
DAIMLERCHRYSLER

Q1 2005 RESULTS CONFERENCE CALL

Bodo Uebber
Chief Financial Officer

April 28, 2005

KEY FINANCIAL HIGHLIGHTS IN Q1/2005

- **Unit sales up 1% to 1.1 million vehicles**

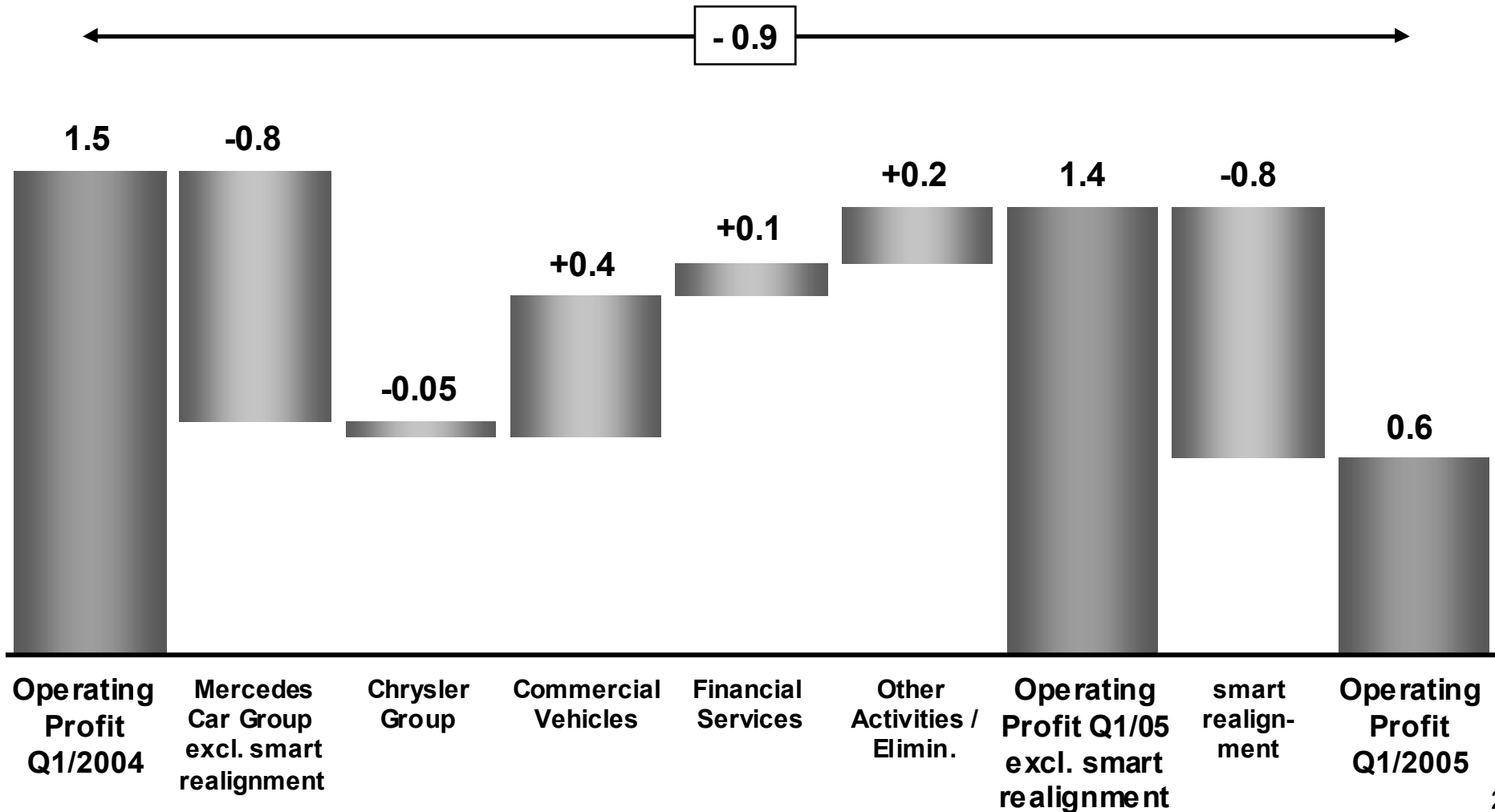
- **Revenues decreased 2% to EUR 31.7 billion**

- **Operating profit of EUR 0.6 billion (Q1/2004: EUR 1.5 billion)**

- **Operating profit excluding charges for realignment of smart at EUR 1.4 billion – almost at the level of Q1/2004**

