DAIMLER

Abu Dhabi's Aabar Investments to become a major Daimler shareholder

Investor Relations Release

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- Daimler increases share capital by 10% with exclusion of subscription rights of existing shareholders
- After acquiring all new shares, Aabar will hold 9.1% of the new share capital
- Issue price of €20.27 per share close to the current market price
- Total investment of €1.95 billion further strengthens Daimler's sound capital base and offers additional flexibility to invest in new automotive technologies
- Platform for joint strategic initiatives established
- Dr. Dieter Zetsche, Chairman of the Board of Management of Daimler AG: "We are delighted to welcome Aabar as a new major shareholder that is supportive of our corporate strategy. We look forward to working together to pursue joint strategic initiatives."
- HE Khadem Al Qubaisi, Chairman of Aabar: "Daimler is an iconic brand and a financially strong company with a reputation for excellence worldwide. We are delighted to having received the opportunity to be making this investment."

Stuttgart - Daimler AG (stock-exchange abbreviation DAI) welcomesPage 2Aabar Investments PJSC (Aabar) of Abu Dhabi, as a major investor.Daimler increases the share capital by approx. 10% with exclusion ofsubscription rights of existing shareholders. After acquiring all newshares, Aabar will hold approx. 9.1% of the new share capital. Thecapital increase was approved by Daimler's Supervisory Board today.

Aabar is an investment company headquartered in Abu Dhabi and is listed on the Abu Dhabi Securities Exchange. It directly invests in various sectors including energy, infrastructure, real estate, automotive and financial services companies. Its largest stakeholder is the International Petroleum Investment Company (IPIC), which in turn is wholly owned by the Government of the Emirate of Abu Dhabi.

The capital increase will be carried out by issuing 96,408,000 new registered no par value shares of Daimler's Authorised Capital approved by the Annual Shareholders ´ Meeting of April 9, 2008 in exchange for cash contributions. Existing shareholders' rights to subscribe to these new shares are excluded. The issue price of the shares is €20.27 per share, resulting in an equity contribution for Daimler of €1.95 billion.

Dr. Dieter Zetsche, Chairman of the Board of Management of Daimler AG and Head of Mercedes-Benz Cars: "We are delighted to welcome Aabar as a new major shareholder that is supportive of our corporate strategy. We look forward to working together to pursue joint strategic initiatives."

Khadem Al Qubaisi, Chairman Aabar: "Daimler is an iconic brand and a financially strong company with a reputation for excellence worldwide. We are delighted to have the opportunity to make this investment and a excited by the commercial potential of our partnership. We believe that our future cooperation will be beneficial for Aabar and createPage 3social and economic benefits for Abu Dhabi and the United ArabEmirates. We look forward to working with Daimler to fully realizethese opportunities."

The future cooperation will focus on joint initiatives in the following areas:

- Electric vehicles with a particular focus on projects aiming at the reduction of CO2-emissions
- Development and/or production of innovative compound materials to be used in automotive manufacturing
- Social projects such as the establishment of a training centre in Abu Dhabi to educate young talent for positions in the automotive industry

The cash inflow from the capital increase of €1.95 billion will further improve Daimler's sound financial position. At the end of 2008, the equity ratio of Daimler's industrial business was 42.7% and the equity ratio of the entire Daimler Group was 24.3%.

The investment complements a broad range of initiatives already undertaken by Daimler to react to the changing market environment, further strengthens its solid capital base and gives even greater flexibility to invest in innovative automotive technologies during a period of economic uncertainty and macroeconomic instability.

With Abu Dhabi and Kuwait, Daimler will have two major shareholders in the future. Kuwait has held an equity interest since 1974. Following the capital increase, the equity interest held by Kuwait will amount to 6.9%.

Further information about Aabar can be found at www.aabar.com

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 forwardlooking 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; the business outlook of Chrysler, in which we hold an equity interest and some of whose obligations we have guaranteed; the business outlook of companies in which we hold an equity interest, most notably 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 under the heading "Risk Report" in Daimler's most recent Annual Report 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 forwardlooking statements. Any forward-looking statement speaks only as of the date on which it is made.

Further Investor Relations information on Daimler is available on the Internet via <u>www.daimler.com/investors</u> and on handhelds via <u>http://mobile.daimler.com</u>.

If you have any questions, please contact our Investor Relations Team:

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