Address by the Chairman of the Board of Management

Dr. Dieter Zetsche

at the eighth Annual Meeting of DaimlerChrysler AG

Berlin

April 12, 2006

Check against delivery!!!

Ladies and gentlemen,
Dear stockholders,

I.

On behalf of my colleagues on the Board of Management and the employees of DaimlerChrysler, I welcome you to our eighth Annual Meeting here in Berlin – and my first such meeting in my new role. I look forward to a dialogue with you – both today and in the future.

But first, I'll review the main developments of the past business year, tell you where our company stands today and review the challenges we currently face. I'd also like to talk in some detail about our plans for 2006 and the years ahead.

We've set ourselves challenging but realistic goals that we intend to achieve within the foreseeable future. And of course we expect to be judged on how well we succeed.

II.

Let's begin by taking a look at the key business and financial results of fiscal year 2005. I'll be brief, as my colleague Bodo Uebber and I previously discussed this at length at our annual press conference back in mid-February.

In the past year we posted record sales for both passenger cars and commercial vehicles. For the first time ever, we sold more than 4 million passenger cars. In total, we sold 4.8 million vehicles – 3 percent more than in the previous year. Our consolidated revenues increased by 5 percent to approximately €150 billion, and our operating profit was €5.2 billion. Excluding the €1.1 billion charges due to restructuring of the business model at smart, our operating profit would have been greater than the previous year's figure of €5.8 billion. And the Group's net income also topped the previous year's figure, increasing from €2.5 to €2.8 billion.

On the basis of the operating profit and cash flow development in 2005 – and considering the outlook for subsequent years – the Board of Management and the Supervisory Board today propose to the Annual Meeting that DaimlerChrysler pay a dividend of €1.50 per share.

Ladies and gentlemen, we are not satisfied with last year's results level. At 6.6 percent, our return on net assets failed to cover our capital costs. In other words, we are not creating value-added. And we are still far from our target of achieving a 10 percent return on net assets.

III.

So, what are the reasons for this performance?

The main reason is the earnings situation at the Mercedes Car Group. After posting a loss in the first quarter of 2005 we achieved a turnaround in the second quarter, and we've been moving in the right direction ever since – however, at too low a level.

The Mercedes Car Group's contribution to earnings in 2005 as a whole was negative. One reason was the expenditure for restructuring smart that I previously mentioned; the other was the costs for the comprehensive efficiency-boosting program we've launched to put the Mercedes Car Group back on track. A series of measures taken along the entire value chain includes the reduction of 8,500 jobs. In 2005 the associated costs amounted to around €600 million. By the end of this past March, more than 7,800 employees had taken advantage of our voluntary severance agreements and early retirement packages. And we expect that the expenditure will remain within the allotted €950 million.

Finally, we also continued to invest heavily in our quality offensive, which we launched three years ago.

And it is getting results. The quality of our products has improved considerably, according to both internal and external studies. However, I'd like to make one thing absolutely clear: We still haven't reached our goal. Others might be content to be among the best. But for Mercedes-Benz there is only one objective: be Number 1 in product quality, service quality and customer satisfaction. We still have room for improvement here. But we're addressing this issue and have implemented effective measures to ensure that we achieve our targets.

The same goes for improving the cost structures and boosting productivity and efficiency at the Mercedes Car Group. At the beginning of 2005 we launched CORE, which stands for "Costs down, Revenues up." CORE is a comprehensive program that does more than just focus on cost reduction. It is designed to create opportunities for profitable growth as well.

We're taking a close look at the entire value chain, from vehicle development and production to sales and service. And this approach has already borne fruit, as you can see from our improved earnings. We’re now implementing additional measures to optimize our processes and structures by making them less complex and thus more stable. The key words here are "modularization" and "standardization."

Let me give you just a few examples.

We currently offer up to 120 different door handles for a single Mercedes production series. And we install about 500 exterior mirror variants on average in each production series. You can only imagine the effect this has on our production logistics. And all this for parts and components that do not provide our customers any real added value.