RESULTS IMPACTED BY LOWER EARNINGS AT MERCEDES CAR GROUP AND EXCEPTIONAL CHARGE FROM SMART

– in billions of EUR –



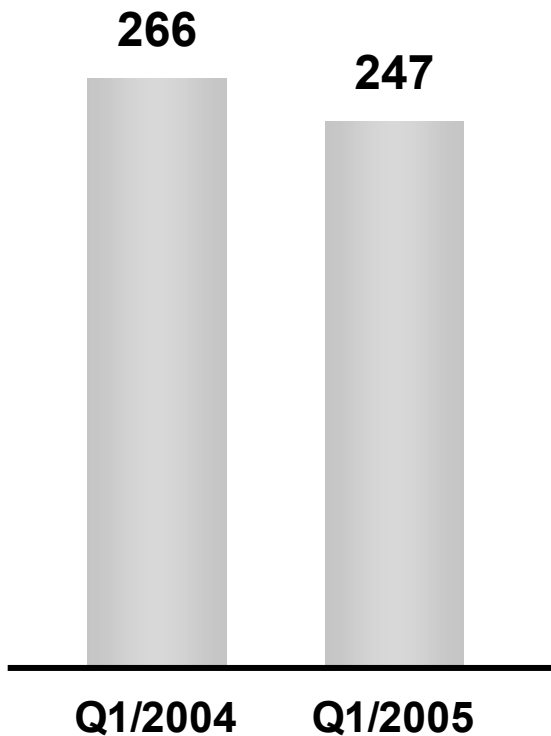
SPECIAL ITEMS AFFECTING OPERATING PROFIT IN Q1/2005

- in millions of EUR -

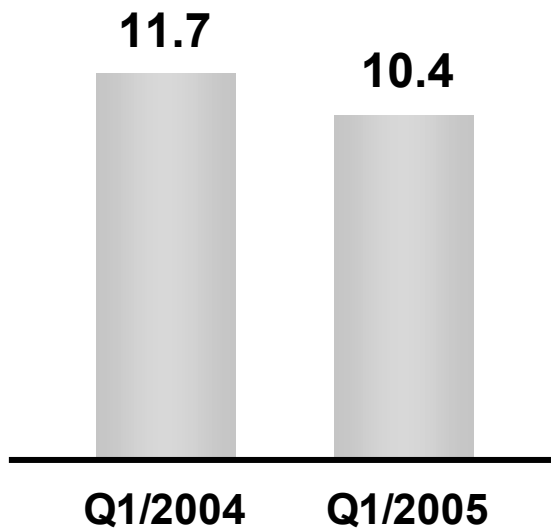
	Operating Profit
smart realignment:	-800
▪ Impairment charge on production facilities	-440
▪ Inventory write-downs	-97
▪ Supplier claims	-48
▪ Write off of tooling and equipment designated for the smart SUV	-61
▪ Charges due to cancellation of supplier contracts for smart SUV	-154
MMC settlement:	+276
▪ Transfer of MMC's 20% stake in MFTBC	
▪ Cash payment and promissory notes	
▪ Transfer of certain other assets and rights related to the distribution of Fuso products	

OPERATING PROFIT SUBSTANTIALLY LOWER THAN IN Q1/2004

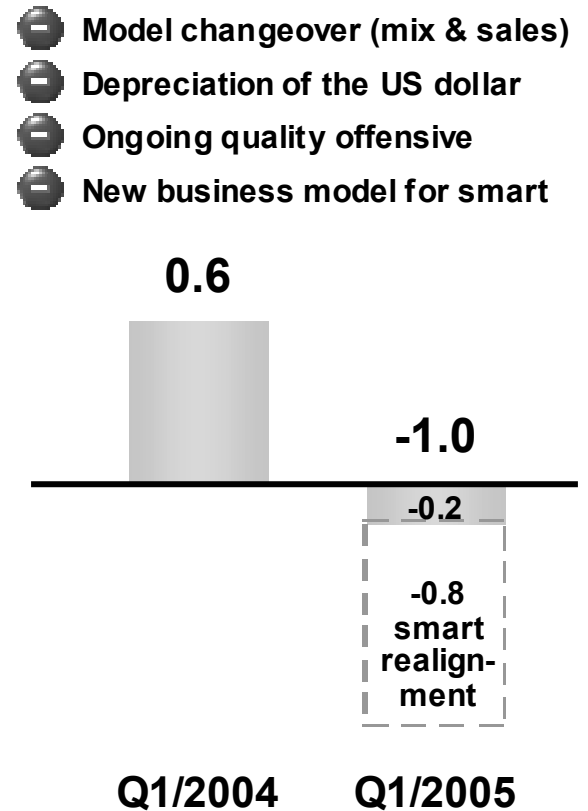
Unit Sales
- in thousand units -



Revenues
- in billions of EUR -



Operating Profit
- in billions of EUR -



NEW BUSINESS MODEL FOR SMART

● Key components:

