

[Form 10]

(Translation)

SEMI-ANNUAL REPORT

Fiscal Year (2009)

From: January 1, 2009

To: June 30, 2009

* This document is a hard copy of the electronic data of the Semi-Annual Report that was filed on September 28, 2009 through the EDINET system as provided by Article 27-30-2 of the Financial Instruments and Exchange Act of Japan with the table of contents and the page count appended thereto.

DAIMLER AG

(E05854)

(The Japanese original of the Semi-Annual Report was filed electronically through the EDINET system. This English translation has been prepared solely for reference purposes and does not have any binding force.)

(Translation)

[Cover Page]

Document Name:	Semi-Annual Report
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Date of Filing:	September 28, 2009
Interim Fiscal Year:	From January 1, 2009 to June 30, 2009
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Notes:

- (1) Unless otherwise specified, in this report, “we,” “us,” “our,” “Daimler,” the “Daimler Group” or the “Group” refers to Daimler AG and its consolidated subsidiaries, or any one or more of them, as the context may require. “Germany” means the Federal Republic of Germany.
- (2) In this Semi-Annual Report, unless otherwise noted, “Euro” refers to Euro. For the convenience of the Japanese reader, conversion into Japanese Yen has been made at the exchange rate of Euro 1.00 = ¥ 132.65 (the means of the Telegraphic Transfer Spot Selling and Buying Exchange Rates of The Bank of Tokyo-Mitsubishi UFJ, Ltd. on August 31, 2009).
- (3) Where figures in tables in this Semi-Annual Report have been rounded, the totals may not necessarily agree with the sum of the figures.
- (4) Unless otherwise indicated, “shares” in this document refer to ordinary registered shares of the Company.
- (5) This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including a lack of improvement or a further deterioration of global economic conditions; a continuation or worsening of the turmoil in the credit and financial markets, which could result in ongoing high borrowing costs or limit our funding flexibility; changes in currency exchange rates and interest rates; the introduction of competing, fuel efficient products and the possible lack of acceptance of our products or services which may limit our ability to adequately utilize our production capacities or raise prices; price increases in fuel, raw materials, and precious metals; disruption of production due to shortages of materials, labor strikes, or supplier insolvencies; a further decline in resale prices of used vehicles; the effective implementation of cost reduction and efficiency optimization programs at all of our segments, including the repositioning of our truck activities in the NAFTA region and in Asia; the business outlook of companies in which we hold an equity interest, most notably the European Aeronautic Defence and Space Company EADS N.V. (EADS); changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending governmental investigations and the outcome of pending or threatened future legal proceedings; and other risks and uncertainties, some of which we describe in section III. Description of Business under “4. Risk Factors” in the Securities Report filed on June 3, 2009 and under the headings “Risk Factors” and “Legal Proceedings” in Daimler’s most recent Annual Report on Form 20-F filed with the Securities and Exchange Commission. If any of these risks and uncertainties materialize, or if the assumptions underlying any of our forward-looking statements prove incorrect, then our actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made.

[* In this translation the Euro amounts converted into Japanese Yen are omitted.]

PART 1. INFORMATION CONCERNING THE COMPANY

I. Outline of Legal and other Systems in the Home Country

There has been no material change during the six-month period ended June 30, 2009 as well as since the filing of the Securities Report on June 3, 2009 other than those already outlined in the amendment to such report filed on June 10, 2009 with regard to German Foreign Trade Act Amendment and the following:

1. Several German laws, including German Stock Corporation Act have been amended by the Act to Modernize Accounting Law (Bilanzrechtsmodernisierungsgesetz – ‘BilMoG’). Alongside with a multitude of other regulation, especially aiming at the approximation of German accounting law to International Financial Reporting Standards (IFRS), BilMoG i. a. establishes the requirement of independence and financial expertise united in at least one member of the supervisory board of a German stock corporation. Furthermore, it explicitly stipulates that the supervisory board shall supervise the accounting process, effectiveness of internal control systems, risk management systems and internal audit systems as well as external audit, especially independence of external auditors. Before BilMoG came into effect, some of the new legal requirements for supervisory boards had already been stipulated in the German Corporate Governance Code, legally not binding but under the regime of “comply or disclose” (see “Part I. Company Information - I. Outline of the Legal and other Systems of the Company's Country of Incorporation - 1. Outline of the Corporate System, etc. - (2) The Corporate System as Provided for in the Articles of Incorporation of the Company - (1) German Corporate Governance Code Declaration” and “Part I. Company Information - V. Description of the Company - 5. Description of Corporate Governance, etc. - (1) Description of Corporate Governance” of the Securities Report filed on June 3, 2009). BilMoG also introduced the obligation to give reason for non-compliance with a recommendation of the Corporate Governance Code.
2. German Corporate Governance Code as amended on June 18, 2009 that came into effect on August 5, 2009 recommends that a member of the supervisory board of a listed company should not serve in more than three other companies outside the respective group. Non-Compliance is possible but must be disclosed and explained.
3. Moreover, German Stock Corporation Act as amended was further amended by the Act for Transformation of the European Directive 2007/36/EC on the Exercise of Certain Rights of Shareholders in Listed Companies (Gesetz zur Umsetzung der Aktionärsrechterichtlinie – ‘ARUG’) which came into effect on August 5, 2009. ARUG, i. a., provides for changes with regard for invitation to and execution of the shareholders meeting:
E. g., publication of the notice of the shareholders’ meeting shall be made available throughout the European Union. Such notice must provide information on various shareholders’ rights like the right to amend the agenda (under certain conditions) and the right to request information on the companies’ affairs in the shareholders’ meeting. Additionally, ARUG now explicitly states that the notice of the shareholders’ meeting and all documents to be submitted to such meeting are to be made available on the companies’ homepage. If in such a way made and remaining available until the day of the shareholders’ meeting, the company is no more obliged to provide certain documents like enterprise contracts that are subject to the shareholders’ meetings’ approval in its offices for inspection of or to provide copies for shareholders.

Furthermore, proxy to execute voting rights in the shareholders' meeting shall now only require "text form" which includes e-mail – unless the articles of association of a company provide for even lower formal requirements.

Subject to ARUG coming into effect, the shareholders' meeting of Daimler AG held on April 8, 2009, resolved to amend the Articles of Association, extending the term to notify the company of the shareholders' intention to attend the shareholders' meeting from three days to four calendar days. Such amendment of the Articles of Association will come into effect with its registration in the Commercial Register which has not yet occurred.

4. Finally, the Act on the Adequacy of Remuneration for Members of Board of Management (Gesetz zur Angemessenheit der Vorstandsvergütung – 'VorstAG'), that came into effect on August 5, 2009, i. a. requires alignment of remuneration with long-term incentives as well as compulsory deductibles for members of board of management in D & O insurance in the amount of at least 10% of the damages caused, up to 150% of a fixed salary p. a. VorstAG also implements a cooling-off period for supervisory board members: for a period of two years, a former member of the board of management cannot be elected to the supervisory board of the same listed company unless based on the proposal of shareholders holding more than 25% of the voting rights.

II. Outline of the Company

1. Changes in Major Business Indices, etc.

The following table sets out the development of key figures of the Daimler Group. A detailed analysis of the business results is provided under “7. Analysis of Financial Condition, Results of Operations and Cash Flow Status” in section “III. Conditions of Business”.

Daimler Group (amounts in millions of €)	1 st half ended June 30, (unaudited)			Year ended Dec. 31, (audited)	
	2009	2008	2007	2008	2007
Revenue ¹	38,291	50,003	47,214	95,873	99,399
Western Europe ¹	18,100	24,283	23,240	45,916	49,289
of which Germany ¹	9,257	11,271	10,419	21,817	22,582
United States ¹	8,329	9,870	9,929	17,922	20,270
Other markets ¹	11,862	15,850	14,045	32,035	29,840
Employees (at period-end)	257,427	274,999	271,486	273,216	272,382
Investment in property, plant and equipment	1,242	1,536	1,544	3,559	2,927
Research and development expenditure	2,276	2,185	1,805	4,442	4,148
thereof: capitalized development costs	689	572	332	1,387	990
EBIT	(2,431)	4,029	5,426	2,730	8,710
Net profit (loss)	(2,348)	2,727	3,821	1,414	3,985
Earnings (loss) per share (in €)					
Basic	(2.37)	2.70	3.64	1.41	3.83
Diluted	(2.37)	2.69	3.60	1.40	3.80
Net profit (loss) from continuing operations	(2,348)	2,747	4,158	1,704	4,855
Earnings (loss) per share (in €)					
Basic	(2.37)	2.72	3.97	1.71	4.67
Diluted	(2.37)	2.71	3.92	1.70	4.63
Cash provided by operating activities ^{1,2}	6,426	1,352	7,576	3,205	13,088
Cash provided by (used for) investing activities ^{1,2}	(5,689)	(2,025)	(1,232)	(8,803)	20,537
Cash provided by (used for) financing activities ²	6,409	(8,802)	(7,004)	(2,915)	(25,204)
Cash and cash equivalents ²					
At beginning of period	6,912	15,631	8,409	15,631	8,409
At end of period	13,928	5,591	7,674	6,912	15,631

1) Figures for 1st half ended June 30, 2008 adjusted in accordance with changes in accounting policies.

2) Figures for 2007 including discontinued operations (Chrysler and the related financial services business).