Or consider our sunroofs. They vary not only in size and design, but also in their construction. They come from different suppliers, and every variant has to be independently developed and tested – a costly process – and one that increases not only cost and complexity, but also the risk of errors.

Of course, we'll continue to offer our customers Mercedes vehicles tailored to meet their wants and needs, from a wealth of options, and model variants, as well as pioneering innovations and benchmark-setting technologies. But we want to do so in ways that deliver the customer clear benefits – with a reasonable amount of effort and at competitive prices.

We will also pursue a strategy of modularization and use proven components in more than one model.

Let's take the A-Class and the B-Class as examples. They are based on a common architecture and use uniform components such as the double floor concept and axles, yet each has a distinctly unique character. And we'll continue to follow this path in the future.

Ladies and gentlemen, in Mercedes-Benz we have a brand that is the envy of the automotive industry, and our current products clearly prove the power of the Mercedes star.

The all-new S-Class is an excellent example of the innovative ability of our company. At its debut at the IAA in Frankfurt last September, it met with an overwhelming positive response. Like its predecessors, it combines optimal safety with confident performance and the ultimate in driving comfort.

And like its predecessors, it has also won many prestigious automotive awards, including the "Golden Steering Wheel" and the "Luxury Car of the Year," which is awarded by a leading UK automotive magazine. Finally, it's the first car worldwide to receive the German Technical Inspectorate's certificate for environmentally friendly product development. This certificate recognizes the vehicle's exemplary emissions levels and energy efficiency over its entire life cycle.

In the first quarter of 2006 we delivered 24,100 new S-Class sedans to our customers. This record number underscores our position as the world's leading automaker in the luxury segment. With sales of about 500,000 units, the S-Class' predecessor was the world's most successful and best-selling luxury sedan. Our new S-Class is seamlessly carrying on that tradition.

Last year we introduced four all-new Mercedes models. In addition to the S-Class, we introduced the new B-Class and the R-Class to resounding acclaim**.** And the new M-Class, which has been available in the U.S. since April of last year and in Western Europe since last August, combines the capability and character of a SUV with the comfort of a sedan.

Sales figures for the first quarter of 2006 show how well our new models have been received by our customers: For the Mercedes Car Group, sales top the previous year's number by 12 percent. In fact, March was the division's strongest sales month in history. Through March, Mercedes-Benz sales were up by 18 percent.

This year our product offensive continues. In January, we introduced the world's cleanest diesel-powered vehicle – an E320 with BlueTec technology – at the North American International Auto Show in Detroit. Our new full-size SUV, the GL-Class, was also very well received. In March we launched the updated SL, and this summer we will present our new top-of-the-line coupe to the market, the CL-Class.

This afternoon the new generation E-Class is celebrating its official world premiere at the New York Auto Show. But in fact, its premiere is here and now, because we're giving you an exclusive preview right here on stage. What you won't be able to see, however, are its inner values. For example, with PRE-SAFE as standard equipment and the pioneering Intelligent Light System, the E-Class will become the safest vehicle in its segment.

At the end of the first quarter, our Maybach brand, which we reintroduced around four years ago, is performing on a par with its main competitor in the super-luxury segment. And we achieve excellent profit margins on every Maybach sold.

As you can see, we've got compelling products – both on the road and in the pipeline. In terms of quality, we've almost reached our target. And thanks to current and future measures to boost productivity and efficiency, we're confident that we'll achieve the planned 7 percent return on sales in 2007.

smart will also play its part in helping us to achieve this goal. As you know, we launched an ambitious restructuring program for smart last year. Our target is to break even in 2007. We've reached the cost-reduction milestones we set for 2005 and even progressed further than planned. For example, we've reduced our fixed costs by 26 percent. The smart fortwo is also selling better than planned – even in its eighth year on the market. However, despite all the measures we've taken, sales of the fourfour have fallen well short of our expectations. That's why, in March, after careful consideration, we decided to stop production of the forfour , to concentrate on the popular fortwo, and to fully integrate smart into the Mercedes Car Group.