- Integration of specific functions into MCG organization
- Significant reduction in headcount
- Discontinuation of the smart roadster by year-end 2005
- Discontinuation of the SUV concept

● Restructuring concept will make smart forfour cash positive

● Alternatives were considered thoroughly

- complete exit
- discontinuation of the smart forfour

From an economic perspective, the new business model is the optimum for the company and its shareholders



New M-Class



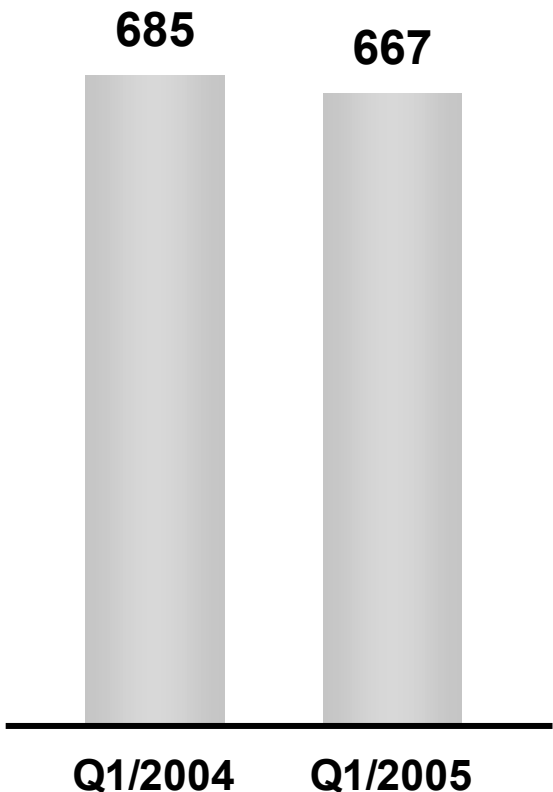
New B-Class



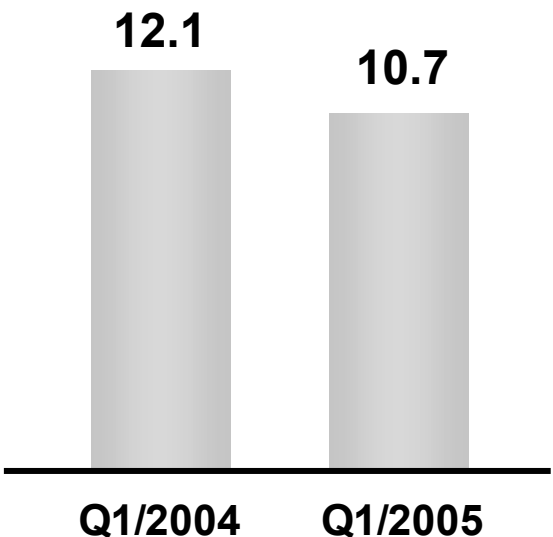
New R-Class

SUCCESSFUL PERFORMANCE DESPITE DIFFICULT MARKET CONDITIONS

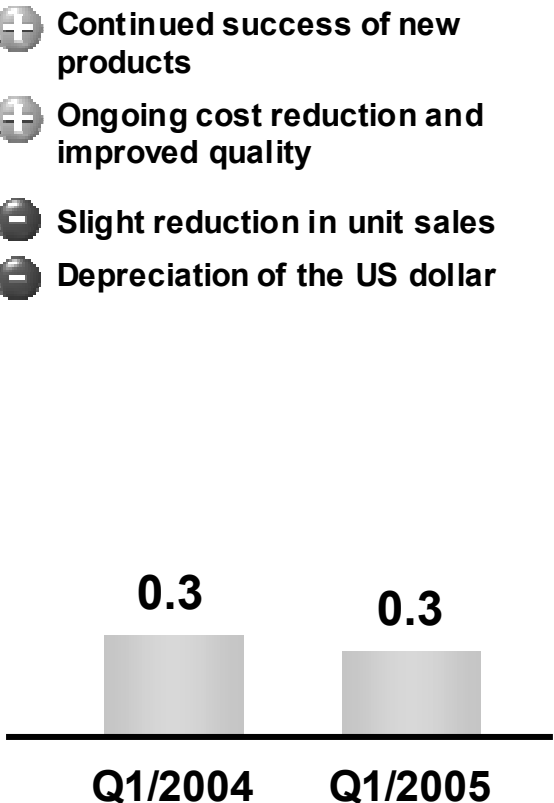
Unit Sales / Shipments
- in thousand units -