Daimler Group	As of June 30,			As of December 31,	
	<small>(unaudited)</small>			<small>(audited)</small>	
<small>(amounts in millions of €)</small>	2009	2008	2007	2008	2007
Equity attributable to shareholders of Daimler AG ¹	30,092	34,031	39,772	31,216	36,718
Minority interest ¹	1,320	1,541	1,514	1,508	1,512
Total equity ¹	31,412	35,572	41,286	32,724	38,230
Total assets ¹	134,992	128,903	215,745	132,219	135,094

1) Figures as of June 30, 2007 including discontinued operations.

2. Contents of Business (to and as of the end of August 2009)

Daimler AG is the ultimate parent company of the Daimler Group. The Group develops, manufactures, distributes and sells a wide range of automotive products, mainly passenger cars, trucks, vans and buses. It also provides financial and other services relating to its automotive businesses.

The Group reports the following five segments:

- Mercedes-Benz Cars
- Daimler Trucks
- Mercedes-Benz Vans
- Daimler Buses
- Daimler Financial Services

At the beginning of 2009, the Group adjusted the presentation of its segment reporting. The business activities of Mercedes-Benz Vans and Daimler Buses, which were previously reported as part of Vans, Buses, Other, are presented separately. The other business activities of the Group which previously also formed part of Vans, Buses, Other and which primarily include the equity method investment in EADS are included in the column “Reconciliation” together with corporate items and eliminations of intersegment transactions. Prior-year figures have been adjusted accordingly.

EADS. As of June 30, 2009, the European Aeronautic Defence and Space Company EADS N.V. (EADS) was the most significant investee accounted for using the equity method. The Group principally includes its proportionate share in the income (loss) of EADS with a time lag of three months and reports the results in the reconciliation of total segments’ EBIT to Group EBIT in the segment reporting.

Daimler’s proportionate share in the income of EADS for the six-month period ended June 30, 2009 was €8 million (2008: €54 million) including investor-level adjustments. The carrying amount of the Group’s investment in EADS at June 30, 2009 was €2,555 million (December 31, 2008: €2,886 million).

Chrysler. The Group’s proportionate share in the results of Chrysler Holding LLC (Chrysler Holding) as well as other Chrysler-related gains and losses are included in the reconciliation of total segments’ EBIT to Group EBIT in the segment reporting. For further details, please refer to “3. State of the Related Companies” in this section.

3. State of the Related Companies

Based on a binding term sheet signed in April 2009, Daimler and Cerberus Capital Management (Cerberus) entered into a redemption agreement in June 2009. As a result, Daimler no longer has any equity interest in Chrysler Holding or its subsidiaries and all Daimler representatives resigned from the boards of Chrysler Holding and its subsidiaries.

The binding term sheet also provided for a settlement agreement covering issues relating to Chrysler in which Daimler, the US Pension Benefit Guaranty Corporation (PBGC), Chrysler LLC (Chrysler) and Cerberus entered into in June 2009. Among other matters, Chrysler and Cerberus waived all claims that might arise from the representations and warranties made in the contribution agreement dated August 3, 2007, including claims by Cerberus that Daimler allegedly improperly managed certain issues in the period between the signing of the contribution agreement and the conclusion of the transaction, as well as certain other claims against Daimler.

In addition, in June 2009, Daimler has paid US \$200 million into Chrysler's pension plans and will make further payments of US \$200 million in each of the next two years. The 2007 Daimler pension guarantee of US \$1 billion vis-à-vis the PBGC has been replaced by a new guarantee in an amount of US \$200 million that will remain in place until August 2012.

Moreover, the settlement agreement provides for the forgiveness of Daimler's receivables in connection with a subordinated loan and a credit line which was drawn in 2008. The nominal amounts of these receivables, which were fully impaired at December 31, 2008, were US \$0.4 billion and US \$1.5 billion. However, the forgiveness of the US \$1.5 billion second lien loan by Daimler is subject to the condition that certain unsecured creditors of Chrysler, represented by a committee under US bankruptcy law, will not bring litigation against Daimler in the course of the current Chrysler bankruptcy proceedings.

On August 17, 2009, the Official Committee of Unsecured Chrysler Creditors has filed a lawsuit against Daimler AG alleging that some transactions in preparation of the Sale of Shares in Chrysler happened without fair consideration. Daimler AG considers this lawsuit to be without merit and will consequently defend itself against such allegations.

The effect on EBIT from the contractual agreements described above for the six months ended June 30, 2009 was minus €378 million in total and is included in the reconciliation of total segments' EBIT to Group EBIT.

In connection with the legal transfer of Chrysler's international sales activities to Chrysler in the first quarter 2009 and due to the valuation of Chrysler-related assets the Group recorded a total gain before income taxes of €31 million for the six-month period ended June 30, 2009. This gain is included in the reconciliation of total segments' EBIT to Group EBIT in the segment reporting.

As of December 31, 2008, the carrying amount of the Group's equity interest in Chrysler Holding and the carrying amounts of the subordinated loans granted to Chrysler were reduced to zero. As a result, until the redemption of the remaining interest in Chrysler Holding on June 3, 2009, the equity-method accounting of the Group's 19.9% equity interest in Chrysler Holding did not result in a further impact on Daimler's EBIT.

4. Employees (as of June 30, 2009)

At the end of the first half of 2009, Daimler employed 257,427 people worldwide (end of H1 2008: 274,999). Of this total, 162,818 were employed in Germany (end of H1 2008: 168,342).

The table below provides the number of employees by segments as of June 30, 2009:

Number of Employees	As of June 30,	
	2009	2008
Mercedes-Benz Cars	93,873	98,011
Daimler Trucks	70,438	80,839
Mercedes-Benz Vans	15,773	17,840
Daimler Buses	17,424	17,573
Daimler Financial Services	6,839	7,214
Other ¹	53,080	53,522
Daimler Group	257,427	274,999

1) Includes the Group's corporate functions and sales & marketing organization.

III. Conditions of Business

1. Outline of Business Results, etc.

The following table provides an overview of the profit and loss account for the first half of 2009:

Unaudited Consolidated Statement of Income (Loss) (In millions of € except per share amounts)	1st half ended June 30,	
	2009	2008
Revenue	38,291	50,003
Cost of sales	(32,895)	(37,993)
Gross profit	5,396	12,010
Selling expenses	(3,772)	(4,271)
General administrative expenses	(1,720)	(1,866)
Research and non-capitalized development costs	(1,587)	(1,613)
Other operating income, net	113	643
Share of profit (loss) from investments accounted for using the equity method, net	88	(530)
Other financial expense, net	(949)	(344)
Earnings before interest and taxes (EBIT)¹	(2,431)	4,029
Interest income (expense), net	(412)	57
Profit (loss) before income taxes	(2,843)	4,086
Income tax benefit (expense)	495	(1,339)
Net profit (loss) from continuing operations	(2,348)	2,747
Net loss from discontinued operations	—	(20)
Net profit (loss)	(2,348)	2,727
Minority interest	15	(83)
Profit (loss) attributable to shareholders of Daimler AG	(2,333)	2,644

Earnings (loss) per share (in €) for profit (loss) attributable to shareholders of Daimler AG

Basic

Net profit (loss) from continuing operations	(2.37)	2.72
Net loss from discontinued operations	—	(0.02)
Net profit (loss)	(2.37)	2.70

Diluted

Net profit (loss) from continuing operations	(2.37)	2.71
Net profit from discontinued operations	—	(0.02)
Net profit (loss)	(2.37)	2.69

1) EBIT includes expenses from the compounding of provisions (2009: €638 million; 2008: €14 million).

The accompanying notes are an integral part of these Unaudited Interim Consolidated Financial Statements. A detailed analysis of the business results is provided under “7. Analysis of Financial Condition, Results of Operations and Cash Flow Status” in this section.

2. Conditions of Production, Order and Sales

The following tables show the unit sales by regions and the total number of production for Mercedes-Benz Cars, Daimler Trucks, Mercedes-Benz Vans and Daimler Buses.

Mercedes-Benz Cars

Unit sales	1 st half 2009	1 st half 2008	% change
Western Europe	305,019	388,751	-22
Germany	147,558	168,788	-13
United States	94,641	135,560	-30
China	26,061	23,627	+10
Other markets	92,715	124,323	-25
Total unit sales	518,436	672,261	-23
Production	451,996	718,794	-37

Daimler Trucks

Unit sales	1 st half 2009	1 st half 2008	% change
Western Europe	21,478	40,341	-47
Germany	11,784	16,844	-30
United States	24,560	41,179	-40
Latin America (excl. Mexico)	15,715	29,912	-47
Asia	38,790	73,327	-47
Other markets	18,996	45,778	-59
Total unit sales	119,539	230,537	-48
Production	104,349	236,471	-56

Mercedes-Benz Vans

Unit sales	1 st half 2009	1 st half 2008	% change
Western Europe	54,789	103,905	-47
Germany	25,558	35,229	-27
United States	288	11,798	-98
Latin America (excl. Mexico)	3,947	6,058	-35
Asia	2,249	4,008	-44
Other markets	9,432	21,486	-56
Total unit sales	70,705	147,255	-52
Production	65,319	161,691	-60

Daimler Buses

Unit sales	1 st half 2009	1 st half 2008	% change
Western Europe	2,788	3,076	-9
Germany	1,044	1,094	-5
NAFTA	2,113	3,072	-31
Latin America (excl. Mexico)	7,525	11,295	-33
Other markets	2,686	2,800	-4
Total unit sales	15,112	20,243	-25
Production	15,465	21,808	-29

Unit sales and revenue will be discussed in detail under “7. Analysis of Financial Condition, Results of Operations and Cash Flow Status” in this section.

