

Mail Stop 3561  
May 25, 2006

By U.S. Mail

Mr. Robert Kothner  
Vice President  
Chief Accounting Officer  
DaimlerChrysler AG  
Epplestrasse 225  
70567 Stuttgart, Germany

RE: DaimlerChrysler AG  
Form 20-F for the Fiscal Year Ended December 31, 2005  
File No. 1-12356

Dear Mr. Kothner:

We have reviewed your filing solely for the issues identified below and have the following comments. Unless otherwise noted, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. After reviewing this information, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

Please respond to confirm that such comments will be complied with, or, if certain of the comments are deemed inappropriate, advise the staff of your reason. Your response should be submitted in electronic form, under the label "corresp" with a copy to the staff. Please respond within ten (10) business days.

Form 20-F for the for the year ended December 31, 2005

Information on the Company, Off-Highway, page 10  
Note 10. Disposal of Off-Highway, Assets and Liabilities Held for Sale and Discontinued Operations, page F-37

1. You disclose that the operations of the Off-Highway business have not been presented as discontinued operations in your consolidated income statements since you expect significant anticipated continuing sales of products to the Off-Highway business which are expected to

continue beyond one year after disposal. In this regard, supplementally tell us how you determined the significance of continuing cash flows supporting your current presentation of Off-Highway's results of operations as part of continuing operations (versus discontinued operations). See paragraph 42 of SFAS 144 and EITF 03-13. In addition, revise your discussion of the sale transaction in future filings to discuss the expected gain (loss) related to the sale. Additionally, since you present the assets of this business as "held for sale," please revise the notes to your financial statements to include all the disclosures required by paragraph 47 of SFAS No. 144, as applicable.

Item 5. Operating and Financial Review and Prospects, page 35  
Item 3. Key Information, Selected Financial Data, page 2  
Note 1. Summary of Significant Accounting Policies  
General, page F-10  
Note 31. Legal Proceedings, page F-66

2. Please refer to the second paragraph of Note 1 and the twenty-second through twenty-fifth paragraphs of Note 31. Please revise the notes to your financial statements to clearly describe your misstatements by disclosing the exact nature and related amounts comprising each material component of the net error adjustments to your financial statements to correct for misstatements in fiscal years 1994 through 2004. In this regard, please revise your notes to include table(s) that depict, by fiscal year, the exact nature of the items comprising each component of the net adjustments, and the impact of each component on operating profit, net income and stockholder's equity, as applicable. For example, the disclosure related to adjustments resulting from your FCPA internal investigation disclosed in Note 31 should be expanded to include a table that depicts the nature (e.g., self-reported potential tax liabilities, misclassification of, or failure to record, commissions, and other payments and expenses, consolidation errors, etc.) and related amount of each item comprising the charges to your 2005 consolidated statement of income to correct misstatements relating to the years 2003 and 2004 which had the effect of reducing 2005 operating profit and net income by Euro 16 million and Euro 64, respectively, in addition to the adjustment to stockholders' equity of Euro 222 to correct accumulated misstatements in the periods 1994 through 2002. Similar revisions should be made for the adjustments related to compensation to expatriate employees disclosed in Note 31 and the other accounting matters disclosed in the second paragraph of Note 1 such as the adjustments to correct the accounting for certain derivative instruments that did not qualify for hedge accounting treatment, deferred income taxes and other minor misstatements. The table(s) should agree to the overall adjustments that impacted operating profit, net income and stockholders' equity, as applicable, for each year presented.

Similar disclosures should also be provided in footnotes (1) and (2) to your Selected Financial Data table on pages 2 and 3 of your Form 20-F. Item 5, "Operating and Financial Review and Prospects" should also be revised to include a discussion of the restatements. This discussion should be presented in a level of detail consistent with that to be provided in your revised financial statement disclosures.

Note 3. Significant Equity Method Investments  
Toll Collect, page F-23

3. We note the disclosure indicating that you hold a 45% equity interest in Toll Collect, the joint venture formed to install and operate a system for electronic collection of tolls from commercial vehicles using German highways. We also note that you have a significant variable interest in this entity but have determined that you are not the primary beneficiary and is therefore not required to consolidate the entity in your consolidated financial statements. Given the nature and terms of the guarantee arrangements that you have provided to the Federal Republic of Germany relating to the completion and operation of the toll collection system as outlined on page F-24, and the fact that you are the only joint venture participant that has guaranteed a bank loan of up to Euro 600 million, please explain in detail your basis for your conclusion that you are not the primary beneficiary with respect to Toll Collect's operations. We may have further comments upon receipt of your response.

Note 5. Functional Costs and Other Expenses  
Headcount reduction initiative At Mercedes Car Group, page F-28

4. Supplementally provide us with, and revise future filings to include, a schedule of material categories of costs and expenses included in the charge for headcount reduction. Separately quantify the following: employee termination payments; pension and OPEB costs relating to terminated employees; other costs relating to terminated employees. Please explain material elements within each category.

Note 23. Stockholders' Equity  
Comprehensive Income/(Loss), page F-48

5. We note the disclosure indicating that effective October 1, 2004, the Chrysler Group prospectively changed the functional currency of DaimlerChrysler Canada Inc. ("DCCI") from the US dollar to the Canadian dollar due to several significant economic and operational changes at DCCI including a reduction of US sourced components. Please tell us in further detail the nature and specific timing of the economic and operational changes at DCCI that necessitated the change in functional currency from the US dollar to the Canadian dollar. As part of your response, please tell us how the various factors outlined in paragraph 42 of SFAS No.52 were considered in your determination that the functional currency should be changed from the US dollar to the Canadian dollar. We may have further comment upon receipt of your response.

Note 31. Legal Proceedings

6. We note that your discussions of many of the pending claims and litigation included in Note 31 do not quantify the amounts or ranges of potential losses to which you are exposed. Please revise future filings to discuss the amounts or range of potential losses to which you are exposed in connection with all material claims and litigation as required by paragraph 10 of SFAS No.5. If no estimate of potential loss can be made, please include disclosure indicating that an estimate cannot be made. Refer to the guidance outlined in SAB Topic 5:Y, Question 2. Also, please revise to disclose the aggregate

amount of any accruals that you have established for your pending claims and litigation as required by paragraph 9 of SFAS No.5.

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We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Exchange Act of 1934 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that:

- \* the company is responsible for the adequacy and accuracy of the disclosure in the filing;
- \* staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
- \* the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filing or in response to our comments on your filing.

You may contact Katherine Mathis at (202) 551-3313 or me at (202) 551-3813 if you have questions on the above comments.

Sincerely,

Linda Cvrkel  
Branch Chief  
Mr. Robert Kothner  
DaimlerChrysler AG  
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