

## **Operational Excellence — This Is Our Goal.**

DaimlerChrysler Chairman Jürgen E. Schrempp's speech at the Annual Shareholders Meeting in Berlin on April 6.

Good morning, DaimlerChrysler shareholders, ladies and gentlemen. On behalf of my colleagues and myself, let me warmly welcome you to this year's Annual Shareholders Meeting here in Berlin.

I would like to begin my remarks by reviewing what has been an eventful business year. After that, I will describe the strategy we will be adopting in order to further improve your company's performance.

In business year 2004, DaimlerChrysler made clear progress in spite of the difficult overall economic situation: We significantly increased our profits. In our industrial business we achieved a positive free cash flow and raised our net liquidity to 2.2 billion euros. The equity ratio in our industrial business is higher than 25 percent. In other words, our balance sheet is sound. And the rating agencies, which lifted the outlook for our rating in 2004, obviously share this appraisal.

What's more, we launched more than 20 fascinating products on the market last year. We took the initiative and invested 12 billion euros in the future of our company. We also created about 8,400 new jobs worldwide last year — approximately 2,600 of them in Germany.

As far as Mitsubishi Motors is concerned, we decided to discontinue our financial support. However, important joint projects will be continued, in the interests of both partners.

Ladies and gentlemen, we have achieved the profit target set for the Group. Our operating profit for 2004 was 5.8 billion euros. However, we're obviously still not satisfied — even though this figure clearly exceeded the previous year's reference value of 5.1 billion euros. Our Group net income increased by more than a factor of five — from 450 million euros to 2.5 billion euros. We owe all these improvements in no small measure to the dedication and outstanding performance of our approximately 385,000 employees around the world. The entire Board of Management is grateful to each and every one of them.

Ladies and gentlemen, today we are recommending a dividend of 1.50 euros per share for your approval. This dividend puts us in the top group of DAX companies — particularly in terms of the ratio of the total dividend payment to profits after taxes, the so-called pay-out ratio. Our dividend proposal not only takes into account the development of our business operations and last year's positive free cash flow, but also the business outlook for the years ahead.

As investors, you are obviously interested in the combination of the dividend and the share price performance. Obviously, we are still not satisfied with our share price performance. Nonetheless, in a very difficult year in which global stock exchanges tended to stagnate, your stock remained relatively strong. The DaimlerChrysler share outperformed all other automakers' shares on the DAX last year. It also performed significantly better than U.S. automakers' shares. In terms of overall return, we came in fourth in our business category in 2004. And

when it comes to market capitalization, we ranked third last year — right behind two Japanese automakers.

I would now like to review the performances of the individual divisions in 2004.

The Mercedes Car Group posted an operating profit of 1.7 billion euros. Mercedes-Benz is the most valuable premium and luxury brand in the automotive industry. But the Mercedes Car Group obviously experienced a significant decline in operating profit.

The reasons included the totally unacceptable earnings situation at smart, the cost of our comprehensive quality offensive, costs related to model changeovers and, to a large degree, the negative impact of the substantial depreciation of the U.S. dollar against the euro. But even without the negative exchange rate effects — and I'd like to emphasize this point — results at the Mercedes Car Group were disappointing in the third and fourth quarters. Disappointing for you as shareholders — and no less disappointing for us at DaimlerChrysler.

Therefore, we have defined a set of measures that will restore the Mercedes Car Group to its accustomed level of profitability. This is our absolute priority.

And we have developed a new program called "CORE" to ensure that we succeed. For me, a particularly important thing about "CORE" is that it is much more than a cost-saving program. "CORE" stands for "Cost down, Revenues up, Execution" — in other words, the rigorous implementation of measures that will reduce costs on the one hand and increase revenues on the other. To ensure its success, we are harnessing all the experience available to us within the Group. By consistently implementing "CORE," we plan to increase the Mercedes Car Group's performance by more than 3 billion euros. Our aim is to once again achieve a 7 percent return on sales at the Mercedes Car Group by 2007.

Ladies and gentlemen, quality is one of the assets that has helped to make Mercedes-Benz great. We are therefore deeply concerned that individual models have recently been the subject of complaints — particularly in relation to their highly complex electronic systems. We certainly don't intend to excuse these shortcomings by pointing out that we're not the only automaker in this situation. We're going to fix any of our vehicles on the market that might require it. And we'll do so in a comprehensive and generous manner. The package of measures that we introduced last week as part of our quality offensive represents an important step toward this goal. Our aim is to ensure that vehicles already in the hands of customers who have complained also satisfy our highest standards of quality. Implementing these measures will cost money, of course. But it's money well spent. After all, we will be investing in our most valuable asset: the Mercedes-Benz brand.