3. Problems which must be Resolved

The material contracts, agreements, business developments and competition are described under:

- “2. Contents of Business” in section “II. Outline of the Company”,
- “6. Research and Development” in section “III. Conditions of Business”,
- “7. Analysis of Financial Condition, Results of Operations and Cash Flow Status” in section “III. Conditions of Business”,
- “2. Plans for Installation and Removal of Facilities, etc.” in section “IV. Conditions of Facilities”,
- and Note 2 and Note 4 to the Unaudited Interim Condensed Consolidated Financial Statements included in this document.

Furthermore, the automotive industry is subject to extensive government regulation. Laws in various countries regulate the emission levels, fuel economy, noise, and safety of vehicles, as well as the levels of pollutants generated by the plants that produce them. These regulations often impose differing standards and substantial testing and certification requirements. The cost of complying with these varying regulations can be significant, and we expect to incur significant compliance costs in the future. We recognize, however, that leadership in environmental protection and safety is an increasingly important competitive factor in the marketplace.

4. Risk Factors Relating to Business

For a full description of risk factors influencing the Group’s business development, please refer to section “III. Description of Business” subsection “4. Risk Factors” of the Securities Report filed on June 3, 2009. No material change occurred during the six-month period ended June 30, 2009. Also, please consider Note 5 of the Table of Contents of this document.

5. Material Contracts Relating to Business

a) Change of Control Clauses

For existing change of control clauses please refer to section “III. Description of Business” subsection “5. Material Contracts Relating to Business” of the Securities Report filed on June 3, 2009.

During the six-month period ended June 30, 2009, the following material change has occurred:

Effective May 21, 2009, the joint venture with Ford Motor Company for the development of fuel-cell systems has been terminated after Ford Motor Company has sold its 50% share to Daimler AG. Therefore, the respective agreement between Daimler and Ford Motor Company has been deleted from the list of change of control clauses.

b) Material Contracts

Based on a binding term sheet signed in April 2009, Daimler and Cerberus entered into a redemption agreement in June 2009. Details of this agreements are described in section “II. Outline of the Company”, subsection “3. State of the Related Companies“.

For additional information about material acquisitions and dispositions during the first half of 2009, please refer to Note 2 and Note 4 to the Unaudited Interim Condensed Consolidated Financial Statements.

6. Research and Development

In the first half of 2009, Daimler spent a total of €2.3 billion on research and development (H1 2008: €2.2 billion). Total research and development expenditure reached 5.9% of the Group’s total revenue. 30% of the research and development expenditure have been capitalized.

The table below shows research and development expenditure during the first six months of 2009 and 2008:

Research and development expenditure (€in millions)	1 st half ended June 30,	
	2009	2008
Research and development expenditure	2,276	2,185
thereof: Capitalized development costs	689	572

Strategic Approach and Organization

To be competitive in our principal markets and to secure technological leadership, it is essential for us to develop innovative products and technologies and to further shorten lead times in research and development. Innovation is an important element of our overall corporate strategy, and our corporate research and advanced engineering function plays a significant role in meeting this strategic goal together with our operating businesses. In particular, key challenges for sustainable mobility will be the further reduction of both, conventional fossil fuel-based fuel consumption and exhaust emissions, especially carbon dioxide. We follow a three-step strategy to meet these

challenges: first, further improvement of our vehicles with conventional combustion engine technology; second, realization of an efficiency gain through hybridization; and third, commercial development of fuel cell propulsion and electric drive vehicles. It is a cornerstone of our corporate strategy to have a leading position in the area of alternative propulsion technologies.

In addition to the corporate function for research and advanced engineering, we have development functions in each of our automotive businesses that are responsible for developing production-ready vehicles.

Our corporate function for research and advanced engineering

- approaches research and development systematically and comprehensively, and formulates a technological strategy for our Group as a whole in close cooperation with our operating divisions;
- performs research and advanced engineering tasks that cross divisional boundaries or require long lead times;
- assists the product development teams of our operating units in applying new technologies in the design, development and testing of new products and production processes;
- works as a centralized forum for the exchange of new ideas and a think tank for the development of new technologies, materials and concepts; and
- performs internal R&D reviews to ensure the strategic alignment, quality, efficiency, and effectiveness of our programs.

This function is closely integrated with the development function of Mercedes-Benz Cars.

On the corporate level, we conduct our research and advanced engineering work in twelve strategic fields which are assigned to three primary technical areas:

- *Sustainable Mobility*: Combustion engines and powertrain; alternative energy and propulsion systems; electric drive systems and high voltage batteries; powertrain electrics/electronics and controls; reliability and diagnosis.
- *Accident Free Driving*: Assistance systems and chassis; cabin electrics/electronics; software technology.
- *Individualized Vehicles*: Vehicle concepts; human/machine interaction; materials and manufacturing technology; product creation and information technology; infotainment and telematics; interrelationship between society and technology to identify long-term trends.

Most of the facilities of our centralized research and advanced engineering function are located in Germany, but we also maintain several research centers in North America and Asia. These include a research and technology center in Palo Alto, California, a research center for information and communication technology in Bangalore, India, and an R&D collaboration regarding hybrid powertrain systems with General Motors and BMW in Troy, Michigan. In addition, we participate in the international exchange of new ideas and concepts through collaborations and joint ventures with world renowned research institutes and exchange programs for scientists and employees.

A key area for Daimler's research and development activities in 2009 is the ongoing development of new, particularly fuel-efficient and environmentally friendly drive

technologies, in line with our roadmap for sustainable mobility. In order to further reduce CO₂ emissions and to be able to supply vehicles that fulfill future needs, we are occupied both with the optimization of conventional drive technologies and the reduction of vehicle weight, as well as with alternative drive systems such as fuel cells and electric vehicles. Another focus is on new safety technologies: In the context of our vision of accident-free driving, we are pursuing the goal of avoiding accidents as far as possible and of ameliorating the consequences of any accidents that might still occur.

7. Analysis of Financial Condition, Results of Operations and Cash Flow Status

The Group is conducting its business activities through the following segments: Mercedes-Benz Cars (b); Daimler Trucks (c); Mercedes-Benz Vans (d), Daimler Buses (e), and Daimler Financial Services (f). The table below sets forth revenue and earnings before interest and taxes (EBIT) for each segment:

(amounts in millions of €)	1 st half ended June 30,			
	2009		2008	
	Revenue	EBIT	Revenue	EBIT
Mercedes-Benz Cars	19,635	(1,463)	25,418	2,364
Daimler Trucks	9,135	(650)	13,712	1,011
Mercedes-Benz Vans	2,772	(101)	4,892	448
Daimler Buses	2,007	114	2,240	245
Daimler Financial Services	6,258	(88)	5,691	351
Reconciliation	(1,516)	(243)	(1,950)	(390)
Total	38,291	(2,431)	50,003	4,029

a) Daimler Group

Unit Sales and Revenue

In the first half of 2009, Daimler Group sold 723,800 cars and commercial vehicles. Due to the weakness of the automotive markets worldwide, this represents a 32% decline compared to the prior-year period.

Unit sales of the Mercedes-Benz Cars division decreased by 23% to 518,400 vehicles, with unit sales of the Mercedes-Benz brand declining by 24% and of smart by 12%. Daimler Trucks sold 119,500 vehicles, compared to 230,500 in the first half of last year. Mercedes-Benz Vans was also affected by the difficult market environment and achieved unit sales of 70,700 vehicles, 52% less than the record figure of last year. Unit sales of Daimler Buses fell by 25% to 15,100 buses and chassis. At the end of the first half of 2009, Daimler Financial Services' contract volume amounted to €60.3 billion, close to the level of a year earlier at €60.4 billion.

In the first half of 2009, Daimler's revenue declined by 23% to €38.3 billion. Adjusted for the effects of currency translation, revenue decrease amounted to 26%.

For the revenue by regions, please refer to the table in "II. Outline of the Company, 1. Changes in Major Business Indices, etc."

EBIT

For the first half of 2009, *Daimler* posted EBIT of minus €2,431 million (H1 2008: plus €4,029 million). The decline in earnings primarily reflects the sharp decrease in unit sales by Mercedes-Benz Cars, Daimler Trucks, Mercedes-Benz Vans and Daimler Buses in the first six months of this year. Charges related to the repositioning of parts of the business operations of the Daimler Trucks division (€62 million) and expenses related to Chrysler (€347 million) had a negative impact on earnings in the first half of the year.

In the first six months of last year, gains were realized on the sale of real estate at Potsdamer Platz (€449 million) and relating to the transfer of shares in EADS (€137 million); proportionate losses and impairment charges of together €64 million were recognized in connection with Chrysler.

For the first half of this year, *Mercedes-Benz Cars* posted EBIT of minus €1,463 million, which is significantly lower than the result of the prior-year period (H1 2008: plus €2,364 million). The main reasons for the decline in earnings are the drop in unit sales, ongoing price pressure and the unfavorable model mix. There were positive effects on earnings from the successful launch of the new E-Class models as well as from the business-optimization and measures for the adjustment of the personnel expenses, so the decline in earnings in the second quarter was significantly smaller than in the first quarter of 2009.