We are convinced that these measures will enable us to post a profit in 2007. For one thing we will significantly cut the cost of the fortwo when we introduce its successor next year. For another, this vehicle's low fuel consumption fits in perfectly with the spirit of the times. What's more, the fortwo occupies a unique niche in all its markets and has even become a cult vehicle. Finally, the smart is an ideal entry-level brand for all age groups. And it's certainly not a bad thing that a bit of the little smart's appeal carries over to DaimlerChrysler as a whole.

To sum up, ladies and gentlemen, the Mercedes Car Group went through a difficult period but is now back on track. We aim to match last year's sales in 2006, but with a better model mix. And when you look at our sales figures for the first quarter, the year as a whole could even turn out better than our expectations. All in all, I'm confident that with the measures we are taking, the Mercedes star will soon shine brightly again.

IV.

Let's now turn to the Chrysler Group, which has performed well in the world's toughest market. For some time now, our U.S.-based competitors have been losing money and market share. The Chrysler Group is the only member of the former Big 3 that has avoided this fate. Thanks to its enhanced efficiency and, above all, its successful new models, it has increased its market share to significantly more than 13 percent and further improved earnings.

In March, the New York Times listed the Chrysler Group and three Japanese automakers – Toyota, Honda and Nissan – as the real driving forces in the U.S. automotive industry today. Those driving forces used to be General Motors and Ford.

This is a tremendous compliment to our teams in Auburn Hills and to the leadership of Tom LaSorda and Eric Ridenour. But they know they don't have time to reflect on their success, because the competitive pressure in the U.S. automotive market is not letting up. On the contrary, we expect it will increase.

What does this mean for the Chrysler Group?

For one thing, we must further increase our efficiency and productivity. And we're making good progress here. From 2002 to 2004 we achieved a productivity increase of 19 percent – the highest ever in the U.S. automotive industry. The 2005 "Harbour Report North America," the most renowned analysis of U.S. automakers' productivity, has yet to be published. But we expect it will show that we increased our productivity in 2005 by an additional 5 to 6 percent.

We've also continued to improve the flexibility of our production processes. For example, in our newly revamped plant in Belvidere, Illinois, U.S.A., where the new Dodge Caliber has been rolling off the assembly line since February, up to three different models can be produced on the same production line. That makes this facility one of the most flexible in the automotive industry. And that's just one of many examples.

Last year, the Chrysler Group invested more than €3 billion to modernize its production plants and develop new products.

This was a sound investment. After all, our products ultimately determine our success. That's especially true in the oversaturated U.S. market, where automakers have been offering high sales incentives for years.

With several of our recent products, we've been able to buck this trend. Examples include the Chrysler 300, the Chrysler Group's flagship, which has received many prestigious automotive award since its market launch in April 2004. With the 300 we revived the tradition of the big American sedan – a tradition that many people had thought was gone forever. With a market share of 30 percent, this model still dominates its segment. It has also been very well received in international markets.

Another example is the Dodge Charger, which marks the rebirth of the "muscle cars" of the 1960s. Almost a year after its introduction, the Charger continues to sell very well, even without incentives. In fact, overall sales of Chrysler Group sedans increased by 20 percent in 2005. Not so long ago, well-intentioned critics were advising Chrysler to get out of the passenger car market. It's a good thing we didn't listen to them!

Our aim isn't to win over customers by offering the highest incentives. Instead, we want to attract customers by offering them great products with excellent value for their money.

To do that, we need two things: plenty of patience – because customer behavior and the rules of the market don't change overnight – and the right products.

