

DaimlerChrysler

2001 RESULTS ANALYSTS' AND INVESTORS' CONFERENCE

- Overview of Group and Divisional Results -

**Jürgen E. Schrempp
Chairman of the Board of Management**

**Stuttgart
February 20, 2002**

2001 - A YEAR OF IMPLEMENTATION

- **Operating targets achieved despite deteriorating market conditions**

- **Turnaround plans on track**

- **Further focus on automotive business**
 - Acquisition of Volvo's shares in MMC
 - Engine joint venture with Hyundai
 - Sale of Adtranz
 - Sale of TEMIC majority
 - debis Systemhaus - put option exercised (January 2002)
 - Partial divestment of Capital Services (2001/2002)

- **13 new products launched worldwide**

- **Executive Automotive Committee successfully established**

Implementation of strategy on track

Mercedes-Benz Passenger Cars & smart



smart



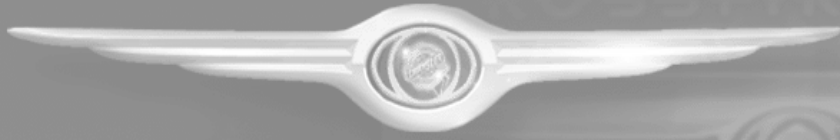
2001 - ONGOING STRONG PERFORMANCE

- **Mercedes-Benz:**
 - **No. 1 luxury brand worldwide**
 - **Sixth consecutive annual sales record - 1.113 million cars**
 - **Outstanding success of C-Class family**
 - **Start of 2nd product offensive with new SL**

- **Smart:**
 - **Beat sales expectations - sales up 14% at 116,000**
 - **In Germany no. 1 in segment against strong competition**

- **Run-out of E-class and start up investment for second product offensive in Q4**

Chrysler Group



Jeep



2001 - IMPROVED PERFORMANCE

- **Two major product launches in 2001:**
 - **Jeep Liberty sales well ahead of expectations**
 - **All-new Dodge Ram - a benchmark for pick-up trucks**

- **New marketing initiatives to build up brand image**

- **Planned headcount reduction achieved (19.500 employees)**

- **New Product Development Structure and Quality Gates implemented**

- **Announcement of two exciting new products:**
 - **Crossfire Sports Coupe (launch 2003)**
 - **Pacifica Sports Tourer (launch 2003)**

Commercial Vehicles



COMMERCIAL VEHICLE CHALLENGES ADDRESSED

- **MB Vans:**
 - Market introduction of Sprinter in NAFTA
 - Vaneo-entry in the <2t segment
 - Market leadership maintained in Western Europe

- **MB Trucks:**
 - Successful market introduction of Axor
 - Market leadership maintained in Western Europe and Latin America

- **Powersystems:**
 - Detroit Diesel integrated
 - Engine JV with Hyundai successfully established

- **MB/Setra Buses & Coaches:**
 - Global commercial bus responsibilities
 - Maintaining benchmark position despite softening market conditions

2001 - FOCUS ON AUTOMOTIVE BUSINESS

- **Sales support for all DaimlerChrysler brands**

- **Enhance customer and auto-related services such as banking, insurance and mobility services**