Daimler Trucks posted EBIT of minus €550 million for the first half of the year, which is significantly lower than in the prior-year period (H1 2008: plus €1,011 million). The earnings development was primarily the result of falling vehicle shipments. EBIT was also reduced by the measures initiated for the repositioning of the business operations of Mitsubishi Fuso Truck and Bus Corporation (charges of €204 million) and Daimler Trucks North America (charges of €58 million) as well as by currency effects. Positive effects on earnings resulted from the adjustments of the personnel expenses and other measures.

The *Mercedes-Benz Vans* division posted EBIT of minus €101 million for the first half of 2009 (H1 2008: plus €448 million). Despite the sharp drop in unit sales, the division succeeded in increasing its market share compared to the first half of last year. Efficiency improvements had a positive impact on earnings.

The *Daimler Buses* division achieved EBIT of €14 million for the first half of this year, which was lower than the very high earnings of the prior-year period (H1 2008: €245 million). The earnings trend was influenced by global economic developments. Demand weakened significantly compared to the prior-year period, especially in the South American markets. In the United States, unit sales increased compared to the prior-year period. In Europe, the city-bus business remained stable, while demand for coaches weakened. The negative impact from falling unit sales was partially offset by additional efficiency improvements.

Daimler Financial Services posted EBIT of minus €88 million for the first half of the year (H1 2008: plus €51 million). The worsened result was mainly caused by higher expenses for credit risks. The negative earnings development was also the result of lower interest-rate margins, the expansion of Mercedes-Benz Bank's direct banking business and losses on the sale of parts of the non-automotive leasing portfolio.

Items included in the *reconciliation* of the divisions' EBIT to Group EBIT and described below reduced EBIT for the first half of the year by €243 million (H1 2008:

€90 million).

Daimler's share of the first-half year earnings of EADS amounted to €8 million (H1 2008: €54 million). In the prior-year period, Group EBIT was also positively impacted by a gain of €137 million relating to the transfer of shares in EADS.

In the first six months of 2009, the agreements, regulating among other things the complete redemption of the Group's minority interest in Chrysler, and the valuation of Chrysler-related assets led to expenses totaling €347 million. In the prior-year period, Group EBIT was reduced by the proportionate share in the losses of Chrysler (€96 million) and the impairment of rights relating to residual values of Chrysler vehicles (€168 million). For further information on Chrysler, please refer to section "II. Outline of the Company", subsection "3. State of the Related Companies."

Group EBIT for the first half of 2008 also included a gain of €449 million realized on the sale of real estate at Potsdamer Platz.

Furthermore, the reconciliation to Group EBIT includes corporate expenses of €133 million (H1 2008: €150 million) and income of €139 million from the elimination of internal transactions (H1 2008: expense of €16 million).

The special items shown in the table below influenced EBIT in the first six months of the years 2009 and 2008:

Special items affecting EBIT (amounts in millions of €)	1st half ended June 30,	
	2009	2008
Daimler Trucks		
Realignment of Mitsubishi Fuso Truck and Bus Corporation	(204)	—
Repositioning of Daimler Trucks North America	(58)	—
Reconciliation		
Sale of real estate (Potsdamer Platz)	—	449
Transfer of shares in EADS	—	137
Equity-method result Chrysler	—	(696)
Other expenses related to Chrysler	(347)	(168)
New management model	—	(108)

Net Profit (Loss)

Unaudited Consolidated Statement of Income (amounts in millions of €)	1st half ended June 30,	
	2009	2008
Revenue	38,291	50,003
Cost of sales	(32,895)	(37,993)
Gross profit	5,396	12,010
Selling expenses	(3,772)	(4,271)
General administrative expenses	(1,720)	(1,866)
Research and non-capitalized development costs	(1,587)	(1,613)
Other operating income, net	113	643
Share of profit (loss) from investments accounted for using the equity method, net	88	(530)
Other financial expense, net	(949)	(344)
Earnings before interest and taxes (EBIT)¹	(2,431)	4,029
Interest income (expense), net	(412)	57
Profit (loss) before income taxes	(2,843)	4,086
Income tax benefit (expense)	495	(1,339)
Net profit (loss) from continuing operations	(2,348)	2,747
Net loss from discontinued operations	—	(20)
Net profit (loss)	(2,348)	2,727
Minority interest	15	(83)
Profit (loss) attributable to shareholders of Daimler AG	(2,333)	2,644

Net interest expense for the first half of 2009 amounted to €12 million (H1 2008: net interest income of €57 million). The decrease is primarily related to the falling net liquidity in the industrial business. The net interest result was also affected by the negative interest-rate margin from maintaining high levels of gross liquidity in the industrial business while financing liabilities also rose. Lower expected returns on pension-plan assets also contributed to this negative development.

The *income-tax benefit* of €495 million for the first half of 2009 is the result of the Group's pre-tax loss (H1 2008: income-tax expense of €1,339 million).

First-half *net loss from continuing operations* and the first-half *net loss* each amounted to €2,348 million (H1 2008: net profit from continuing operations of €2,747 million and net profit of €2,727 million), equivalent to a loss per share of €2.37 for both metrics (H1 2008: profit per share of €2.72 and €2.70, respectively).

¹ EBIT includes expenses from the compounding of provisions (H1 2009: €38 million, H1 2008: €14 million).

Cash Flow

The presentation of cash flows has been changed compared with the prior year due to an amendment to the IFRS. All cash flows related to leased vehicles and receivables from financial services are now allocated to cash provided by operating activities. The figures for the prior-year period have been adjusted accordingly (see also Note 1 to the Unaudited Interim Consolidated Financial Statements).

Cash provided by operating activities. Cash provided by operating activities increased significantly in the first six months of 2009 to €6.4 billion (H1 2008: €1.4 billion). The negative effects from the lower net profit were offset by the development of inventories: Inventories decreased in the first six months of this year due to the adjustment of car production to the current market situation, but increased in the prior-year period. There were additional positive effects from the lower level of new leasing and sales-financing business (caused by lower unit sales) and the sale of non-automotive portfolios in the financial services business. Furthermore, there were minor tax refunds in the first half of 2009, compared to tax payments in the prior-year period. The effects from lower trade receivables and trade payables (also due to lower unit sales) were nearly neutral compared with the prior-year period.

Cash flows from investing activities. Cash flows from investing activities in the first six months of 2009 resulted in a net cash outflow of €5.7 billion, compared with a net cash outflow of €2.0 billion in the first six months of last year. This development was almost solely the result of the purchase and sale of securities carried out in the context of liquidity management, which led to a net cash outflow of €3.8 billion. An additional factor was that investments in intangible assets resulted in a slightly higher cash outflow from capitalized development costs, while investments in property, plant and equipment were lower than in the prior-year period. Cash flows from investing activities in the prior-year period included inflows from the sale of real estate at Potsdamer Platz and from the sale of EADS shares in a total amount of €1.5 billion, as well as outflows for the granting of a loan to Chrysler (€1.0 billion) and for the acquisition of shares in Tognum (€0.6 billion).

Cash flows from financing activities. Cash flows from financing activities resulted in a net cash inflow of €6.4 billion in the reporting period, mainly related to higher financing activities, but also to increased customer deposits in the direct banking business at Mercedes-Benz Bank. Furthermore, the capital increase from the issue of new shares led to a cash inflow of €1.95 billion. There was an opposing effect from the payment of the dividend for the year 2008 (€0.6 billion). The net cash outflow of €3.8 billion in the prior-year period primarily reflected the repayment of financing liabilities, the payment of the dividend for the year 2007 (€2.0 billion) and the share buyback program (€3.0 billion).

Cash and cash equivalents with an original maturity of three months or less increased compared with December 31, 2008 by €7.0 billion, after taking into consideration the effects of currency translation. Total liquidity, which also includes deposits and marketable securities with an original maturity of more than three months, increased by €10.8 billion to €18.8 billion, mainly as a result of cash inflows from the financing business. The high level of liquidity will decrease again during 2009, primarily due to the repayment of financing liabilities as they fall due.

Free cash flow of the industrial business. The free cash flow of the industrial business, the parameter used by Daimler to measure the Group's financing capability, was positive despite the difficult economic situation, and increased slightly by €0.2 billion

to €0.3 billion.

The main reason for the increase of the free cash flow was the development of inventories combined with lower tax payments and investments in property, plant and equipment, which offset the negative effects from the divisions' earnings.

Free cash flow of the industrial business (amounts in millions of €)	1st half ended June 30,	
	2009	2008
Cash provided by operating activities	2,118	2,534
Cash provided by (used for) investing activities	(4,790)	(2,105)
Changes in cash (>3 months) and marketable securities included in liquidity	2,941	(309)
Free cash flow of the industrial business	269	120

Net liquidity of the industrial business. The net liquidity of the industrial business increased by €1.5 billion to €4.6 billion.

Net liquidity of the industrial business (amounts in millions of €)	June 30,	Dec. 31,
	2009	2008
Cash and cash equivalents	9,432	4,664
Marketable securities and long-term deposits	3,954	959
Gross liquidity	13,386	5,623
Financing liabilities	(10,339)	(4,448)
Market valuation and currency hedges for financing liabilities	1,525	1,931
Net liquidity	4,572	3,106

The increase in net liquidity was primarily caused by the capital increase from the issue of new shares (€1.95 billion) and the positive free cash flow. On the other hand, the net liquidity of the industrial business was reduced by the payment of the dividend for the year 2008.

Net debt at Group level, which is primarily related to the refinancing of the leasing and sales-financing business, decreased by €5.0 billion compared with December 31, 2008. In addition to the development in the industrial business, this was primarily due to the positive free cash flow in the financial services business, which was mainly caused by the lower new business resulting from lower vehicle sales. These effects were partially offset by currency translation effects.