Naturally, for some time now, our quality offensive has also been focusing on issues related to the development and production of new vehicles as well as closely scrutinizing cooperation activities with our suppliers. As a result, we have improved quality by 50 percent over the last three years. What's more, we have done so according to our own strict performance standards. Or, to put it another way, The vehicles that

leave our production lines today boast the highest level of quality ever achieved at Mercedes-Benz. This assessment has also been confirmed by recent external studies, many of which have given our vehicles top ratings. For example, thanks to a 20 percent improvement in the quality of delivered vehicles, we are the only German manufacturer to occupy a top-10 position in the JD Power survey, which is the standard customer survey for the U.S. market. We're also the number one automaker in Germany's ADAC AutoMarxX ratings. Mercedes-Benz has also substantially improved its standing in the ADAC's breakdown statistics. In fact, it is now one of the top two brands in five vehicle categories. And we plan to significantly enhance the quality of our products even further over the next few years. After all, our goal remains unchanged: to once again bring Mercedes-Benz quality back to the highest level — and to do so as quickly as possible.

With regard to smart: As announced at the Annual Press Conference on February 10, we are developing a new business model for smart. We will be presenting the concept in detail to the Supervisory Board for its approval at the end of April.

smart has — and I'd like to emphasize this — very good products:

- The concept behind the smart fortwo is unique — it has practically no competitors.
- The smart forfour is a first-class vehicle — however, it's facing fierce competition and its cost structure is presenting problems.

smart is a strong brand. External studies have demonstrated its exceptionally high brand value. We have always emphasized that we will continue to produce and sell the smart brand. But we've also made it very clear that the present financial situation is unacceptable.

With the new business model, we're going to put smart on a solid financial footing.

The new concept includes:

- Accelerated development of the successor of the fortwo, which will also be designed to meet U.S. market specifications.
- Continuation of our cooperation with Mitsubishi Motors with regard to the smart forfour. The measures we take to improve earnings here will eventually lead to a balanced result.
- Discontinuation of production of the smart roadster at the end of 2005.
- Discontinuation of the smart SUV project.

The key element of the new business model is a restructuring program that also includes a significant reduction of personnel. Here, the smart management team will strive to achieve socially acceptable solutions. Altogether, we expect the restructuring measures to cost as much as 1.2 billion euros in 2005. The goal for smart is to break even in 2007.

Despite all the current challenges facing the Mercedes Car Group, we should not forget that Mercedes-Benz remains the best-selling automotive brand in the premium and luxury segments.

- The S-Class, E-Class, C-Class, SL and SLK are the global market leaders in their segments.
- The CLS met with a tremendous response following its market launch in the fall of 2004.
- The SLK won 32 of the 33 automobile awards for which it was eligible.

The new A-Class, which is being offered in a 3 and 5-door version, completely fulfills all the product pledges associated with a Mercedes-Benz brand vehicle. Within less than three months last year, we were able to deliver more than 50,000 units to customers. The new M-Class was launched just a few days ago — initially in the U.S. The model was very positively received at the Detroit Auto Show in January, and has been making a big impression on journalists during test drives. The new M-Class benefits from the wealth of experience we gained from the very successful first generation of the M-Class. Mercedes-Benz will also be defining a new vehicle segment this year with its new R-Class and B-Class vehicles: the premium Sports Tourer segment. These vehicles combine the best of three worlds: the characteristics of an SUV, the driving comfort of a sedan, and the spaciousness of a minivan. The B-Class will celebrate its market launch in June, and the R-Class is scheduled to follow in the fall. The R-Class — like the M-Class — will be produced in the U.S. To meet the expected demand, we are doubling our production capacity in America. In this way, we also plan to further reduce our dependence on the dollar exchange rate.

The highlight of this year will, without a doubt, be the new S-Class. The S-Class has remained the luxury segment's number one vehicle since 1965, and we are convinced that the new S-Class will continue this impressive tradition when it hits the road this fall. After all, like its predecessors, the new S-Class will set new standards in terms of:

- active and passive safety,
- innovative design,
- and driving and operating comfort.