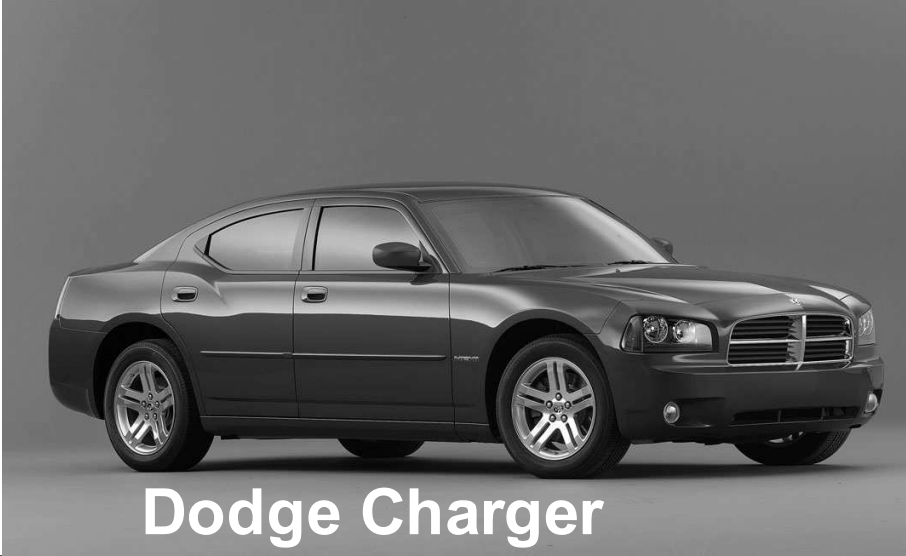
Revenues
- in billions of EUR -



Operating Profit
- in billions of EUR -

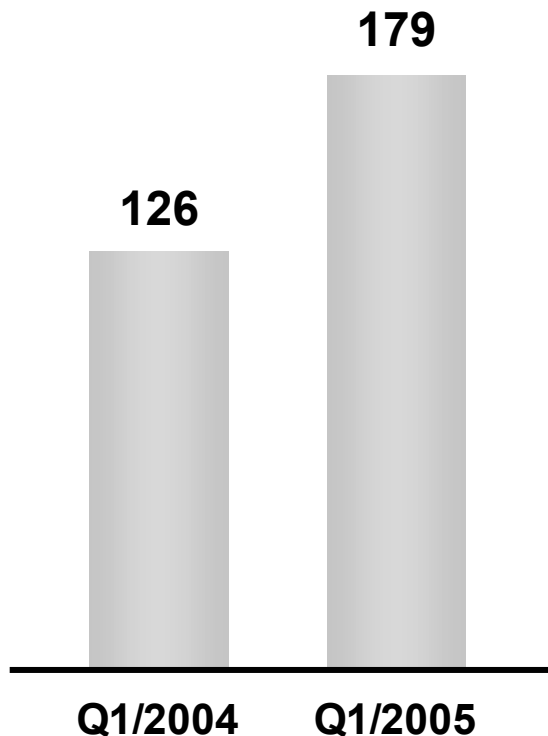


- ⊕ Continued success of new products
- ⊕ Ongoing cost reduction and improved quality
- ⊖ Slight reduction in unit sales
- ⊖ Depreciation of the US dollar