Net debt of the Daimler Group (amounts in millions of €)	June 30,	Dec. 31,
	2009	2008
Cash and cash equivalents	13,928	6,912
Marketable securities and long-term deposits	4,888	1,091
Gross liquidity	18,816	8,003
Financing liabilities	(64,021)	(58,637)
Market valuation and currency hedges for financing liabilities	1,525	1,931
Net debt	(43,680)	(48,703)

Balance Sheet Structure

Compared with December 31, 2008, the balance sheet total increased by €2.8 billion to €35.0 billion. Adjusted for exchange-rate effects, there was an increase of €2.0 billion. The financial services business accounted for €7.7 billion of the balance sheet total (December 31, 2008: €7.7 billion), equivalent to 50% of the Daimler Group's total assets (December 31, 2008: 51%).

Intangible assets. Intangible assets increased to €6.3 billion (December 31, 2008: €6.0 billion). The increase was primarily related to capitalized development costs, caused by expenditures for the development of new models and drive components.

Property, plant and equipment. Property, plant and equipment amounted to €6.0 billion, the same level as at December 31, 2008. The main areas of investments were for the E- and S-Class vehicles at the Mercedes-Benz Cars division and new drive components at the Daimler Trucks division.

Equipment on operating leases and receivables from financial services. Equipment on operating leases and receivables from financial services decreased by €2.7 billion or 4% to €8.4 billion, equivalent to 43% of the balance sheet total (December 31, 2008: €1.1 billion and 46%). Adjusted for exchange-rate effects, the decrease amounted to €3.4 billion or 6%. The reduction is primarily due to a lower volume of new leasing and financing business caused by the development of unit sales. In addition, parts of the non-automotive leasing and financing portfolio were sold during the first six months of 2009 with a carrying amount of €0.6 billion.

Investments accounted for using the equity method. Investments accounted for using the equity method (€3.9 billion) mainly comprise the carrying amounts of our interests in EADS, Tognum and Kamaz. The deviation of minus €0.4 billion mainly relates to the interests in EADS.

Inventories. Inventories decreased by €3.2 billion (-19%) to €13.6 billion, accounting for 10% of the balance sheet total. The decrease is primarily attributable to both new and used vehicle inventories, reached by an active asset management in all automotive divisions.

Trade receivables. In line with the development of unit sales, trade receivables fell by 14% to €6.0 billion (December 31, 2008: €7.0 billion).

Other financial assets. Other financial assets (€10.9 billion) primarily comprise securities, derivative financial instruments, loans and other receivables due from third parties. The increase of €2.9 billion primarily reflects the acquisition of securities in connection with liquidity management. There was an opposing effect from reductions in the carrying amount of derivative financial instruments due to changed currency exchange rates.

Cash and cash equivalents. Compared with December 31, 2008, cash and cash equivalents increased by €7.0 billion to €13.9 billion. The change was primarily related to increased customer deposits in the direct banking business and the issue of new shares for acquisition by Aabar Investments PJSC.

Provisions. Provisions accounted for 14% of the balance sheet total. They primarily comprise warranty, personnel and pension obligations and at €18.6 billion were higher than at December 31, 2008 (€18.2 billion). The increase resulted from higher provisions for income taxes and pensions. Provisions for product warranties and for obligations in the area of personnel and social security decreased, however.

Trade payables. As a consequence of the adjusted levels of production due to the current market situation, trade payables decreased by 9% to €5.9 billion.

Financing liabilities. Financing liabilities increased by €5.4 billion to €64.0 billion, accounting for 47% of the balance sheet total (December 31, 2008: 44%). The increase was due not only to exchange-rate effects, but also to the growth in customers' deposits in Mercedes-Benz Bank's direct banking business, which rose by €7.6 billion to €13.6 billion.

Other financial liabilities. Other financial liabilities fell by €0.6 billion to €9.7 billion, mainly related to liabilities from derivative financial instruments.

Group equity. The Group's equity decreased by €1.3 billion compared with December 31, 2008. The net loss of €2.3 billion and the dividend payout for 2008 (€0.6 billion) were partly offset by the capital increase through the issue of new shares (€1.95 billion). The equity ratio was 23.3% for the Group (December 31, 2008: 24.3%) and 39.8% for the industrial business (December 31, 2008: 42.7%). The equity ratios as of December 31, 2008 are adjusted by the dividend payment for the year 2008.

Credit Ratings

Standard & Poor's Rating Services (S&P), Moody's Investors Service, Inc. (Moody's), Fitch Ratings Ltd. (Fitch) and DBRS Limited (DBRS) rate our commercial paper (short-term) and our senior unsecured long-term debt (long-term).

Our debt ratings are an assessment by the rating agencies of the credit risk associated with our company and are based on information provided by us or other sources. Lower ratings generally result in higher borrowing costs and reduced access to capital markets. Debt ratings are not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal by the rating agencies at any time. As rating agencies may have different criteria in evaluating the risks associated with a company, you should evaluate each rating independently of other ratings.

As of August 30, 2009, our credit ratings are as follows:

	S&P	Moody's	Fitch	DBRS
Short-term debt	A-2	P-2	F2	R-1 (low)
Long-term debt	BBB+	A3	BBB+	A (low)

While the short-term rating of all four rating agencies remained unchanged during the first half of 2009, the following changes occurred for the long-term ratings during that period:

S&P Ratings. In view of the weak state of most global automotive markets, S&P revised the outlook for its long-term rating on February 27, 2009, from stable to negative. Due to the ongoing weak demand in the automotive business, S&P lowered Daimler's long-term rating from A- to BBB+ with a negative outlook on June 18, 2009.

Moody's Ratings. On February 18, 2009, Moody's changed the outlook of Daimler's A3 long term rating to negative from stable. According to Moody's the negative outlook reflects the more severe decline of Daimler's key markets than previously anticipated by magnitude as well as by pace.

Fitch Ratings. As a result of a reassessment of the business prospects of the automotive

industry in general, and, as a result, the profit and cash flow expectations for Daimler, Fitch lowered Daimler AG's long-term rating to BBB+ with a stable outlook on January 29, 2009, and further changed the outlook to negative on March 25, 2009.

b) Mercedes-Benz Cars

Amounts in millions of €	1 st half 2009	1 st half 2008	% change
EBIT	(1,463)	2,364	—
Revenue	19,635	25,418	-23
Unit Sales	518,436	672,261	-23
Production	451,996	718,794	-37
Employees (June 30)	93,873	98,011	-4

In a difficult market environment worldwide, Mercedes-Benz Cars sold 518,400 vehicles in the first half of this year (H1 2008: 672,300). Despite this decrease of 23% compared to the prior-year period, the car division posted a significant 24% increase when comparing the second with the first quarter of 2009, due in part to the full availability of the GLK compact sport-utility vehicle and the launch of the new E-Class. Revenue fell by 23% compared with the first six months of last year to €19.6 billion. EBIT amounted to minus €1,463 million (H1 2008: €2,364 million). For further information on the factors influencing EBIT, please refer to the discussion of Group EBIT in “III. Conditions of Business, 7. Analysis of Financial Condition, Results of Operations and Cash Flow Status, a) Daimler Group” above.

Unit sales by products. The new E-Class has provided Mercedes-Benz with renewed sales impetus. In Europe, shipments of the sedan version started at the end of March and of the coupe at the beginning of May. The sedan regained market leadership in its comparative segment in May. In the first half of the year, sales of the E-Class segment amounted to 79,200 units (H1 2008: 95,400).

In the S-Class segment, Mercedes-Benz shipped 25,700 vehicles (H1 2008: 52,400) and defended its leading position in this segment despite the changeover to the new generation in June.

Mercedes-Benz sold 163,900 units of the C-Class models (H1 2008: 241,500). The reduction was – besides the general market weakness – partially caused by the phasing out of the CLK. The C-Class sedan continued to defend its position as worldwide market leader.

In the SUV segment (M-, R-, GL-, GLK- and G-Class), Mercedes-Benz shipped 80,300 vehicles, almost achieving the unit sales for the prior-year period thanks to the full availability of the GLK (H1 2008: 80,800).

104,500 A- and B-Class cars were sold (H1 2008: 125,900).

Mercedes-Benz Cars sold 62,100 smart fortwo cars in the first half of this year (H1 2008: 70,700).

Regional sales trends. Mercedes-Benz Cars' unit sales of 305,000 vehicles in Western Europe were below the figure for the first half of last year due to market conditions (H1 2008: 388,800). In the United States, Mercedes-Benz once again gained market share despite lower unit sales of 94,600 vehicles (H1 2008: 135,600). The development of unit sales in China is still positive, and Mercedes-Benz Cars performed better than the

market as a whole with an increase of 10% to 26,100 vehicles in the first six months. For the unit sales by regions and the total number of production for Mercedes-Benz Cars, please refer to the table in “III. Conditions of Business, 2. Conditions of Production, Order and Sales” above.

c) Daimler Trucks

Amounts in millions of €	1 st half 2009	1 st half 2008	% change
EBIT	(650)	1,011	—
Revenue	9,135	13,712	-33
Unit Sales	119,539	230,537	-48
Production	104,349	236,471	-56
Employees (June 30)	70,438	80,839	-13

As a result of the ongoing worldwide market weakness, Daimler Trucks’ first-half unit sales decreased by 48% to 119,500 units. However, the division’s market share increased in nearly all major markets. Revenue fell from €3.7 billion to €1.1 billion. Due to market developments, EBIT of only minus €650 million was achieved (H1 2008: €1,011 million). For further information on the factors influencing EBIT, please refer to the discussion of Group EBIT in “III. Conditions of Business, 7. Analysis of Financial Condition, Results of Operations and Cash Flow Status, a) Daimler Group” above.