- **Divestment of non-core business (e.g. capital services)**

2002 - CHANGES IN WORLD ECONOMIC CONDITIONS

As of February 2001

Outlook

Exchange Rates

- Strengthening of Euro against the US\$



- Strengthening of Euro against the US\$

Economy

- Stable economic developments in our most important markets



- Weakening economic growth in our most important markets

Markets

- Continuation of relatively high unit sales levels in most automotive markets



- Declining sales levels in most automotive markets

North America

- Market volume in North America at 2001 levels



- Declining market volume in North America

DaimlerChrysler

2001 RESULTS ANALYSTS' AND INVESTORS' CONFERENCE

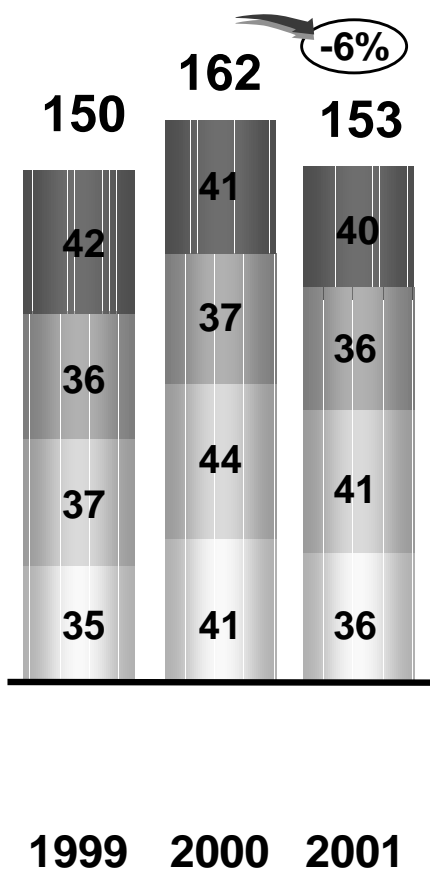
- Group Financial Performance -

**Manfred Gentz
Chief Financial Officer**

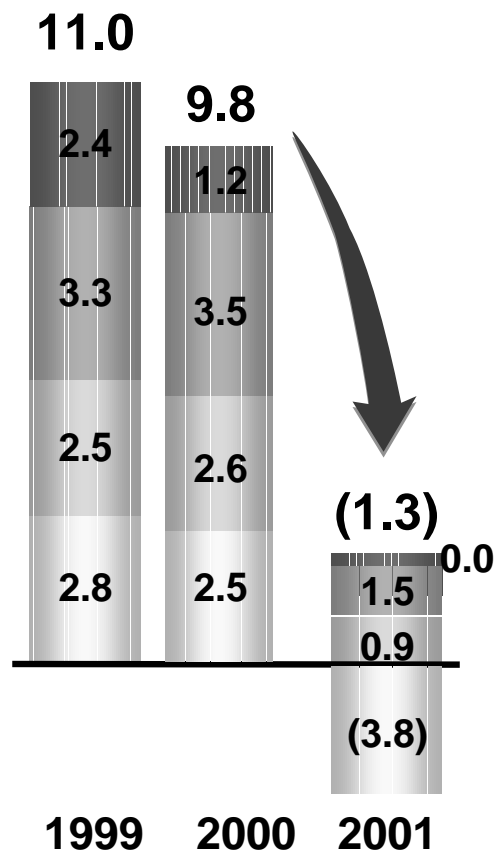
**Stuttgart
February 20, 2002**

KEY FIGURES
 – INCLUDING ONE-TIME EFFECTS –

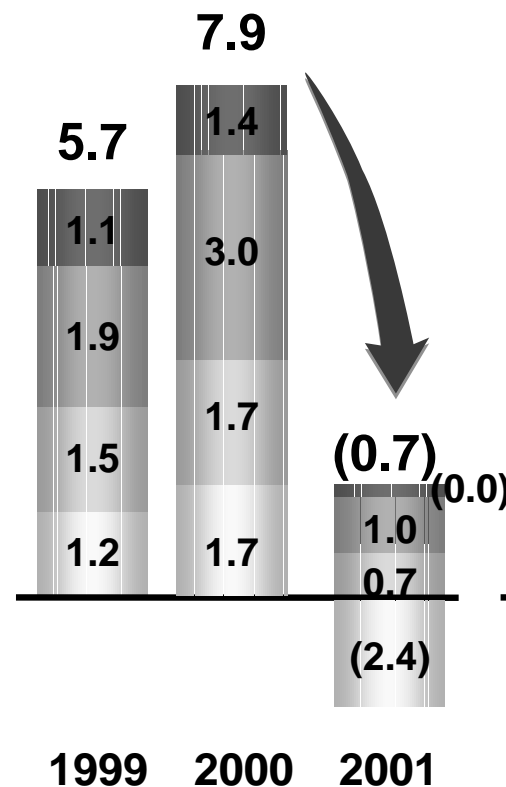
Revenues
 - in billions of EUR -



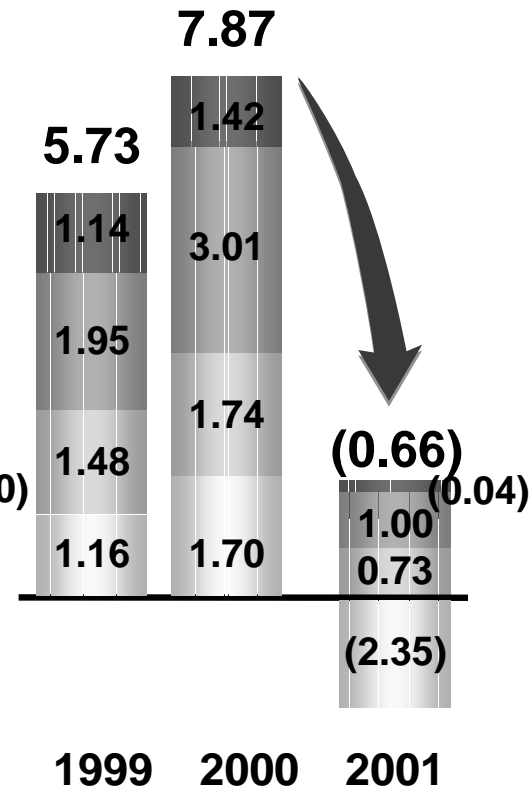
Operating Profit
 - in billions of EUR -