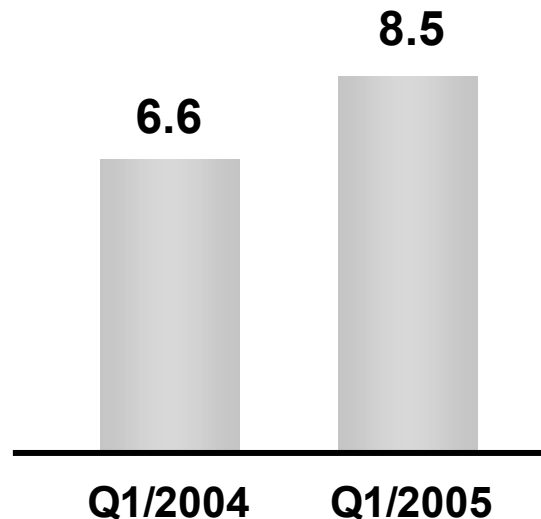


STRONG OPERATING PERFORMANCE

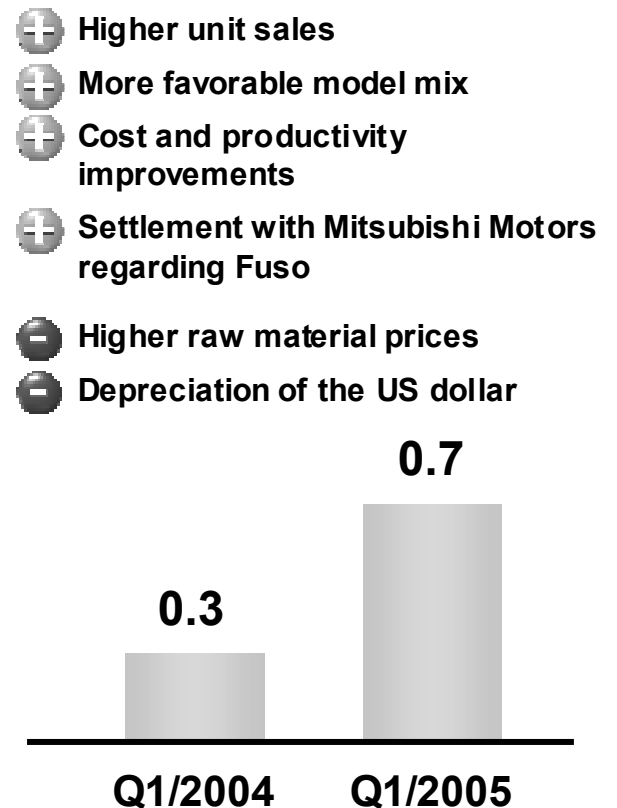
Unit Sales
- in thousand units -



Revenues
- in billions of EUR -



Operating Profit
- in billions of EUR -



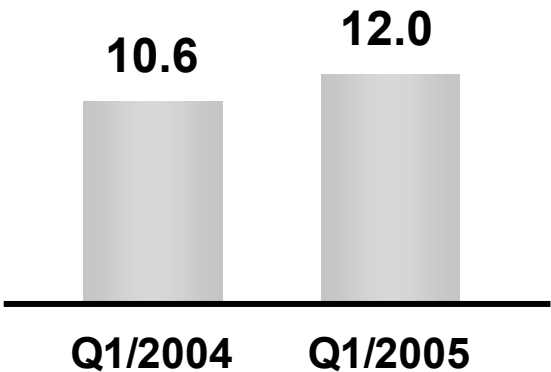
Commercial Vehicles

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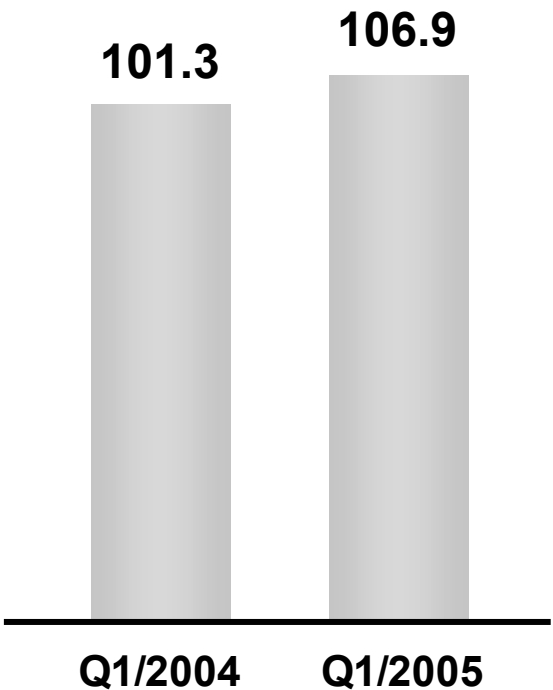