Trucks Europe/Latin America. Sales of 45,200 vehicles by Trucks Europe/Latin America (Mercedes-Benz) were significantly below the record level of the prior-year period, as expected (H1 2008: 80,300). There were sharp declines in Western Europe (-44%) and South America (-34%), although in Germany, our most important market, the fall in unit sales was significantly lower than in our other Western European markets. Unit sales in Eastern Europe fell at above-average rates; this was mainly due to financing difficulties.

Trucks NAFTA. With no signs of improvement in the overall economic situation in the last months, Trucks NAFTA (Freightliner, Western Star, Thomas Built Buses) sold 30,400 vehicles, which was significantly lower than the number sold in the first half of 2008 (-44%). An above-average decline was recorded in Mexico (-65%). This was due not only to the global economic crisis, but also to the pull-forward effect before the introduction of the EPA 04 emission limits in August 2008.

Trucks Asia. Trucks Asia (Mitsubishi Fuso) sold 44,000 vehicles (H1 2008: 95,600). While unit sales in Japan fell by 39%, there was a slump of 58% in the regions outside Japan due to economic developments.

For the unit sales by regions and the total number of production for Daimler Trucks, please refer to the table in “III. Conditions of Business, 2. Conditions of Production, Order and Sales” above.

d) **Mercedes-Benz Vans**

Amounts in millions of €	1 st half 2009	1 st half 2008	% change
EBIT	(101)	448	—
Revenue	2,772	4,892	-43
Unit Sales	70,705	147,255	-52
Production	65,319	161,691	-60
Employees (June 30)	15,773	17,840	-12

In the first six months of this year, Mercedes-Benz Vans was not able to approach the record figure for the prior-year period (H1 2009: 70,700; H1 2008: 147,300). However, unit sales clearly increased in the second quarter of 2009 compared with the first three months of the year. Revenue of €2.8 billion in the first half of this year was also significantly lower than in the comparable period of last year (H1 2008: €4.9 billion). EBIT amounted to minus €101 million (H1 2008: €448 million). For further information on the factors influencing EBIT, please refer to the discussion of Group EBIT in “III. Conditions of Business, 7. Analysis of Financial Condition, Results of Operations and Cash Flow Status, a) Daimler Group” above.

Regional sales trends. In a very difficult market environment, unit sales of Mercedes-Benz Vans fell by double-digit percentages compared with the prior-year period in all Western European key markets including Germany, the United Kingdom, France, Italy, Spain and the Netherlands. EU member states in Central and Eastern Europe suffered more from the effects of the financial and economic crisis than the Western European markets.

Unit sales by products. All Mercedes-Benz van models were affected by the global economic slump and the resulting drop in demand. Worldwide unit sales of the Sprinter fell by 53% compared with the first six months of last year to 43,300 vehicles. Half-year unit sales of the Vito and Viano models decreased by 50% to 26,000 vehicles.

Development of market share. Despite the sharp market contraction of recent months, Mercedes-Benz Vans was able to strengthen its market position in Europe in the segment of mid-size and large vans and increased its market share by 0.7 of a percentage point to 16.6% in the first six months of 2009.

Major orders received. In the period under review, the division succeeded in gaining major orders from Royal Mail in England and Belgacom in Belgium.

For the unit sales by regions and the total number of production for Mercedes-Benz Vans, please refer to the table in “III. Conditions of Business, 2. Conditions of Production, Order and Sales” above.

e) **Daimler Buses**

Amounts in millions of €	1 st half 2009	1 st half 2008	% change
EBIT	114	245	-53
Revenue	2,007	2,240	-10
Unit Sales	15,112	20,243	-25
Production	15,465	21,808	-29
Employees (June 30)	17,424	17,573	-1

Daimler Buses sold 15,100 buses and chassis in the first half of this year (H1 2008: 20,200). As a result of the recession, demand for chassis in Latin America was particularly weak. Due to positive structural effects, revenue fell at a lower rate (-10%) than unit sales to €2.0 billion. EBIT of €14 million was also below the figure for the prior-year period (€245 million). For further information on the factors influencing EBIT, please refer to the discussion of Group EBIT in “III. Conditions of Business, 7. Analysis of Financial Condition, Results of Operations and Cash Flow Status, a) Daimler Group” above.

Western Europe. In Western Europe, Daimler Buses sold 2,800 (H1 2008: 3,100) buses and chassis of the Mercedes-Benz and Setra brands. Unit sales of city buses remained stable, but unit sales of coaches declined, so it was not possible to match the high prior-year figure. In Germany, we sold 1,000 buses (H1 2008: 1,100) and strengthened our market position with a market share of 57.4% (H1 2008: 53.3%).

NAFTA. In the NAFTA region, unit sales declined by 31% to 2,100 units. Due to the strong demand for Orion-branded city buses in North America, sales of 467 units were clearly above the prior-year level (+27%). The negative effects from the economic crisis led to a decline to 1,600 buses and chassis sold in the Mexican market (H1 2008: 2,600).

Latin America. In Latin America, Daimler Buses posted unit sales of 7,500 units (H1 2008: 11,300). Following very high unit sales in the prior-year period, the effects of the economic crisis became very apparent also in this region.

Major orders received. The division’s business with city buses in Europe continued its positive development, with additional major orders obtained in the first half: Daimler Buses won an EU-wide invitation to tender by the Berlin public transport authority and will supply 144 Mercedes-Benz Citaro LE city buses for use in Germany’s capital city. We also received a follow-up order for 200 more Mercedes-Benz Conecto buses from the state-owned public transport authority in Tashkent, Uzbekistan. In the United States, the Setra brand received an order for 30 Setra S 417 coaches from Compass Transportation in San Francisco.

For the unit sales by regions and the total number of production for Daimler Buses, please refer to the table in “III. Conditions of Business, 2. Conditions of Production, Order and Sales” above.

f) Daimler Financial Services

Amounts in millions of €	1 st half 2009	1 st half 2008	% change
EBIT	(88)	351	—
Revenue	6,258	5,691	+10
New Business	12,405	14,427	-14
Contract Volume	60,298	60,399	-0
Employees (June 30)	6,839	7,214	-5

At the end of the first half of the year, Daimler Financial Services' contract volume amounted to €60.3 billion, close to the level of a year earlier but 5% lower than at December 31, 2008. Adjusted for exchange-rate effects, there was a decrease of 6% from the level at the end of 2008. Compared to the first six months of 2008, new business decreased by 14% to €12.4 billion. EBIT for the period amounted to minus €88 million (H1 2008: €351 million). For further information on the factors influencing EBIT, please refer to the discussion of Group EBIT in "III. Conditions of Business, 7. Analysis of Financial Condition, Results of Operations and Cash Flow Status, a) Daimler Group" above.

Daimler Financial Services took further measures worldwide to increase efficiency and reduce refinancing expenses for the leasing and financing business in the first half-year. Among other actions, corporate bonds were placed for the first time in the local capital market in Argentina. The German Mercedes-Benz Bank established a new branch in the United Kingdom to refinance the wholesale portfolio in that country. Worldwide cost of risk remained at a higher level than in the prior-year period.

Europe, Africa & Asia/Pacific. In the Europe, Africa & Asia/Pacific region, contract volume of €36.2 billion at the end of the first half was of the same magnitude as a year earlier (€36.4 billion). In collaboration with the Mercedes-Benz Cars division, a uniform process for strengthening customer retention was introduced in 16 of the region's major markets. The goal is to persuade more customers to sign a follow-up contract by making attractive offers when their current leasing or financing contracts expire.

In the insurance business, Daimler Financial Services expanded its product portfolio in various markets. In France, we launched a new comprehensive insurance policy for trucks, and new warranty insurance products were launched in Spain and Portugal. Mercedes-Benz Bank's contract volume in Germany was stable at €16.6 billion (end of H1 2008: €16.5 billion). In the direct banking business, the total deposit volume increased significantly compared with a year earlier to €3.6 billion (end of H1 2008: €5.1 billion). The deposit volume more than doubled compared to the end of 2008 and contributed substantially to the increase in the Daimler Group's gross liquidity.

Mercedes-Benz Bank launched its "Business-Leasing plus" mobility package for business customers in May. It consists of a leasing contract, a service card, and auto insurance with stable premiums also in the case of claims.

Americas. At the end of the first half, contract volume in the Americas region amounted to €24.1 billion, which was stable compared to prior-year level of €24.0 billion. Adjusted for exchange-rate effects, there was a decrease of 7%. In the United States, additional measures were taken to increase efficiency and reduce costs.

g) Reconciliation

Amounts in millions of €	1 st half 2009	1 st half 2008	% change
EBIT	(243)	(390)	—
Equity-method result EADS ¹	98	191	-49
Equity-method result Chrysler	—	(696)	—
Corporate items / Other	(480)	131	—
Eliminations	139	(16)	—
Revenue	(1,516)	(1,950)	—

1) The amount for 2008 also includes gains in connection with the transfer of equity interests in EADS.