Net Income
 - in billions of EUR -



Earnings per share*
 - in EUR -



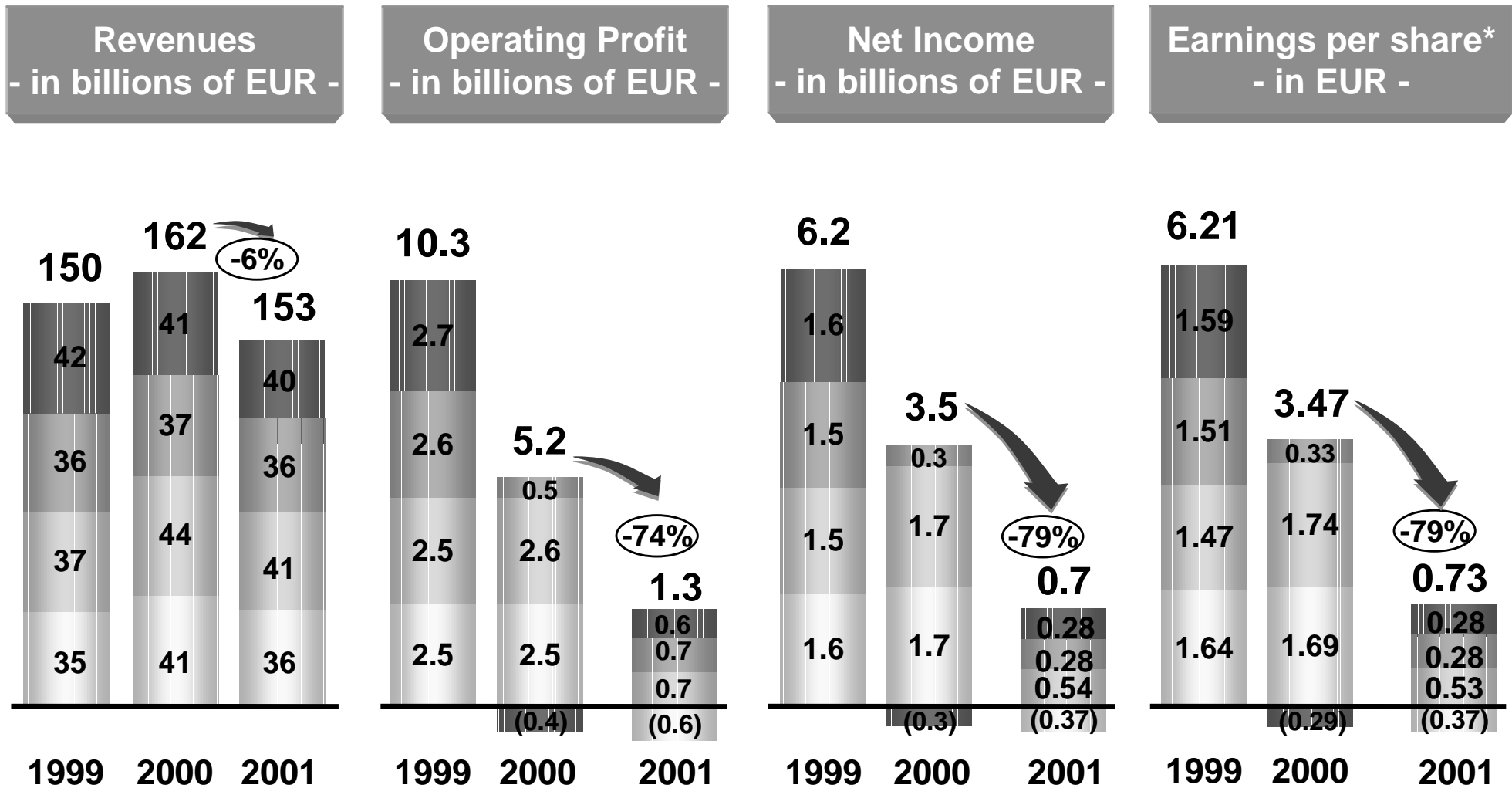
Q1 Q2 Q3 Q4

*) Average number of shares 2000: 1,003.2 million, 2001: 1,003.2 million

ONE-TIME EFFECTS

- in millions of EUR -	Operating Profit		Net Income	
	FY 2001	FY 2000	FY 2001	FY 2000
Sale of remaining shares in debitel	292	-	214	-
Gain on sale of 60% interest in TEMIC	209	-	203	-
Formation of Airbus SAS	876	-	747	-
Gain on sale of Adtranz	250	-	237	-
Turnaround plan Chrysler Group	(3,064)	-	(1,934)	-
Turnaround plan Freightliner	(486)	-	(293)	-
One-time charges at MMC (at equity)	(351)	-	(211)	-
Impairment on Capital Services portfolio	(166)	-	(108)	-