We have both. This year we'll introduce ten new products – more than ever before in a single calendar year. To my right you can see the Dodge Caliber, which got off to a spectacular start in the U.S. in February and will be available in Europe starting in June. The Chrysler Aspen is the first SUV to be offered by the Chrysler brand – a brand that is once again synonymous with compelling products. In 2006, the Jeep brand will also present four all-new models – the Jeep Compass, the Jeep Patriot, and the "classic" Jeep Wrangler, which will be available in a completely new design as both a two-door model and, for the first time, as a four-door vehicle. As a result, we'll make the Jeep brand accessible to new customer groups, not only in North America but all over the world. This year we'll also introduce the new Chrysler Sebring and the Dodge Nitro, which has been widely praised even before its market launch, plus a Dodge Ram Chassis Cab for commercial markets and the Jeep Grand Cherokee SRT8, powered by a Hemi engine – the fastest Jeep ever made.

Of course, it will be a while before we can benefit from these new products, because most of them won't hit the showrooms until the second half of this year. Then too, the market environment is still difficult. On the other hand, that makes our performance in the first quarter of 2006, when we increased our U.S. sales by 3 percent, particularly encouraging.

The Chrysler Group has also set clear targets. It aims to stand shoulder to shoulder with its leading global competitors in terms of quality, productivity, and customer satisfaction in 2007. Of course, it will continue to thrill customers with outstanding products. We expect sales to remain stable this year and significantly increase over the next few years.

V.

Our Commercial Vehicles division set new records last year for sales, revenues and earnings. This was partly due to a very healthy market. We also significantly boosted our earnings by offering outstanding products and implementing comprehensive efficiency-enhancing programs in all our business units.

Our truck business was very successful in all the major markets. In Western Europe we maintained our market lead in the medium- and heavy-duty truck segments. We're also the market leader in Brazil. In North America we further increased our market share, especially for trucks over 15 tons. In the medium-duty truck segment, our market share decreased slightly. Since last year, we have held an 85 percent stake in Fuso, our commercial vehicle subsidiary in Japan. Although Fuso sales in its home market declined, we further strengthened our market position in the rest of Asia.

Our other business units also experienced positive developments. Our vans were very successful, primarily due to Sprinter, which sold better than ever in its last year of production – and thus further improved its already outstanding sales record. We recently presented its successor to automotive journalists from all over the world. Their response gives us every reason to be optimistic about the future. In fact, we are confident that the new Sprinter will write the next chapter in a success story that already boasts 1.3 million units of sales over ten years.

Our Bus unit, which includes the Mercedes-Benz, Setra and Orion brands, improved on its leading position in the global market last year in the class of buses over 8 tons.

In the meantime, our pioneering innovations in safety and alternative drives have helped to make our commercial vehicles the technological leaders in their sector. For example, we've been offering our customers hybrid-drive buses for the past two years and are the market leader for this technology. Our Commercial Vehicles division was also the pioneer of BlueTec diesel technology, which we are now also introducing in our passenger cars. Just a few weeks ago a customer took delivery of our 10,000th BlueTec truck in Wörth, Germany.

Last year we launched six new products worldwide, including the Actros BlueTec and Axor construction site vehicles and the Integro and Travego buses from Mercedes-Benz. This year we'll roll out seven new vehicles, including the Sprinter, the Hybrid Canter, three new buses, the Western Star Stratosphere heavy-duty truck and the Sterling 360 light-duty delivery truck.

The responses we've received from our customers speak for themselves. In the major European markets our commercial vehicles are at the top of customer satisfaction lists. In particular, our flagship, the Mercedes-Benz Actros, is highly popular with freight carriers and drivers alike. The limited "Black Edition," with which we deliberately appealed to our customers' emotions, was sold out in less than five months.

Of course, we're facing challenges here as well. First, we're still not profitable enough compared to our best competitors. Second, the commercial vehicle sector is highly cyclical. We must become more independent of these business cycles. And third, we must focus on enhancing our leading role in innovation and on exploiting further growth in the global commercial vehicle markets – particularly through the closer integration of Fuso.