In March, we expect Mercedes-Benz sales to match approximately last year's level. In other words, we expect to sell more than 100,000 vehicles. That's an indication of a positive trend. One of the main forces driving this development is the high demand for this year's new models — the SLK roadster, the A-Class and the CLS coupe. The upcoming production launches of the M, B and the R-Class, in conjunction with the update of the CLK, should also significantly boost sales — particularly in the second half of the year. And we're also expecting positive momentum from the attractive new V6 and V8 gasoline and diesel engines that we will be successively introducing in our various model series.

The year 2005 as a whole should see a slight increase in sales at Mercedes-Benz compared to last year.

Ladies and gentlemen,  
the Chrysler Group has achieved an exemplary turnaround despite extremely difficult market conditions. The consistent implementation of our strategy is paying off. In 2004, the Chrysler Group increased its operating results by 1.9 billion euros and posted an operating profit of 1.4 billion euros.

The hard work over the past few years has laid the foundation for the Chrysler Group's excellent performance. Since 2000, we've improved productivity and quality, while also significantly cutting costs. Our goal is to make the Chrysler Group the number one in its class in terms of productivity, quality and costs by 2007.

Our efforts have not been restricted to bringing about extensive improvements in a detailed manner. Despite huge cost pressures, we have also invested substantially in innovation. A good example is the "Stow'n Go" concept employed in our new minivans. Thanks to this unique feature, our customers can fold the second and third rows of seats into the vehicle floor. Although Chrysler was experiencing exceptionally difficult times, we didn't hesitate to invest the 400 million dollars required to realize this system. This farsighted approach is one of the reasons why we are now the undisputed market leader in the fiercely competitive minivan segment.

Some of our competitors would have opted to improve their earnings in the short term rather than pursue such a future-oriented project. But that's not the way we do things. We always think in the long term as well. So we're not resting on our laurels at the Chrysler Group but are instead continuing to develop attractive products. For example, we launched nine new vehicles in 2004 alone. They range from the Dodge RAM SRT-10 — the world's fastest production pickup truck — to the new Chrysler 300 flagship model and the latest version of the legendary Jeep Grand Cherokee off-roader. Thanks to this glittering array of new products, we increased our market share in the U.S. last year. No other U.S. automaker managed such a feat. At the same time, the Chrysler Group was able to push through higher prices in the fiercely competitive U.S. market.

The Chrysler 300 was the Chrysler Group's most successful new vehicle in 2004. It has already won more awards than any other vehicle in U.S. history, and posted sales of more than 100,000 units last year. Boosted by this success, the Chrysler brand increased sales by 27 percent to make 2004 the best year in its history.

And we plan to keep this momentum going with new products. In particular, the Dodge Charger and the Dodge Viper coupe will underscore the Dodge brand's sporty nature and top performance this year. And in 2006, new Dodge products will also embody these attributes in Europe and other key international markets around the world. In addition, with the Jeep Commander — the first Jeep model to feature three rows of seats — and the Dodge RAM Mega Cab, we are meeting the needs of our American customers who wish to experience the vastness of their country in spacious and rugged vehicles.

Ladies and gentlemen,  
last year, more than ever before, we successfully used our position as the global leader in the commercial vehicle sector to generate profits. In 2004, we posted a record operating profit of 1.3 billion euros. And we did so despite a charge of 475 million euros associated with quality problems at FUSO — problems that originated before our involvement in that company.

How did we achieve this success? In accordance with our strategy, we further integrated our commercial vehicle business activities in order to generate economies of scale.

We also

- rigorously implemented our efficiency-enhancing programs and
- exploited the momentum provided by the market's recovery — especially for our European truck business and at Freightliner in the U.S.

- In addition, all of our business units benefited from our very attractive product range.

One such product is the new Actros. Sales and new orders of the "Truck of the Year 2004" have already reached record levels. Another is the Vito, which has been named "Van of the Year 2005." In addition, we presented the new generation of Axor and Atego models at the IAA Commercial Vehicles. Both of these products further underscore our undisputed position as the world's leading truck manufacturer. They also illustrate how we exploit the advantages associated with economies of scale: In the past, a separate line of medium-duty and heavy-duty trucks was developed in Latin America. Today, however, a common product architecture enables us to save money while also improving quality. It goes without saying that this program is adapted where necessary to meet individual regional requirements.