The reconciliation of the divisions' EBIT to Group EBIT primarily reflects the proportionate results of the equity-method investment in EADS, expenses related to our equity interest in Chrysler, which was relinquished on June 3, 2009, and other items at the corporate level.

In total, these items reduced EBIT for the first half of the year by €243 million (H1 2008: minus €390 million). For further information on the factors influencing the reconciliation of the divisions' EBIT to Group EBIT, please refer to the discussion of Group EBIT in "III. Conditions of Business, 7. Analysis of Financial Condition, Results of Operations and Cash Flow Status, a) Daimler Group" above.

Included in the column "Reconciliation" is revenue of minus €1.5 billion for the first half of 2009 (H1 2008: minus €2.0 billion), which mainly represents eliminations of intersegment transactions.

IV. Conditions of Facilities

1. Conditions of Principal Facilities

No material change during the six-month period ended June 30, 2009.

2. Plans for Installation and Removal of Facilities, etc.

No material change during the six-month period ended June 30, 2009. However, to be able to react quickly to fluctuations in demand, over the coming years and as part of the efficiency-improvement programs at Mercedes-Benz Cars, Daimler Trucks, Mercedes-Benz Vans and Daimler Buses, the automotive divisions will further improve their manufacturing flexibility and modernize their production equipment.

In connection with the repositioning and realignment programs of Daimler Trucks, changes in the production and assembly network have been initiated. Daimler Trucks North America has closed its Sterling truck production plant in St. Thomas, Ontario in March 2009 and will close the plant in Portland, Oregon, as of June 2010. On the other hand, a new truck production plant was opened in Saltillo, Mexico, in February 2009. Mitsubishi Fuso Truck and Bus Corporation has announced to close its truck plant in Bangkok, Thailand, by the end of 2009 and its bus plant in Oye/Nagoya, Japan, in 2010.

For further information on the repositioning and realignment programs, please refer to section "II. Outline of the Company" subsection "3. Contents of Business" of the Securities Report filed on June 3, 2009.

V. Conditions of the Company

1. Information Concerning Shares, etc.

(1) Total Number of Shares, etc.

(i) Total number of shares

Approved number of Shares: (as of June 30, 2009)	1,554,240,950
Issued and outstanding Shares: (as of June 30, 2009)	1,060,965,432 (37,116,831 of them treasury shares)
Shares not yet issued: (as of June 30, 2009)	493,275,518
	348,518,492 (Approved Capital 2009)
	104,555,547 (Conditional Capital I)
	40,201,479 (residual Conditional Capital II)

As of December 31, 2008, the Board of Management was authorized by the annual shareholders' meeting held on April 9, 2008, with the consent of the Supervisory Board to increase the Company's share capital in the period until April 8, 2013 (i) by a total of €500,000,000 in exchange of cash contributions and (ii) by a total of another €500,000,000 in exchange of non-cash contributions, in both cases in one lump sum or by several partial amounts at different times by issuing new registered no par value shares (former Authorized Capital I and Authorized Capital II). After partial execution of Authorized Capital I in March 2009 against cash contribution by issuing 96,408,000 new registered no par value shares (see "(2) Description of Number of Issued and Outstanding Shares and Share Capital" below), the annual shareholders' meeting held on April 8, 2009 resolved to cancel the remaining Authorized Capital I as well as Authorized Capital II with effect as of the time when the new Approved Capital 2009 as resolved by the same shareholders' meeting should come into effect by way of entry in the Commercial Register. Such entry in the Commercial Register occurred on June 5, 2009.

Approved Capital 2009: The Board of Management is authorized with the consent of the Supervisory Board to increase the Company's share capital in the period until April 7, 2014 by a total of €1,000,000,000.00, in one lump sum or by separate partial amounts at different times, by issuing new, registered no par value shares in exchange for cash and/or non-cash contributions (Approved Capital 2009). The new shares are generally to be offered to the shareholders for subscription. The Board of Management, however, is to be authorized, with the consent of the Supervisory Board, to exclude shareholders' subscription rights in certain cases.

Conditional Capital I: The share capital of the Company may be conditionally increased by an amount not to exceed €300,000,000.00 (Conditional Capital I). The conditional capital increase shall be undertaken only to the extent that

- a) the holders or creditors of conversion rights or option certificates attached to the convertible bonds and notes with warrants to be issued by Daimler AG or its majority-owned direct or indirect subsidiaries up to April 5, 2010 in accordance with the authorizing resolution of the shareholders' meeting on April 6, 2005

actually exercise their conversion or option rights or

- b) the holders or creditors of the convertible bonds to be issued by Daimler AG or its majority-owned direct or indirect subsidiaries up to April 5, 2010 in accordance with the authorizing resolution of the shareholders' meeting on April 6, 2005 fulfill their conversion obligation.

The new shares shall participate in the profits of the Company as of the beginning of the financial year in which such shares are created through the exercising of conversion or option rights or through the fulfillment of conversion obligations.

Conditional Capital II: The share capital of the Company shall be conditionally increased by an amount not to exceed €15,349,630.47 through the issuance of up to 40,201,479 no-par-value registered shares (residual Conditional Capital II). The conditional capital increase shall be undertaken only to the extent that the holders of option rights issued by Daimler AG in the period up to April 18, 2005 in conformity with the resolution passed at the shareholders' meeting held on April 19, 2000 actually exercise their options and the Company does not grant any of its own shares in fulfillment of the options. The new shares shall participate in the profits of the Company as of the beginning of the financial year of their issuance.

For further details on the before mentioned Approved and Conditional Capital, please refer to section II. Share Capital and Shares, Article 3 (§ 3) Share Capital of the Company's Articles of Incorporation (Satzung).

(ii) ***Issued and outstanding shares***

Kind:	registered ordinary shares, no par value
Number of shares:	1,060,965,432 (as of June 30, 2009)

Stock Exchanges on which the Shares are listed or Securities Dealers Associations with which the Securities are registered:	The principal trading markets for our ordinary shares are the Frankfurt Stock Exchange and the New York Stock Exchange. In addition, our ordinary shares are listed in Germany on the Stuttgart Stock Exchange.
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Contents:	N/A
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(2) **Description of Number of Issued and Outstanding Shares and Share Capital**

Date or time	Increase in share capital	Total share capital after the increase/ change in € (ten thousand Yen)	Remarks
Balance as of Dec. 31, 2008	964,557,432 shares	€2,767,593,266.13 (36,712,125)	End of fiscal 2008
March 24, 2009	€276,622,337.61 (96,408,000 shares)	€3,044,215,603.74 (40,381,520)	Capital increase
Balance as of June 30, 2009	1,060,965,432 shares	€3,044,215,603.74 (40,381,520)	End of first half 2009

On March 24, 2009, Daimler AG increased the share capital by issuing 96,408,000 new registered no par value shares in exchange for cash contributions to Semare Beteiligungsverwaltungs GmbH, a wholly owned subsidiary of Gutiba Beteiligungsverwaltungs GmbH, the latter a wholly owned subsidiary of Aabar Investments PJSC. The shares issued represent approximately 9.1% of the new increased share capital.

The capital increase was carried out by issuing the new shares by making use of the Authorized Capital I approved by the annual shareholders' meeting of April 9, 2008. Existing shareholders' rights to subscribe to these new shares were excluded. The issue price of the shares was €20.27 per share, resulting in an equity contribution for Daimler of €1.95 billion.

As of March 24, 2009, the total number of issued shares of the Company therefore amounted to 1,060,965,432 (37,116,831 of them treasury shares).

For a description of the stock option plans for our Board of Management and other management staff, including the exercise prices, please refer to Note 20 to our Consolidated Financial Statements disclosed with the Securities Report filed on June 3, 2009. An update of the basic data of the stock option plans as of June 30, 2009 is provided in the table below:

Year of grant	Reference price (in €)	Exercise price (in €)	Options granted (in millions)	At June 30, 2009	
				Options outstanding (in millions)	Options exercisable (in millions)
2000	62.30	74.76	15.2	5.6	5.6
2001	55.80	66.96	18.7	5.7	5.7
2002	42.93	51.52	20.0	4.6	4.6
2003	28.67	34.40	20.5	3.2	3.2
2004	36.31	43.57	18.0	5.2	5.2

Issuance of new shares under Conditional Capital II in case of execution of stock options leads to a corresponding increase of share capital in the pro-rata amount of the share capital attributable to the new shares. As a result, the Conditional Capital II will be reduced correspondingly in the amount by which the share capital increases. Under the authorization renewed by the shareholders' meeting in April 2009, the company may also use shares bought back from the market to serve the stock option plans.

In that case, the share capital and the Conditional Capital II remain unaffected from executions of stock options.

(3) Major Shareholders

The table below shows the number of voting rights and ordinary shares held by the major shareholders as defined under Japanese regulation, and their percentage of ownership according to the respective shareholders' notifications received by the Company until June 30, 2009. As German law only requires notification in case of reaching, exceeding or falling below certain thresholds of voting rights (see below), the following table only indicates the voting rights and shares owned at the time disclosed in the last notification (hereinafter: reference date) and does not necessarily reflect voting rights and shareholding or percentages as of June 30, 2009:

Identity of the Person or Group	Reference date	Voting rights and shares owned	Percent as of reference date
Semare Beteiligungsverwaltungs GmbH, Sterngasse 13, 1010 Vienna, Austria (indirect wholly owned subsidiary of the Emirate of Abu Dhabi)	March 24, 2009	96,408,000	9.09%
Kuwait Investment Authority, Ministries Complex, AlMurqab, Kuwait City, Kuwait, as agent for the Government of the State of Kuwait	December 31, 2008	73,169,320	6.90%
Capital Research and Management Company, 333 South Hope Street, Los Angeles, CA 90071, USA	February 14, 2008	30,688,637	3.03%

Daimler AG itself owns 37,116,831 shares, corresponding to 3.5% as of June 30, 2009. Voting rights of such shares are suspended as long as they are held by Daimler AG.