INCREASE IN OPERATING PROFIT DUE TO SIGNIFICANTLY REDUCED CHARGES FROM TOLL COLLECT

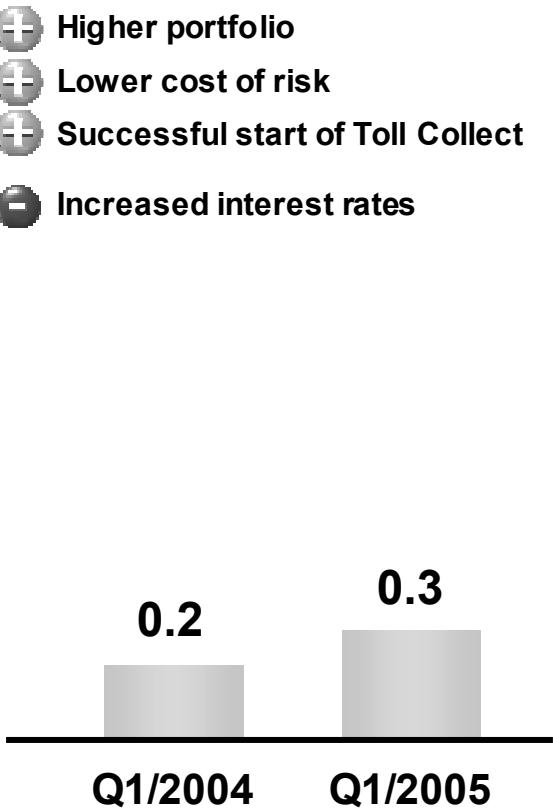
New Business
- in billions of EUR -



Contract Volume
- in billions of EUR -

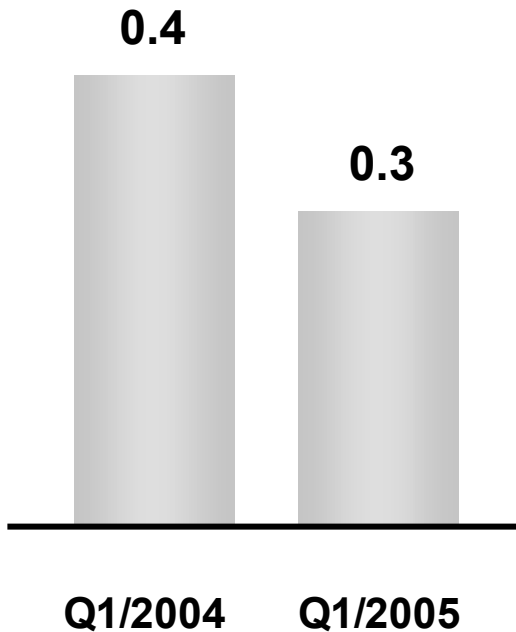


Operating Profit
- in billions of EUR -

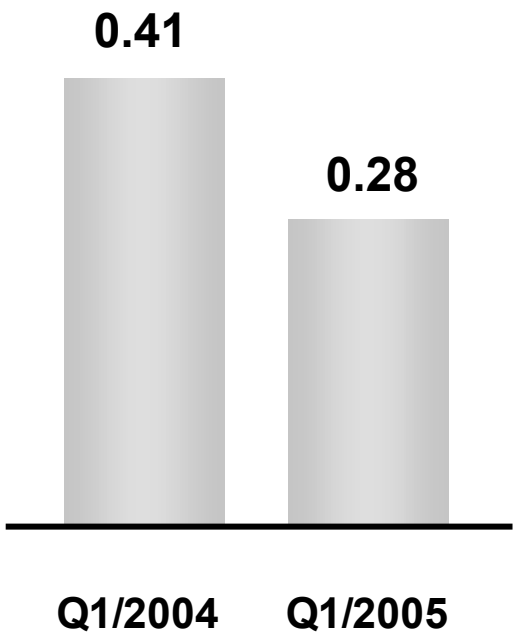


NET INCOME AND EARNINGS PER SHARE

Net Income
- in billions of EUR -



Earnings per Share
- in EUR -



KEY BALANCE SHEET FIGURES

- in billions of EUR -	Dec. 31 2004	March 31 2005
Gross liquidity Group	11.7	13.0
Gross liquidity industrial business	10.2	11.4
Group equity ¹⁾	32.0	32.9
Equity ratio Group ¹⁾	17.5%	17.5%
Equity ratio industrial business ¹⁾	25.3%	24.7%
Financial liabilities Group ²⁾	76.0	77.0
Financial liabilities industrial business ²⁾	8.0	7.8
Net debt Group	(64.3)	(64.0)
Net liquidity industrial business	2.2	3.6