Last year, we faced a series of quality-related challenges at our Japanese commercial vehicle subsidiary Fuso. Because these quality problems originated before our involvement in Fuso, we were successful in exercising our claim against the former majority shareholder, Mitsubishi Motors, with regard to this issue. In the end, we reached a very satisfactory agreement, which included compensatory payments and the transfer of an additional 20 percent of Fuso shares to DaimlerChrysler — without any payment on our part.

We now own 85 percent of Fuso stock, which puts us in an excellent position on the important Asian commercial vehicle market. We can therefore now direct our full attention toward the future and are already working hard to once again become the leading supplier of commercial vehicles in the Japanese market.

The financial services division had a very good year and achieved its highest-ever operating result. In spite of the charges associated with Toll Collect, DaimlerChrysler Services posted an operating profit of 1.25 billion euros, thereby matching the previous year's high level. Without this extra charge, its operating profit would have been considerably higher.

Ladies and gentlemen,  
at last year's Shareholders Meeting, some of you asked justifiable questions about Toll Collect. Let me briefly review what has happened in the meantime: The highway toll collection system went into operation on January 1 of this year. By the end of March, a total of 4.5 billion toll kilometers had been registered without any problems. As a result, Germany now has the world's most modern toll collection system.

DaimlerChrysler Services' main function is to support the sale of our automotive brands. At present, the financial services division finances more than 40 percent of the vehicles we sell worldwide. Our portfolio, which reached a volume of more than 100 billion euros in 2004, is based on more than 6.6 million contracts. What's more, customers who finance their vehicles through DaimlerChrysler Services are more likely to purchase another of our new vehicles later on than those who pay cash. They also equip their vehicles with a greater number of valuable optional features. This is why we will continue to offer tailor-made financing solutions to our customers in the world's key markets.

Ladies and gentlemen,

now that the run-up to production of the Airbus A380 has begun, today's meeting presents an ideal opportunity to update you on our involvement in the aerospace industry.

- EADS is well positioned in the market.
- Airbus is the market leader in terms of incoming orders, deliveries and profitability.
- And its contribution to DaimlerChrysler's profits is significantly higher than in 2003.

Who would have predicted such a development back in the early 1990s, when Dasa was in trouble? The program we employed to bring about the turnaround at Dasa was called "Dolores," or "Dollar Low Rescue." Back then, we also faced and overcame the challenges associated with an unfavorable dollar exchange rate.

Afterward, we promoted the formation of a European aerospace alliance. Without us, neither EADS nor the A380 would exist today. If we sum up the results of all our business activities in the aerospace sector it's clear that we have not only covered our capital costs but also created value added worth more than a billion for our shareholders. In my opinion, this is another example of why it pays to stay the course in pursuit of a long-term goal rather than abandon a good strategy for the sake of short-term gain.

Ladies and gentlemen, the year 2004 demonstrated that DaimlerChrysler's business concept — its strategy — is working, despite the difficult competitive environment in which we find ourselves. At the Group level, we can not only compensate for the different economic cycles faced by our divisions and for varying regional developments, but also achieve overall growth in earnings. This ability to offset difficulties in specific areas is one of DaimlerChrysler's major strengths.

It also demonstrates that it was right to merge Daimler-Benz and Chrysler Corporation. And here, I'm not only referring to the Chrysler Group's significant positive contribution to earnings and cash flow. The key point is that we're stronger together because our strengths complement one another. For example, Mercedes-Benz' innovative capability and engineering excellence perfectly augment Chrysler's creativity and efficiency.

And our partnership has also given rise to a new strength: By exploiting economies of scale in our procurement activities we have been able to save billions. In addition, we are saving time. After all, every solution achieved at Chrysler or Mercedes-Benz automatically benefits the other brand. As a result, the Chrysler Group has been able to introduce improved products more rapidly in the market. The best-selling Chrysler 300 and models derived from it are good examples of what I mean here. Of course, the successes I've mentioned would not have been possible without a cultural transformation throughout our company. And that's something you can't accomplish overnight. We needed time to get things moving smoothly, but we eventually found the right approach. And we will continue to implement it in the future as well.

- We will focus even more strongly on those innovations that offer clear utility for our customers.
- We will invest our resources even more efficiently.

- We will further reduce the complexity of our business system.
- And we will continue to standardize our processes.

After all, a company that achieves these objectives will be able to improve its cost basis and simultaneously enhance the quality of its products. In other words, a company that meets these targets will achieve operational excellence. This is our goal. This is what we'll be focusing on in the years ahead.

More specifically:

- We will reduce the number of vehicle architectures in the coming years by approximately 25 percent.
- During this period, we will significantly increase the number of variants in each brand that are based on a common architecture.