Our share capital consists of ordinary shares without par value (Stückaktien). Our ordinary shares are issued in registered form. Under our Articles of Incorporation, each ordinary share represents one vote. Major shareholders do not have different voting rights.

Under the German Securities Trading Act (Wertpapierhandelsgesetz), shareholders of a listed German company must notify the company of the level of their holding whenever it reaches, exceeds, or falls below specified thresholds. These thresholds are 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% of a company's voting rights.

During the first half of 2009, the following voting rights announcement has been disclosed:

On March 25, 2009, *Semare Beteiligungsverwaltungs GmbH*, Vienna, Republic of Austria, has notified us pursuant to Section 21, paragraph 1 of the German Securities Trading Act that its voting rights in Daimler AG exceeded the thresholds of 3% and 5% on 24 March 2009 and that it held 9.087% (96,408,000 voting rights) as per this date. All voting rights were directly held by *Semare Beteiligungsverwaltungs GmbH*.

Furthermore, *Gutiba Beteiligungsverwaltungs GmbH*, Vienna, Republic of Austria, has

notified us pursuant to Section 21, paragraph 1 of the German Securities Trading Act that its voting rights in Daimler AG exceeded the thresholds of 3% and 5% on 24 March 2009 and that it held 9.087% (96,408,000 voting rights) as per this date. All voting rights were attributed to Gutiba Beteiligungsverwaltungs GmbH pursuant to Section 22 paragraph 1 sentence 1 no. 1 German Securities Trading Act. An attribution was conducted via Semare Beteiligungsverwaltungs GmbH whose attributed voting rights were 3% or more.

Furthermore, *Aabar Investments PJSC*, Abu Dhabi, United Arab Emirates, has notified us pursuant to Section 21, paragraph 1 of the German Securities Trading Act that its voting rights in Daimler AG exceeded the thresholds of 3% and 5% on 24 March 2009 and that it held 9.087% (96,408,000 voting rights) as per this date. All voting rights were attributed to Aabar Investments PJSC pursuant to Section 22 paragraph 1 sentence 1 no. 1 German Securities Trading Act. An attribution was conducted via Semare Beteiligungsverwaltungs GmbH and Gutiba Beteiligungsverwaltungs GmbH whose attributed voting rights were each 3% or more.

Furthermore, *International Petroleum Investment Company*, Abu Dhabi, United Arab Emirates, has notified us pursuant to Section 21, paragraph 1 of the German Securities Trading Act that its voting rights in Daimler AG exceeded the thresholds of 3% and 5% on 24 March 2009 and that it held 9.087% (96,408,000 voting rights) as per this date. All voting rights were attributed to International Petroleum Investment Company pursuant to Section 22 paragraph 1 sentence 1 no. 1 German Securities Trading Act. An attribution was conducted via Semare Beteiligungsverwaltungs GmbH, Gutiba Beteiligungsverwaltungs GmbH and Aabar Investments PJSC whose attributed voting rights were each 3% or more.

Finally, the *Government of the Emirate of Abu Dhabi*, Emirate of Abu Dhabi, has notified us pursuant to Section 21, paragraph 1 of the German Securities Trading Act that its voting rights in Daimler AG exceeded the thresholds of 3% and 5% on 24 March 2009 and that it held 9.087% (96,408,000 voting rights) as per this date. All voting rights were attributed to the Government of the Emirate of Abu Dhabi pursuant to Section 22 paragraph 1 sentence 1 no. 1 German Securities Trading Act. An attribution was conducted via Semare Beteiligungsverwaltungs GmbH, Gutiba Beteiligungsverwaltungs GmbH, Aabar Investments PJSC and International Petroleum Investment Company whose attributed voting rights were each 3% or more.

2. Trends in Share Prices

The table below shows the highest and lowest stock prices for our ordinary shares on Xetra for each of the first six months of the year. Xetra, which stands for Exchange Electronic Trading, is an integrated electronic exchange system which is an integral part of the Frankfurt Stock Exchange, the most significant of the German stock exchanges.

Month:	Jan 09	Feb 09	Mar 09	Apr 09	May 09	June 09
Stock price per share (in €)						
Highest:	27.75	25.75	22.02	27.39	28.16	28.03
Lowest:	20.90	18.01	17.44	19.28	24.84	24.35

3. Directors and Officers

(a) The Supervisory Board

No material changes since the filing of the Securities Report on June 3, 2009. However, for the sake of completeness, the following changes, which have occurred since year-end 2008, are repeated:

- At the close of the Annual Meeting of the shareholders on April 8, 2009, the period of office terminated for Mr. William A. Owens, Dr. Manfred Schneider, Mr. Bernhard Walter, Mr. Lynton R. Wilson and Dr. Mark Wössner as members of the Supervisory Board representing the shareholders.
- On April 8, 2009, the Annual Meeting of our shareholders re-elected Dr. Manfred Schneider, Mr. Bernhard Walter and Mr. Lynton R. Wilson to the Supervisory Board.
- On the same date, the Annual Meeting of our shareholders elected Mr. Gerard Kleisterlee and Mr. Lloyd G. Trotter as shareholder representatives to the Supervisory Board.

(b) The Board of Management

No material change since the filing of the Securities Report on June 3, 2009. However, for the sake of completeness, the following changes, which have occurred since year-end 2008, are repeated:

- In December 2008, the Supervisory Board appointed Wilfried Porth as the member of the Board of Management responsible for Human Resources and to serve as Labor Relations Director, effective as of the end of the annual general meeting held on April 8, 2009. Wilfried Porth succeeded Günther Fleig who stepped down from the Board of Management, effective as of the end of the annual general meeting held on April 8, 2009.
- Dr. Rüdiger Grube, member of the Board of Management responsible for Corporate Development left the Board of Management by the end of April 30, 2009 and assumed responsibility as CEO of Deutsche Bahn AG as of May 1, 2009.

(c) Compensation of the Supervisory Board and Board of Management

In addition to the statements as disclosed in the Securities Report filed on June 3, 2009, especially described in section V. Description of the Company, subsection 4. Directors and Officers under (c) Compensation of the Supervisory Board and Board of Management, the following changes have arisen:

On the basis of the agreement between the management and the Employee Council of Daimler AG, concluded on April 28, 2009, with regard to the reduction of labor costs in order to safeguard employment at Daimler AG, Daimler's Board of Management and top executives have been included in the cost-reducing actions. Inter alia, it was decided that the percentage share of monthly salary reductions increases with rising responsibility. Solely through the reduction of monthly remuneration, senior executives are waiving the equivalent of one monthly salary and members of the Board of Management are actually waiving the equivalent of two monthly salaries on an annual basis. In addition, the Supervisory Board approved in a meeting at the end of April to waive 10% of the respective individual Supervisory Board remuneration including the meeting fee for the term from May 1, 2009 until June 30, 2010.

VI. Conditions of Accounting

The unaudited condensed consolidated financial statements, prepared according to IFRS, and additional explanations required under Japanese law have been omitted. They are included on pages 37 to 75 of the original Japanese version.

VII. Trends in the Foreign Exchange Rate

Omitted because the foreign exchange rates between Yen and Euro, the currency used in the Company's financial statements, have been published for the last six months in more than one Japanese newspaper concerning current events.

VIII. Reference Information

The following documents have been filed since the commencement of the relevant half fiscal year up to the filing date of this Semi-Annual Report.

- a) Securities Report and its attachments filed with the Director General of the Kanto Local Finance Bureau on June 3, 2009.
(For the fiscal year from January 1, 2008 through December 31, 2008)
- b) Extraordinary Report
 - (i) Extraordinary Report filed with the Director General of the Kanto Local Finance Bureau on April 8, 2009 (pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act of Japan and Article 19, Paragraph 2, Item 2 of the Cabinet Office Ordinance Concerning Disclosure of the Contents, etc. of Companies).
 - (ii) Extraordinary Report filed with the Director General of the Kanto Local Finance Bureau on May 14, 2009 (pursuant to Article 24-5, Paragraph 4 of the Financial Instruments and Exchange Act of Japan and Article 19, Paragraph 2, Item 9 of the Cabinet Office Ordinance Concerning Disclosure of the Contents, etc. of Companies).
- c) Amendment Report
An Amendment Report (an amendment report to the Securities Report described in a) above) filed with the Director General of the Kanto Local Finance Bureau on June 10, 2009.
- d) Amendment to the Shelf Registration Statement
 - (i) Amendment to the Shelf Registration Statement filed with the Director General of the Kanto Local Finance Bureau on April 8, 2009.
 - (ii) Amendment to the Shelf Registration Statement filed with the Director General

of the Kanto Local Finance Bureau on May 14, 2009.

(iii) Amendment to the Shelf Registration Statement filed with the Director General of the Kanto Local Finance Bureau on June 3, 2009.

(iv) Amendment to the Shelf Registration Statement filed with the Director General of the Kanto Local Finance Bureau on June 10, 2009.

PART 2. INFORMATION REGARDING GUARANTORS, ETC. OF ISSUER

Not applicable.