Impact financial crisis Argentina	(115)	-	(147)	-
Impairment on DCX.NET	(83)	-	(83)	-
Other	(25)	-	(17)	-
Foundation / IPO of EADS	-	3,303	-	3,009
Deconsolidation of debis Systemhaus	-	2,315	-	2,345
Sale of a subsidiary of Adtranz	-	141	-	89
Costs associated with smart	-	(536)	-	(306)
Impairment on leased equipment	-	(499)	-	(317)
Liability reserve for recycling scrapped cars	-	(337)	-	(168)
Effects from changes in German tax law	-	-	-	(263)
Other	-	152	-	24
Total	(2,663)	4,539	(1,392)	4,413

KEY FIGURES
 – EXCLUDING ONE-TIME EFFECTS –



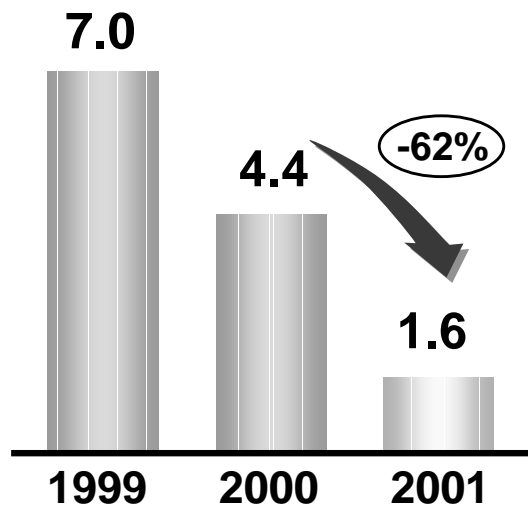
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■ Q1 ■ Q2 ■ Q3 ■ Q4

