlin. “We continued to do our strategic homework. Daimler is extremely well positioned in the race to shape the future of the automobile,” he stated.

The decisions that have been made since the last Annual Meeting add up to a coherent picture of Daimler's strategy: "We are sharpening our brand profiles, spearheading technological transformation, growing in key markets, satisfying changed customer requirements and boosting our efficiency," explained Zetsche.

The fact that Daimler can look to the future with confidence is shown by the figures for unit sales of Mercedes-Benz Cars in the first quarter of 2010. Worldwide, Group sales of the Mercedes-Benz brand rose by nearly 27 percent. Thanks to the increasing success of the new E-Class and S-Class, the model mix has also improved with a higher percentage of larger cars. In the biggest export market, the USA, Mercedes-Benz sells more cars than any other German premium brand. In China, which is currently regarded as the most important market of the future, unit sales actually increased by 136 percent. Zetsche: "In view of these numbers, our global sales target for the year is ambitious, but it's also realistic: We plan to grow at around double the rate of the global passenger car market in full-year 2010."

The Chairman of the Board of Management once again affirmed the outlook given at the annual press conference in February for the development of business in 2010. The Daimler Group assumes that unit sales and revenue will increase this year, but that they will still be significantly lower than the good levels of 2008. In total, Daimler anticipates Group EBIT from ongoing business operations of more than €2.3 billion, with all divisions making a positive EBIT contribution.

Zetsche sees the latest cooperation agreed upon with Renault-Nissan last week as an important step for the Group on the way to establish a

“highly efficient business system.” The agreement covers cooperation in four areas: Smart will offer a four-seat model based on a vehicle architecture developed jointly with its partner for the Twingo and the smart, thereby enhancing smart’s position as a young brand offering practical and attractive urban vehicles. In addition, new small three and four-cylinder engines will be jointly developed. Cooperation will also take place in the area of small commercial vehicles. Mercedes-Benz Vans will supplement its portfolio with a completely new entry-level model. And Nissan will be supplied with large Mercedes-Benz gasoline and diesel engines for its luxury brand, Infiniti.

In terms of environmentally friendly products, Daimler aims to be the technological leader, a role it has had for a long time in the field of safety. To help achieve this goal, the internal combustion engine will be further optimized and supplemented with hybrid modules, and fully electric vehicles with battery-powered drive systems or fuel cells will be developed and produced for emission-free driving. In 2009, the CO₂ emissions of the cars sold by Daimler in the European Union fell by 13 grams to 160 g/km. Daimler’s goal is to reduce the CO₂ emissions of its new-car fleet in the European Union to less than 140 g/km by the year 2012.

Daimler places priority on strong partnerships also in the field of sustainable mobility. This includes its equity interest in Tesla, the cooperation with Evonik on lithium-ion technology, and the collaboration with RWE, Enel and Linde on the development of the required infrastructure for emission free driving.

The world is moving towards “Automobile 2.0.” “Many things that seemed to be permanently defined for almost a century are likely to change in the coming 10 or 20 years,” Zetsche pointed out. This applies above all to drive technology. “Oil is becoming scarcer and more expensive – and its combustion is contributing to global warming. Government regulations regarding emissions are therefore becoming stricter; customers are becoming more environment conscious and the cars are becoming more electric,” stated Zetsche.

The Chairman of the Board of Management welcomes the fact that the German government wants to make Germany into the leading market for electric mobility: “This is good policy.” The “electric automobile summit meeting” planned for early May could be a first step in that direction. But it's equally clear that it has to be followed by additional steps. The need for political action ranges from promoting research and creating the necessary infrastructure to the introduction of international standards and providing the right incentives for market launch. Zetsche: “In general, we need the support of political decision-makers in order to complete the transition to electric driving. Working together will make us strong!”

Daimler presented its figures for the year 2009 in February. Unit sales decreased in all vehicle segments due to the global economic crisis, leading to a 20 percent fall in revenue to €78.9 billion. As a result of the measures taken at the Group at an early stage to reduce costs by €5.3 billion and the additional efficiency enhancements in the context of the ongoing optimization programs, effective action has been taken to counter falling earnings. The Group posted an operating loss of €1.5 billion and a significant net loss of €2.6 billion.

In view of this unusual earnings situation, the Board of Management and the Supervisory Board decided that Daimler will, by way of exception, not pay a dividend for 2009, whereby that decision solely reflects last year's business situation. Zetsche: "We would have decided differently had we not been firmly convinced that our course of action was necessary. It is also in the long-term interest of our shareholders, because it raises the dividend payment potential from our retained income in the years to come." Daimler intends to resume paying a dividend for the current year. The goal remains to achieve a payout ratio in the magnitude of 40 percent of net profit.

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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