To address these challenges, Andreas Renschler and his team launched the "Global Excellence" program at the end of 2004. A key aspect of this program is to promote stronger networking within our Trucks activities in order to translate our size and market position into economies of scale and to substantially increase our profitability. As a result, we've already introduced measures such as multi-brand electric/electronic architectures and the Heavy Duty Engine Platform, a new generation of engines that will first be launched in the North American market in mid-2007.

The new distribution of business operations confirmed in January as part of our New Management Model, will provide an organizational basis for even closer cooperation.

The division now known as the Truck Group will focus on the truck business. The Vans unit, which shares the entire powertrain and many other components with the passenger cars from Mercedes-Benz, will report to the head of the Mercedes Car Group; the Bus unit will report to the head of the Truck Group.

That will give our truck division a sharp focus on its market and its customers. We're making it more transparent and more readily comparable to its competitors. And we are supporting networking among our truck units.

I'm confident that all these measures will help us come much closer to our goal of posting profits that better reflect our position as Number 1 in terms of sales.

In 2006 we expect the commercial vehicle markets to remain stable. Our total sales figures will therefore be similar to those posted in 2005.

VI.

Let's turn now to DaimlerChrysler Financial Services. In addition to his function as CFO, Bodo Uebber is responsible for our financial services subsidiary on DaimlerChysler’s Board of Management. Last year, Financial Services performed very well and, despite climbing interest rates, increased its operating profit for the third year in a row.

What’s more, its return on equity reached 16.2 percent – a level that stands up to comparison with the best.

With the sale of debis Air Finance in 2005 and the reduction of its share in Capital Services, Financial Services has now completely refocused on its core business – automotive financial services. The goal now is to concentrate on achieving profitable growth in its core business this year and beyond.

Given that it has very attractive products, it has an excellent chance of achieving this goal. What's more, we already hold the key to profitable growth: close cooperation between our financial services subsidiary and our automotive divisions and dealers. We'll continue to further enhance that cooperation this year.

Since last November, Financial Services has been the first financial services company to offer financing and insurance for passenger cars and commercial vehicles in China, supporting our automotive divisions' penetration of this major market.

DaimlerChrysler Bank is also forging ahead. In Germany, it is one of the largest leasing companies and is the market leader for commercial vehicle financial services. Today it finances one of every two newly registered DaimlerChrysler vehicles in Germany.

Financial Services has also set challenging targets for the future: In the next few years our financial services unit plans to be a top player – not only in terms of profitability but also in dealer and customer satisfaction. At the same time, we plan to further improve efficiency and the quality of our processes.

VII.

At the Group level, we have also continued to focus on our automotive core business by selling MTU Friedrichshafen and the off-highway activities of Detroit Diesel Corporation to the Swedish financial investor EQT.

And we have decided to reduce our 30 percent share in EADS, the European Aeronautic Defence and Space Company, to 22.5 percent. By reducing our stake we will enable EADS to expand its shareholder base, improve its position in the international capital markets and continue its global growth.
In 2005, EADS substantially exceeded its financial targets for the sixth year in a row. Its order volume has more than doubled – partially due to the large demand for the Super Airbus A 380. And that's an excellent basis for achieving further profitable growth in the years ahead. We aim to support this growth and to remain a major shareholder with a stake of at least 15 percent. Should we eventually decide to reduce our share to 15 percent, we will strive to maintain the balance between German and French shareholders.

VIII.

Now let's get back to the automotive business: What do we expect to achieve this year?

We expect total sales at the DaimlerChrysler Group to approximately match last year's number. Revenues will increase slightly. And we expect an improvement in profitability, with continuous increases in operating profit during the following years.

We will present a more detailed earnings forecast to coincide with the publication of our financial results for the first quarter of 2006.

IX.

To further improve our earnings we're implementing the New Management Model, which the Board of Management initiated at the end of January.

The New Management Model will make DaimlerChrysler faster, more flexible and more efficient – and therefore more successful.

What does this mean in concrete terms?