Such variety will ensure that our brands and vehicles retain their uniqueness. Moreover, this approach will substantially reduce development and materials costs. In other words, an attractive model policy and economies of scale go hand in hand at DaimlerChrysler.

The purpose of operational excellence is to increase our profitability. Viewed on the basis of our updated target for minimum required rate of return, all of our divisions made a positive contribution to value added last year. There was particular improvement in this regard at the Chrysler Group, the Commercial Vehicles division, and the financial services division.

We have defined clear return targets for all of our divisions, whereby each target is based on the performance of the respective business unit's strongest competitors. We're already the benchmark in some business units, such as vans. And although we are not the benchmark in others, we do have clear plans that will once again put us at the top of these segments as well. The "CORE" program for the Mercedes Car Group, for example, was designed with this objective in mind.

To sum up, we expect to generate value added for the Group in the short term. In other words, we aim to achieve a return on net assets — RONA — above the minimum required rate of return. Our medium-term goal is to achieve a RONA of approximately 10 percent.

So how will all of this affect our operating results over the next three years? Adjusted for the charges associated with smart, DaimlerChrysler expects a slightly higher operating profit for the full-year 2005, despite a weaker first and second quarter. Significant earnings improvements are to be expected as of the year 2006 and 2007, when the "CORE" program and the product offensive at the Mercedes Car Group takes full effect and additional new models from the Chrysler Group become available on the market. A fundamental condition for the targeted increase in earnings is a generally stable economic and political situation and the moderate upturn in worldwide demand for automobiles that is expected for the years 2005 through 2007. Challenges may of course arise, however, from the continuation of the weak U.S. dollar and high raw-material prices.

Ladies and gentlemen,

- we have the necessary experience,
- we have motivated and skilled employees,
- and we have the resources we need to lead your company into a successful future.

Of course, the path we take must benefit you, our shareholders. I will therefore state once again that we have an entrepreneurial responsibility to increase returns to a level that is significantly higher than our capital costs. This is our top priority.

It is also our responsibility to ensure that corporate governance as practiced by the Board of Management and the Supervisory Board meets the highest standards. The internationally renowned corporate governance rating agency "Institutional Shareholder Services" — or ISS — ranks us third among DAX 30 companies. And according to the Financial Times, we have the best corporate governance in Europe.

Our view of entrepreneurial responsibility goes even further, however. After all, we are aware that to be successful we need to be able to operate in an environment that will remain stable and intact over the long term. Business activities and social responsibility are therefore two sides of the same coin at DaimlerChrysler. Let me briefly mention a few examples of what I mean.

Utilizing the experience we gained from the Poema project in Brazil's rain forest, we have developed a global sustainability network that addresses both economic and environmental interests. By doing so we have created a number of skilled jobs at the local level:

- In Brazil, we're using coconut fiber to make seat cushions.
- In India, we are developing a process for producing biodiesel fuel from the jatropha plant.
- In the Phillipines, the Abaca project is providing us with natural fibers for components in our A and B-Class vehicles.
- In Freiberg, Germany, we are working to develop synthetic fuels from biomass.

We also demonstrated very clearly what it means to take on global responsibility in the aftermath of the tragic tsunami disaster in Asia. We were there to help when it was needed — with vehicles and a high level of financial assistance. We're currently involved in reconstruction efforts in the region.

We're also providing assistance in other areas of the world:

- For example, by building vocational training centers in Afghanistan and the Middle East, we are giving young people in these crisis-ridden regions hope for the future.
- And we are systematically expanding our battle against HIV/AIDS to include all of our business locations worldwide.

Naturally, there are many other concrete examples of our company's commitment in this area. For example, we're conducting extensive research into all types of pioneering, environmentally friendly drive technologies. We are continuing to optimize conventional combustion engines because we believe they still possess great potential when it comes to reducing fuel consumption and emissions.

As far as diesel engines are concerned, the treatment of exhaust gas is an important issue. With regard to the sometimes oversimplified discussion about particulate matter, I will limit myself to just a few remarks. This summer, Mercedes-Benz will become the world's first automotive brand to fit all of its diesel passenger cars with particulate filters as standard equipment. A total of 40 models, ranging from the A-

Class to the new S-Class, will be affected. Unlike the technologies used by our competitors, the particulate filter system developed by Mercedes-Benz is the first such system that operates without the need for additives. It has already been available in the C, E, and S-Class since the fall of 2003. Our unique system also distinguishes itself through its longevity and excellent performance under everyday conditions. What's more, it doesn't negatively affect the economic advantages associated with the diesel engine. In the meantime, more than 130,000 Mercedes-Benz passenger cars equipped with this innovative technology have been delivered to customers in Germany alone.