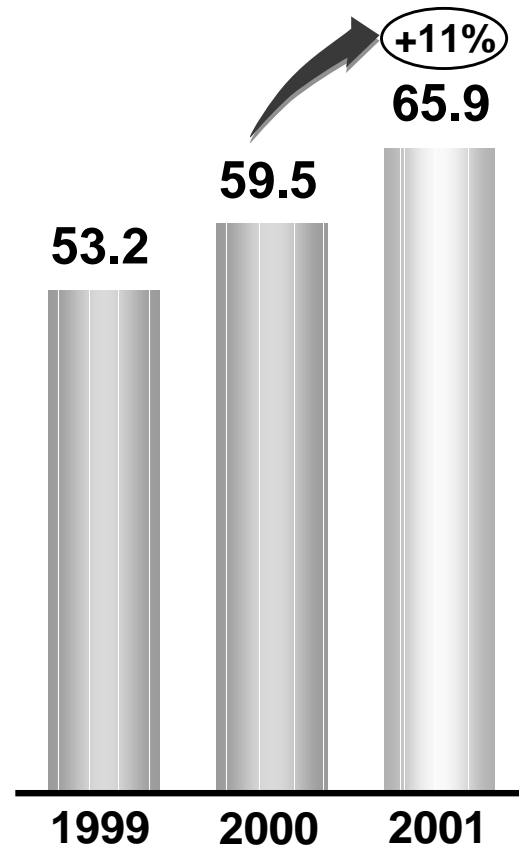
PERFORMANCE MEASURES

- EXCLUDING ONE-TIME EFFECTS -

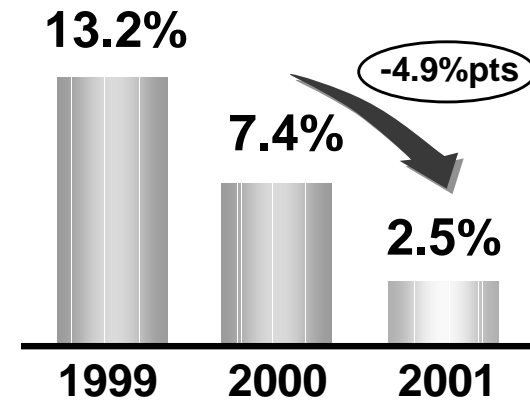
Net Operating Income
- in billions of EUR -