First and foremost, it means we will make our administrative functions, such as Controlling, IT and Human Resources, leaner through centralization and the elimination of redundancies – for example those that currently exist between the Group and divisional levels. This, in turn, will make our reporting and decision-making processes faster and leaner and enable our operating units to focus on their core business of developing, building and selling fascinating vehicles.

We will also align and standardize our processes and methods within the divisions, as I've previously explained using the Mercedes Car Group as an example. But we'll also be doing this at the cross-divisional level. That will make our processes more stable and less prone to error. It will also facilitate information-sharing and cooperation between the units, especially among the passenger car units.

This networking will be much more extensive in the future, ranging from the exchange of know-how and the adoption of best practices to the exchange of technologies and the joint development of components. Of course the units will cooperate only in those areas where it makes sense to do so, and only when it doesn't affect the identity of our brands.

It goes without saying that we've already learned a lot from one another in the past. Without the lively exchange of ideas and knowledge between colleagues at Mercedes-Benz and the Chrysler Group, the Chrysler 300 would never have become the top-award winning vehicle of all time in the U.S.

Or take our new diesel engines, which have been designed so that we can use them not only in Mercedes vehicles from the C-Class to the S-Class, but also, for example, in the Jeep Grand Cherokee and the Chrysler 300 – and of course in our vans.

We plan to strengthen this cooperation even more in the future. Today we're already dealing with important Group-wide issues in our "project houses." Here, we bring together engineers from various divisions to work together on developing systems, components and technologies. We then adapt their results to meet the needs of our brands or our regional markets. In important fields of future technology, such as hybrid and BlueTec, we're already employing this approach.

Moving forward, we will not only have many more project houses, but will also reorganize our research and development activities along the lines of the New Management Model. We will combine our central Research and Technology function, which is already the Group's hub of expertise, with the Development unit at the Mercedes Car Group under the leadership of Thomas Weber. The new central function – Group Research & MCG Development – will remain the entire Group's center of research expertise. It will also play a more important role in advanced development activities at all of our divisions. Our aim is to market our new technologies faster, further increase our innovations success rate and improve our overall customer orientation.

Rüdiger Grube and his team have been given the task of overseeing the implementation of the New Management Model. In addition to helping us become leaner and faster, the new model will also enable us to cut our administrative costs by a total of €1.5 billion. The New Management Model will generate net savings of €1 billion. An additional €500 million is already being saved by means of other programs. That doesn't include the savings we'll achieve by correcting errors faster or even avoiding them altogether – because we'll benefit from other people's experience. Nor does it include the savings we'll make by developing systems or components once instead of many times over.

Because we are eliminating redundancies and limiting ourselves to administrative functions that support our core business, some 6,000 administrative positions will be cut worldwide. This process, in conjunction with costs related to the coordination and standardization of processes and systems, will result in charges of around €2 billion, distributed over the years 2006 to 2008.

Of course we'll do everything in our power to find fair solutions for those who are affected by these measures. For executives in Germany we are offering severance agreements combined with outplacement counseling as well as early retirement. And all of the steps we take regarding employees covered by collective bargaining agreements will be based on the "Safeguarding the Future 2012" agreement that was signed in July 2004.

Ladies and gentlemen, we are aware that our most important capital is our employees. And we also realize that behind the numbers we are talking about are the lives of real people. We therefore regard it as our duty to make the necessary personnel cuts fairly and reduce the period of uncertainty to a minimum. Günther Fleig and our Human Resources unit are doing everything possible to make sure this is the case. Let me just add at this point that most of our employees realize that a leaner administration is necessary if we wish to remain competitive in the long term. That's become clear to me from many letters and personal discussions.