1) Excluding dividend payment for 2004

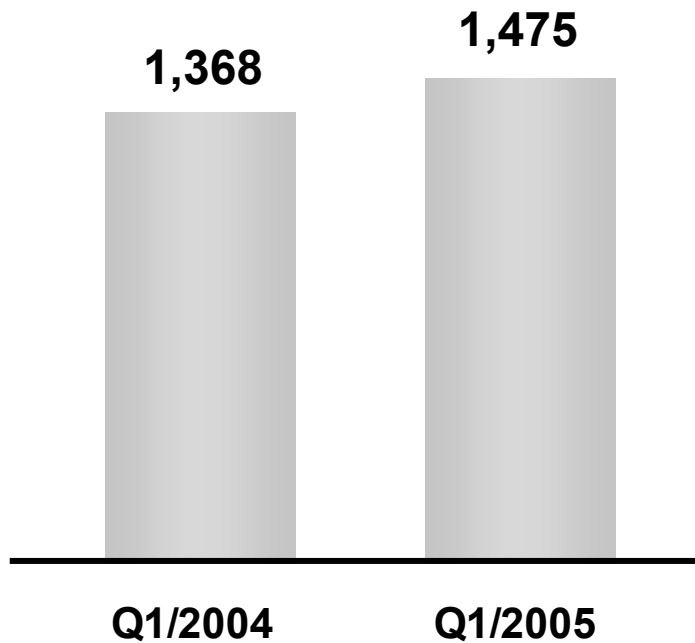
2) Adjusted for the effects of the mark-to-market valuation according to SFAS 133

STATUS OF PENSIONS AND POSTRETIREMENT HEALTHCARE BENEFITS

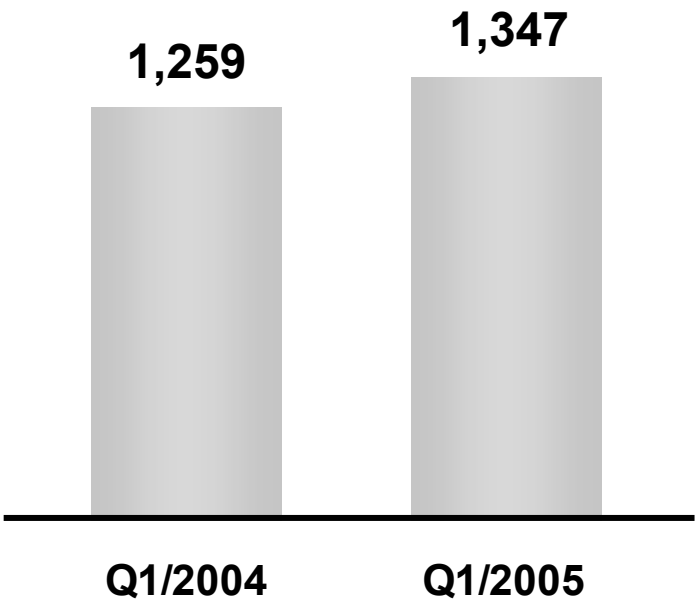
- in billions of EUR -	Pensions		Healthcare	
	Dec. 31 2004	March 31 2005	Dec. 31 2004	March 31 2005
	DC Group	DC Group	DC Group	DC Group
PBO / APBO	(34.4)	(35.6)	(14.4)	(15.1)
Plan assets	27.8	28.5	1.6	1.6
Underfunded position	(6.6)	(7.1)	(12.8)	(13.5)
Accruals	5.6	5.9	8.0	8.5
Underfunded position net of accruals	(1.0)	(1.2)	(4.8)	(5.0)