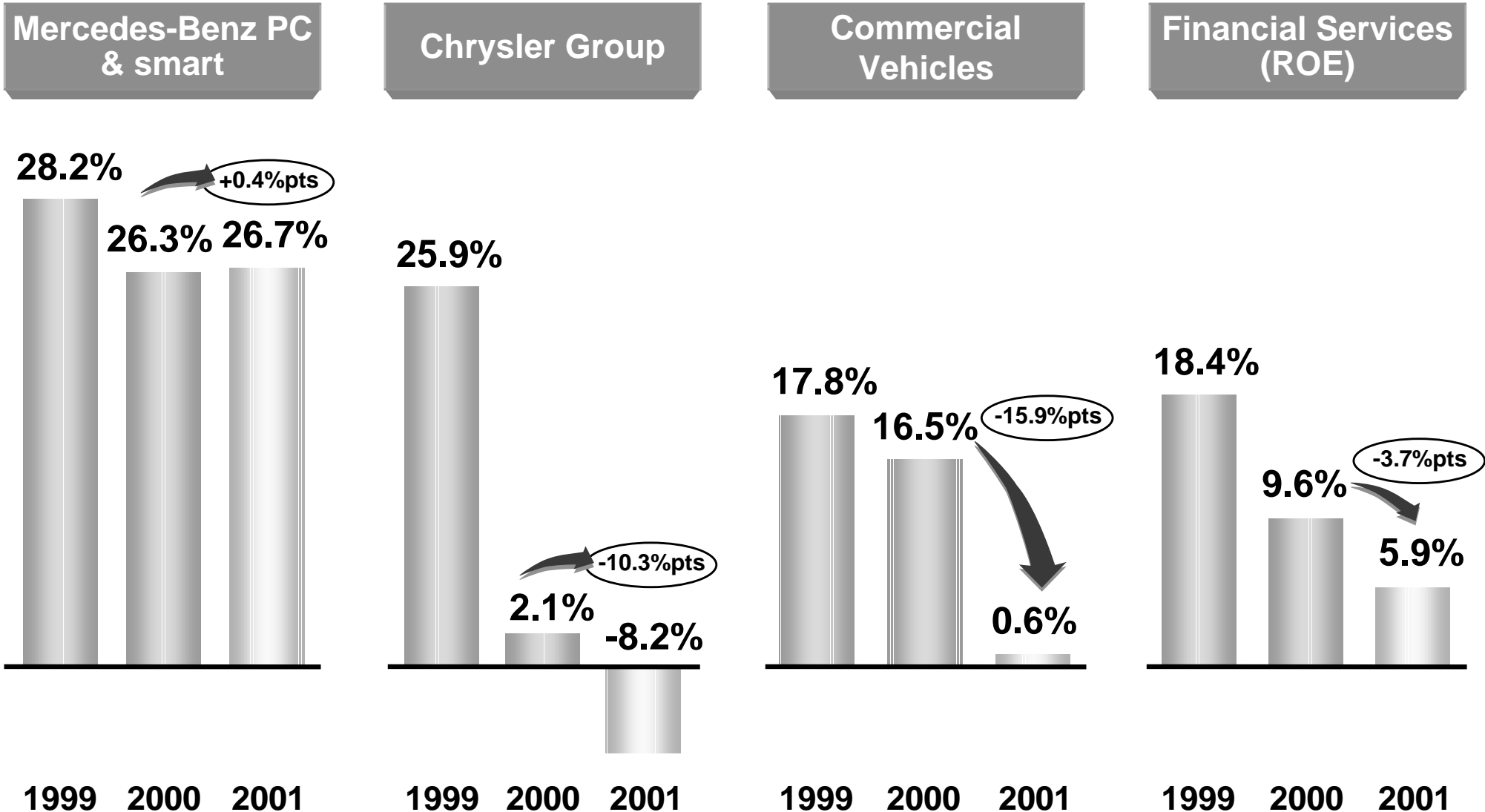
Average Net Assets
- in billions of EUR -



