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25.10.2005, 18:08

Ad hoc announcement §15 WpHG

Business Development

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Significant increase in DaimlerChrysler's third-quarter operating profit to
EUR1.8 billion (+38%)

- Group revenues up 9% to EUR38.2 billion
- Net income of EUR755 million (Q3 2004: EUR951 million)
- Earnings per share of EUR0.74 (Q3 2004: EUR0.94)
- Excluding charges related to realignment of the smart business model,
Group operating profit for full year still expected to increase slightly
compared with 2004 (EUR5.8 billion)

Stuttgart/Auburn Hills - DaimlerChrysler (stock-exchange abbreviation DCX)
recorded an operating profit of EUR1,838 million in the third quarter,
compared with EUR1,332 million in the same period of last year. All of the
automotive divisions contributed to this positive development.

The Group posted third-quarter net income of EUR755 million (Q3 2004: EUR951
million). The increase in operating profit was partially offset by higher
income-tax expenses and financial expenses. Last year's third quarter net
income was positively influenced by a tax-free income from the sale of the
interests in Hyundai Motor Company. Earnings per share amounted to EUR0.74,
compared with EUR0.94 in the third quarter of 2004.

Compared with last year's third quarter figures, DaimlerChrysler increased its
worldwide unit sales by 9% to 1.2 million vehicles.

As a result of the higher unit sales, DaimlerChrysler's third-quarter
revenues increased by 9% to EUR38.2 billion.

Details of the divisions in the third quarter of 2005

The Mercedes Car Group's third-quarter unit sales of 310,900 vehicles were 6%
higher than in 2004. Revenues reached EUR12.5 billion (+3%).
Operating profit surpassed the prior-year level at EUR436 million (Q3 2004:
EUR304 million), continuing its positive earnings trend. The better
profitability was due in particular to the new products and the efficiency-
improving measures.

The positive effects on earnings from increased unit sales were partially
offset by the unfavorable model mix due to the S-Class model changeover.

The Chrysler Group's worldwide third-quarter retail sales increased by 13% to 736,200 vehicles. Global unit sales (factory shipments) were 12% above the prior-year quarter, totaling 663,400 vehicles.

Revenues rose by 12% to EUR12.9 billion; when measured in US dollars the increase was also 12%.

As a result of increased shipments, the Chrysler Group continued its positive earnings development by posting an operating profit of EUR310 million in a difficult market environment (Q3 2004: EUR217 million). The positive effects were partially offset by a slight negative net pricing.

The Commercial Vehicles Division once again increased unit sales in the third quarter with sales of 210,400 vehicles surpassing the high level of Q3 2004 by 9%. Revenues also continued their rise to EUR10.6 billion (+15%).

The division continued the positive trend of this year and increased its third-quarter operating profit from EUR159 million to EUR498 million. The result for Q3 2004 was impacted by expenses related to the quality measures and recall campaigns at Mitsubishi Fuso Truck and Bus Corporation (MFTBC).

The Financial Services division posted an operating profit of EUR408 million, compared with EUR412 million in the prior-year quarter. The stable earnings situation in the third quarter was primarily due to the continuing positive development of risk costs partially offset by a higher level of interest rates, especially in the United States, and lower charges from the involvement in Toll Collect (EUR15 million; Q3 2004: EUR119 million).

Other Activities achieved a third-quarter operating profit of EUR242 million, compared with EUR258 million in 2004.

Outlook for full-year 2005

Earnings in full-year 2005 will be impacted above all by the less favorable dollar-euro exchange rate and hedging rates than in the prior year, as well as by increases in raw-material prices. An additional factor is that over the next twelve months, DaimlerChrysler expects to incur costs of EUR950 million in connection with workforce adjustments at the Mercedes Car Group. Most of this expense is expected to be recorded in the fourth quarter of 2005.

DaimlerChrysler assumes that the expenditure for headcount reductions will be offset by income from special items and improvements in the ongoing business. Therefore, the earnings guidance for full-year 2005 remains unchanged: The Group continues to expect a slight increase in operating profit compared with the prior year (EUR5.8 billion), excluding charges related to the realignment of the smart business model.

DaimlerChrysler AG
Epplestr. 225
70546 Stuttgart
Deutschland