In the long term, these measures will also help to safeguard Germany as a business location. Today, the automotive sector is one of the few in which German companies are still top players. To make sure things stay that way, we will invest €15.5 billion in research and development and an additional €19 billion in property, plant and equipment over the next three years. Although Germany accounts for only 15 percent of our sales, our internationally oriented Global Procurement & Supply team, which is headed by Tom Sidlik, purchases more than one-third of our procurement volume in Germany. What's more, almost half of our employees work in Germany. Last year we invested more than €240 million in employee training and qualification programs. Altogether 40 percent of the trainees in Germany's automotive industry are in training programs at DaimlerChrysler. And this year we will create even more traineeships in order to give young people the best possible start to their careers.

Furthermore, as a German-American company we are ideally positioned to assume responsibility in areas such as the promotion of diversity within our Group. Last year we set up a global Diversity organization; in Germany, it will initially focus on promoting women in management positions. The U.S. part of our Group has made much greater progress in this regard than have our other units.

Another important issue for us is compliance – that is, living up to ethical and moral principles. Back in 1999 we instituted a comprehensive code of conduct for the Group, and we absolutely insist on strict compliance with this set of internal regulations. In addition to the initiatives we already have in place in Germany and the U.S., we built up a Group-wide compliance organization last year. This organization not only helps to ensure compliance with the laws and with our internal regulations, but also supports our employees worldwide with advice, active assistance and specific training programs. After all, no business deal can ever justify putting our company's reputation at risk.

We are aware of our responsibility to our employees and to society. And because we take this responsibility seriously there is no alternative to the further improvement of our competitiveness. We can only safeguard the future of our company and the jobs of our employees if we achieve profitable growth.

X.

We are convinced that the New Management Model will help us to become better and faster at transforming DaimlerChrysler's potential into compelling products.

And this potential is tremendous:

We have one of the youngest and most appealing product ranges in the industry. Last year we launched 17 new models on the market, and by 2008 they will be followed by 35 more.

We have brands that are the envy of other automakers.

We are represented in all of the important markets.

We have enormous know-how in the various parts of our Group.

We are continuing in the footsteps of our company's founders, who invented the automobile. Ever since then, our company has played a key role in driving our sector forward by creating new segments and introducing new technologies.

We invented the SUV, the minivan and the micro compact car.

We are the pioneers in drive systems and safety. In addition, we have pushed the envelope of design over and over again.

We presented the first series-produced diesel passenger car in 1936. And at the beginning of this year we presented BlueTec in Detroit, once again launching a technology that will shape the future – this time by making the diesel engines in every vehicle class the cleanest in the world.

In 1951 we developed the Hemi, an engine that has become legendary. And in 2003 we reintroduced it, to the acclaim of our customers.

In 1969 we presented the world's first bus with a hybrid drive; today we are the market leader in this segment. And with regard to fuel cells, which we presented in 1994, we are currently testing the world's largest fleet under everyday conditions.

We have also set standards in automotive safety. With the occupant safety cell, we essentially laid the foundation for passive safety systems in automobiles in the 1950s.

We followed this up in 1978 with ABS, which represented a quantum leap for active safety systems. Today, ABS is standard equipment in our industry, as is ESP, another system that celebrated its world premiere at DaimlerChrysler.

We were the first automaker to install airbags in a series-produced passenger vehicle. That was 25 years ago. In 2002 we combined active and passive safety systems into PRE-SAFE, the system that gave automobiles reflexes.

In the commercial vehicle segment we are setting the standards when it comes to safety. Our pioneering technologies include the Telligent braking and emergency braking system, the lane assistant system, proximity cruise control and stability control, and EBS.

You can see all this progress close up – as well as many beautiful vehicles – at our museum in Auburn Hills and, in the near future, at our new museum in Untertürkheim. And believe me, the visit is very worthwhile. Both venues pay homage to our unique tradition – a tradition we're proud of and intend to further enhance in the future.

In fact, we regard our tradition as both a duty and a source of inspiration.

Our mission, ladies and gentlemen, is to put DaimlerChrysler back on top. We're working hard to do just that. And that is why we ask you for your support and your trust.

And now, I'm looking forward to our discussion.