Return on Net Assets



RONA OF THE DIVISIONS
 – EXCLUDING ONE-TIME EFFECTS –

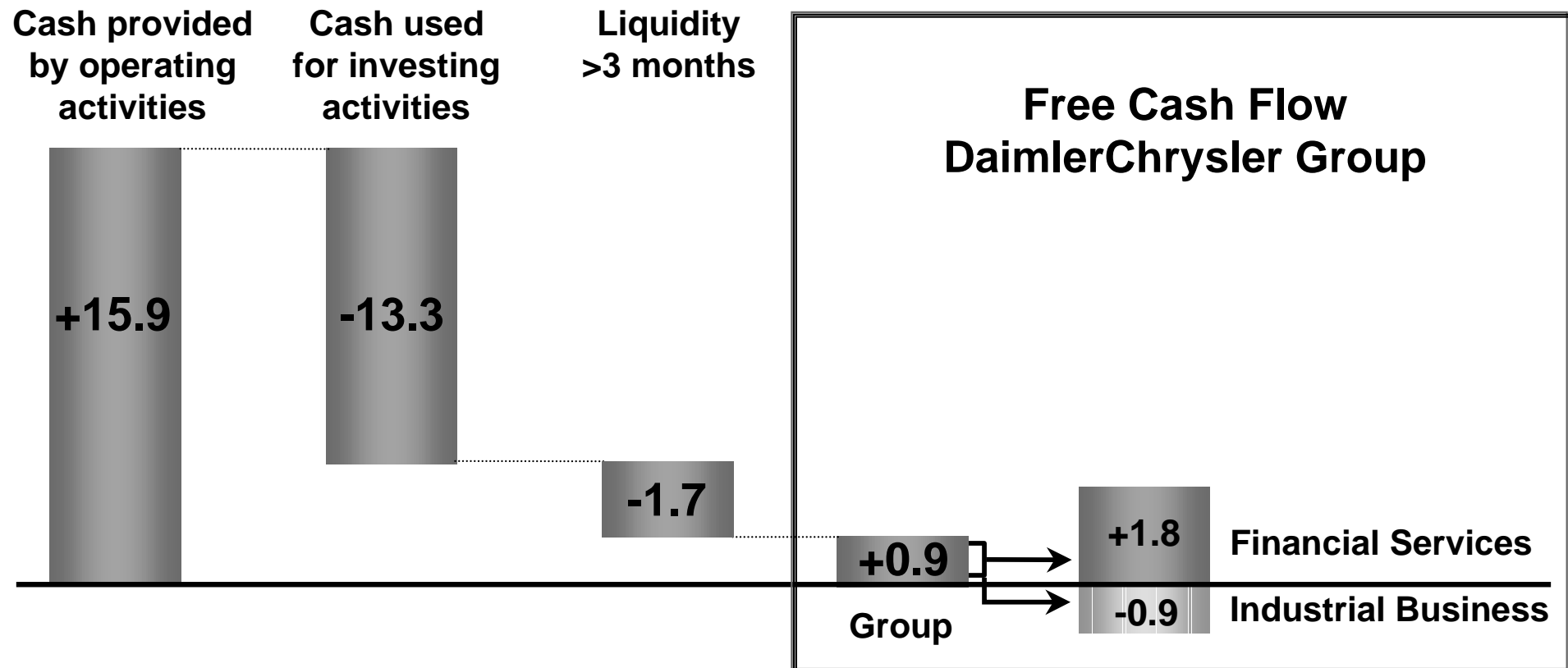


FINANCIAL INCOME

	including one-time effects		excluding one-time effects	
	FY 2000	FY 2001	FY 2000	FY 2001
- in millions of EUR -				
Income (loss) from investments, net	(224)	332	(224)	(413)
Interest income, net	280	(277)	280	(277)
Other financial income (loss), net	100	99	100	161
Financial income (loss), net	156	154	156	(529)

RECONCILIATION TO FREE CASH FLOW FY 2001

- in billions of EUR -



KEY BALANCE SHEET FIGURES

- in billions of EUR -	Dec. 31 2000	Sep. 30 2001	Dec. 31 2001
Gross liquidity Group	12.5	12.7	14.5
■ as a percentage of total assets	6.3%	6.2%	7.0%
Gross liquidity industrial business	10.6	11.4	10.7
Equity ratio Group	20.1%	18.6%	18.3%
Equity ratio industrial business¹⁾	31.2%	26.4%	25.7%
Financial liabilities Group²⁾	84.6	91.0	90.1
Financial liabilities industrial business^{1) 2)}	9.3	16.0	15.0
Net debt Group²⁾	(72.1)	(78.3)	(75.6)
Net cash (net debt) industrial business^{1) 2)}	1.3	(4.5)	(4.3)

1) 2001 figures include an equity shift from Industrial Business to Financial Services business of EUR 2.5 bn.

2) Adjusted by the effects of the mark-to-market valuation according to SFAS 133 (Dec. 2000: EUR+193 mn, Sept. 2001: EUR+630 mn, Dec. 2001: EUR +798 mn).

FINANCIAL OUTLOOK FOR THE NEXT THREE YEARS

- **Gross liquidity of DaimlerChrysler Group at a target level of around EUR 10 to 12 billion**
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- **Industrial Business:**

- Sufficient resources to finance all necessary R&D and capital expenditure, especially for new products
 - Improve free cash flow from ongoing operative business
 - Turn net debt into net liquidity
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- **Financial Services:**

- Concentrate on captive sales support
- Controlled growth