On the basis of our tremendous expertise in emissions treatment, we will also be offering a customer-oriented retrofit solution for passenger car diesel particulate filters starting in the fall of 2005. By the spring of 2006 at the latest, a diesel particulate filter system will be available for the smart forfour. In line with customers' wishes, smart is also doing everything in its power to further improve the environmental friendliness of its diesel engines. As early as fall 2005, we plan to be offering a refitting option for the vehicles that have already been sold to customers. The diesel variant for the successor of the smart fortwo will be equipped with a diesel particulate filter right from the very start. And a practical refitting option for the currently available smart fortwo will also be available starting in fall 2005.

Ladies and gentlemen,

As you can see, we're doing everything in our power to make further progress in this area. At the same time, we are developing innovative hybrid-drive concepts that combine combustion engines with electric motors. These activities are being conducted both independently and within the framework of strategic partnerships. We are also striving to make the fuel cell drive suitable for everyday use. In fact, we currently operate the world's largest fleet of fuel cell test vehicles.

Every day, thousands of DaimlerChrysler engineers are looking for new ways to make driving even safer. Down the years, Mercedes-Benz has established milestones in both active and passive safety by introducing systems such as the crumple zone, ABS and ESP. Now, with PRE-SAFE, we have combined active and passive safety into one system. In this way, we have taken an important step closer to realizing our "vision of accident-free driving."

These innovations ensure that we will remain competitive. And by remaining competitive, we are helping to safeguard Germany's position as a business location.

- We employ around 185,000 men and women in Germany.
- Orders from DaimlerChrysler are directly responsible for a further 450,000 jobs at our suppliers in Germany alone.
- 40 percent of all the trainees in the German automotive industry are learning their trades at DaimlerChrysler, and last year we provided all of our trainees with jobs at the company.
- This year we will once again enable more than 2,500 young people to launch their professional careers at DaimlerChrysler.

We are firmly committed to Germany as a business location. Why do we feel this way? Because we believe in the tremendous potential of this country and its people.

Through the package of measures we are implementing to safeguard the future of our German production plants, we are showing what can be achieved in Germany if all the parties involved take their responsibilities seriously.

- Only by dealing with one another fairly,
- only by providing convincing reasons for the changes we are forced to make,
- and only by offering solutions that are in the best interests of both sides

will we be able to break through the obstacles to progress and get the country moving again.

The German government has set the course with its Agenda 2010 program. The call for more flexibility and a stronger focus on innovation and renewal represent a step in the right direction. A start has been made. Now — and I'd like to emphasize this point — it is crucial that the government and the opposition parties agree to implement further reforms, despite the closeness of the next parliamentary election. As far as reform policy is concerned, any hesitation would have fatal consequences for Germany as a business location. After all, as the President of Germany recently stated in an impressive speech, further steps are necessary if we wish to retain our competitiveness.

Ladies and gentlemen,

the most recent forecasts regarding growth here in Germany this year are extremely disheartening. Urgent action is needed to improve the country's prospects. In particular, the government and the opposition — but also businesses and the trade unions — must intensify their cooperation even further. We need to put aside vested interests and face up to our shared responsibilities. In my opinion, there's simply no other way to achieve the turnaround.

Dear shareholders,

I have given you an overview of the development of your company during the past year. I have explained the challenges we're facing, but I've also pointed out our strengths. We're tackling these challenges with energy and commitment, and we're consistently building on our strengths:

- through the programs being implemented within our divisions and at the Group level,
- through our broadly based product offensives,
- through increased networking within the Group,
- and through the investment of around 38 billion euros over the next three years.

I have also listed the clear objectives we have set for ourselves. Let me take this opportunity to briefly mention them again:

- Leaving aside the one-time charges associated with smart, we expect a slightly higher operating profit in 2005.
- In the short term, we aim to generate value added for the Group.
- In the medium term, our target is to achieve a return on net assets of around 10 percent.

I and the entire Board of Management will do everything in our power to further improve your company's performance and prospects.

We hope we can count on your continued support as we move forward together into a successful future at DaimlerChrysler. Thank you.