

Position of the Management:

The Board of Management and the Supervisory Board maintain the motions as laid down in the Agenda and state their position on the main points contained in the counter-motions as follows:

The first quarter of the year 2003 marked the low point of a three-year downward trend of the stock markets. DaimlerChrysler's shares were only partially able to avoid this development. Overall, the DCX shares climbed 26% to €37.00 in 2003. The Dow Jones Stoxx Auto Europe gained 23% in the same period, while the Dow Jones Euro Stoxx 50 gained 16% and the DAX rose by 37%. We are convinced that the current share price reflects neither the performance nor the potential of our company. With its global presence, strong brands, complete product range and constant further development of technology and user-friendly innovations, DaimlerChrysler occupies an outstanding position in the automotive industry.

The Supervisory Board ensures that the compensation of the members of the Board of Management is appropriate for their areas of activity and responsibility, for the performance of each individual member and of the entire Board of Management, and in comparison with international competitors. The pronounced dependence on performance of the Board of Management's compensation becomes clear when one considers the development of the short-term and mid-term components of the compensation, which fell by more than 25% in 2003 compared with the prior year.

The authorization to acquire our own shares is to be renewed so that, if required, the company can make flexible use of the possibilities explained on page 9 of the Agenda.

The motions on Item 8 of the Agenda cannot be proposed at the Annual Meeting, because DaimlerChrysler removed this item in connection with its publication in the electronic Federal Gazette of March 25, 2004. The Board of Management and the Supervisory Board decided on this course of action due to a verdict by the Federal Supreme Court published on March 15, 2004, indicating that the court may deem the connection between the Supervisory Board's variable compensation and the company's share price as fundamentally unlawful. The introduction of variable compensation as intended by DaimlerChrysler complies with existing previous applicable verdicts and conforms with the express recommendation of the Government Commission on Corporate Governance as well as with the comments on the German Corporate Governance Code. Furthermore, DaimlerChrysler AG believes that the verdict does not apply to the version originally proposed to the Annual Meeting. The legal uncertainty that has arisen should be resolved as quickly as possible.

The proposal to reelect the existing shareholder representatives to the Supervisory Board is intended to ensure the continuity that is also important for the monitoring of the company. The international composition of the Supervisory Board reflects the company's strategic orientation. In addition, the proposal to introduce three different appointment periods complies with a suggestion of the German Corporate Governance Code.

The quality of our Mercedes-Benz vehicles and our customers' resulting satisfaction are extremely important to us. We therefore take any quality problems that might arise very seriously. We have taken comprehensive measures to secure the high quality level, and to improve it even further.

For a long time now, DaimlerChrysler has been working successfully on the reduction of vehicle emissions. All Mercedes-Benz gasoline engines already fulfill the Euro-4 norm for the year 2005. With our modern diesel cars, we achieve not only a significant reduction in soot particulate, but in all relevant emissions. Two examples of this are the reduction in the total levels of nitrogen oxide and hydrocarbons since 1995 by about 70%, and in soot particulate by more than 90%. With its four-cylinder diesel engines in the C-Class and E-Class cars and its six-cylinder diesel engines in the E-Class and S-Class, Mercedes-Benz is the world's first automobile manufacturer to offer diesel particulate filters which also fulfill the Euro-4 norm.

Mercedes-Benz and smart have already achieved the goal that was set for 2005 of reducing the fuel consumption of their cars in Germany by 25% compared with the year 1990. In the year 2004, we expect a further reduction in the carbon-dioxide emissions of our passenger cars in the European market.

DaimlerChrysler regrets the delay that has occurred with the development and operation of a satellite-based toll system for trucks above twelve tons. The main reason for this delay is that this pioneering system of satellite-based toll collection has proven to be considerably more complex than was first expected. In the interests of all companies involved, and in the interests of Germany as a location for advanced technology, the partners in the consortium, Deutsche Telekom AG, DaimlerChrysler Services AG and Cofiroute S.A., intend to lead the toll project to a successful conclusion. DaimlerChrysler Services AG has a 45% interest in the Toll Collect consortium.

The management of Mitsubishi Motors is currently working on a new medium-term plan which encompasses all of the company's operative areas and its financial structure. This new business plan will be the basis for decisions on further procedure.

Questions on the subject of defense technology and landmines have been answered completely and in detail in previous annual meetings.

The Board of Management and the Supervisory Board reserve the right to make more detailed statements on the individual counter motions at the Annual Meeting on April 7, 2004.

Stuttgart-Möhringen, March 2004

DaimlerChrysler AG

The Board of Management