EUR 2.8 BILLION EXPENDITURE FOR THE FUTURE

**Capital Expenditure in
Property, Plant & Equipment**
– in millions of EUR –



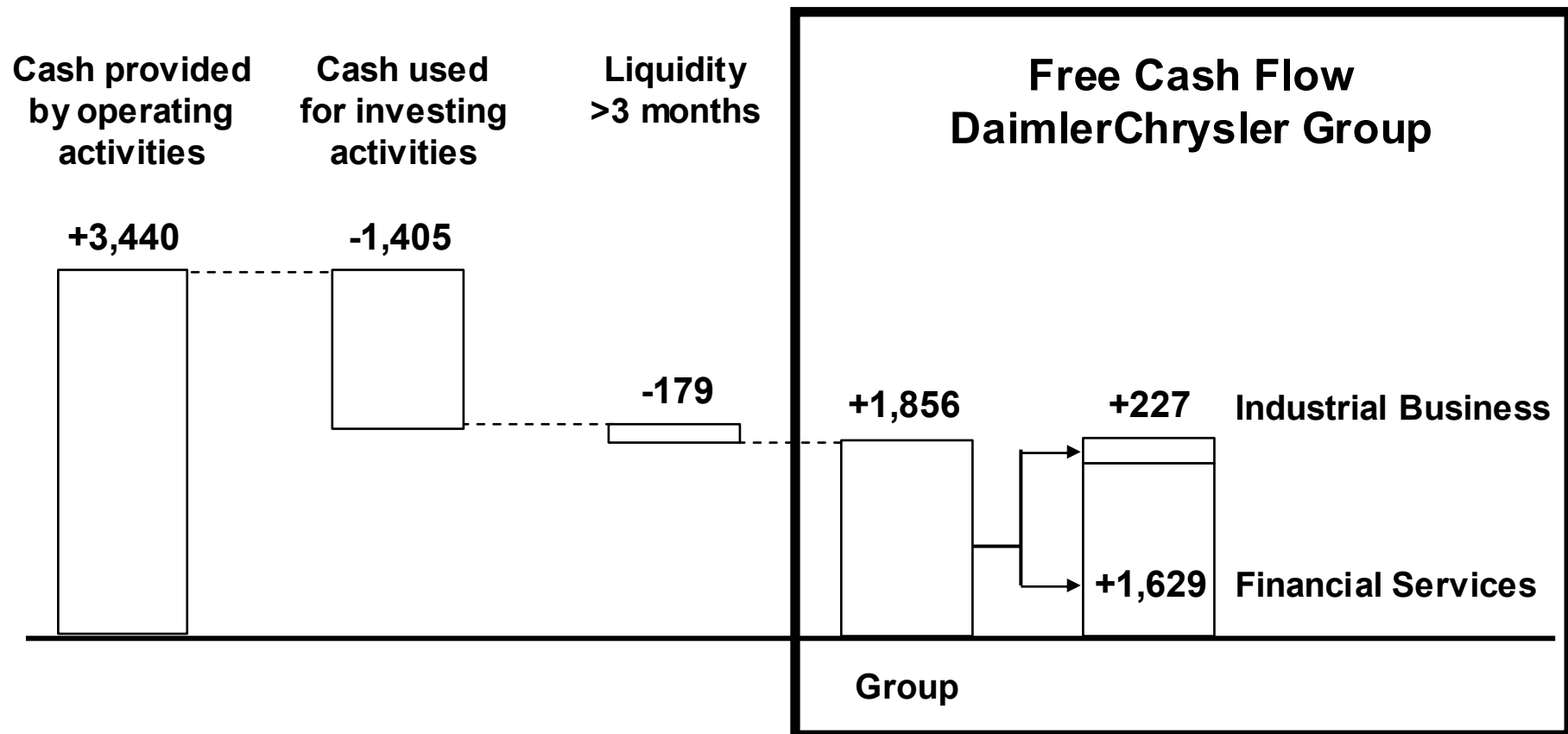
**Research & Development
Expenditure**
– in millions of EUR –



RECONCILIATION TO FREE CASH FLOW

January – March 2005

– in millions of EUR –



OUTLOOK 2005 AND UNDERLYING ASSUMPTIONS

- **Assumptions for the automotive markets:**
 - **Stable car markets in Western Europe, NAFTA and Japan**
 - **Stable truck market in Western Europe, further increase in the NAFTA region**
 - **Further growth in emerging markets**

- **Higher unit sales for all automotive divisions of DaimlerChrysler**

- **Following a weaker first half, excluding the exceptional charges from smart, DaimlerChrysler expects a slight increase in operating profit in 2005 compared to the prior year (EUR 5.8 billion)**

DISCLAIMER

This presentation contains forward-looking statements that reflect management's current views with respect to future events. The words „anticipate,“ „assume,“ „believe,“ „estimate,“ „expect,“ „intend,“ „may,“ „plan,“ „project“ and „should“ and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties, including, but not limited to: an economic downturn in Europe or North America; changes in currency exchange rates, interest rates and in raw material prices; introduction of competing products; increased sales incentives; the successful implementation of the new business model for smart; and decline in resale prices of used vehicles. If any of these or other risks and uncertainties occur (some of which are described under the heading "Risk Report" in DaimlerChrysler's most recent Annual Report and under the heading "Risk Factors" in DaimlerChrysler's most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission), or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.