W124 Headliner Replacement Photos
(Instructions provided by forum member Babymog)

I spent the evening catching up on a little work on Brutus, a '95 E320 Sedan. Replaced the inner door panels, and realized that Dave (Sixto) has really raised the bar on DIYS. So the next project was to replace a sagging headliner, installed a factory-new auto-dimming mirror while in there, repaired the visor mirror lids, installed the optional rear-seat reading lamps, and removed the optional (Special Edition) phone overhead display module.

This is for the later (bonded) headliner, starting in '90 I believe. The early one is a bit different, but less prone to sagging.

Pardon me if I don't know how to integrate text with photos, I'll do my best.

First step is to open the sunroof half-way. Then carefully tug downward on the front edge of the inner-panel of the sunroof (don't pull carelessly and bend it), there are four "christmas tree" clips holding it to the sunroof steel panel.

Once un-clipped, you can slide the inner panel forward. Open the sunroof the rest of the way, slide the inner panel forward until you can slide it up and out of the opening.
Next, you'll be removing the front header panel.
Remove the two screws at the elbow of the sunvisor, then unclip the visor from the clip.

Next open the little door on the clip (hinge is toward you), I use a knife blade to slide in and open it. Remove the screw and clip (first photo).

Next is the light assembly, there are two metal clips on the right side, press them toward the light with a thin-blade screwdriver (2nd pic). Swing the right side downward and out. You will now need to un-plug two larger plugs, one rubber hose, and a small 2-pin plug. Be careful with the hose and the two-pin plug so that you don't break the clips holding your temp sensor together. Also, blow through the temp sensor, you'll probably remove a good bit of dust. (no pic).

Grab the rear-view mirror with both hands, and give it a firm but controlled shove toward the windshield. It should pop loose from the bracket.

Next, remove the three screws holding the mirror bracket (3rd pic).

<<little trivia for those guys racing and looking for that last .01 second: The early 124 mirror brackets are mag/aluminum alloy, very light. Later ones with the R&S marking or the second hole, are heavy zinc (zink)>>

Now remove the six screws holding the bright aluminum strip in the front edge of the sunroof opening (4th pic).

Pull the inner weatherstrip (felt looking one) down in the front doorways, from the middle of the A pillar up, and around the rear of the openings. Be careful where it tucks into the door sill-plate as the plastic plates are ridiculously easy to damage, ... pull out, not up at the end of the plate (5th pic, showing the Special Edition plate though, not the regular plastic one).
The header panel is almost free. Check along the windshield / front of the panel for urethene sealant. Sometimes when the glass is replaced some sloppy application of sealant will glue the panel to the glass. This will have to be cut free with a razor blade along the glass or equivalent.

The next step is to pull the header rearward and upward, to free the clip that is inserted into the top of the A-pillar. I've removed the A-pillar before to make this easier, but more than half the time at least one of the clips in the A-pillar will break, I've found this easier. Slide the end of the header panel upward and rearward until it pops out of the A-pillar trim, it helps to push the A-pillar trim slightly away from the A-pillar while doing this. The second end is easier as is installation (first pic).

Now remove the four passenger-assist handles. The bezels on the ends are clipped in top and bottom, pop them free and you will find the bolts under the free flap of vinyl (second pic).

You are now finished in the front of the car, move both seats fully forward and move to the rear.
Remove the B-pillar trim.

Start at the bottom, there are two phillips screws to remove (pic 1).

Next remove the inner weather-strip by pulling inward, from the front of the sill-plate around to about mid-seatback.

The B-pillar trim has two clips half-way up, pop them free. The upper end of the B-pillar trim is held by a single clip, released by carefully pushing the trim downward and pulling the top of the trim away from the B-pillar. Do this carefully with the later (plastic) trim piece or you'll break the plastic holding the clip. Play out some seatbelt and lay the trim down toward the center of the car, crossing the two pieces on the floor (left and right piece).

Next comes the C-pillar trim or "sail panels". These are tricky, three clips along the front edge. I started at the top. Push the front edge rearward to release the hook of the clip and pull away from the C-pillar, one clip at a time and gently. These are easy to break so don't force it away from the car, push rearward until each clip releases (pic 2).

Once all three of these clips are free, you can slide the panel forward until the rear (metal) clip releases (pic 3) and the panel can be pulled away from the C-pillar as you slide it the rest of the way out of the seatback.

Now remove the rear overhead light. Slide a thin-blade screwdriver into the (car's right) right side of the lamp assembly, pressing inward to release the clip and swing it down and out (pic 4). Unplug and remove.

Above the light assembly there is a bracket with a single screw, remove the screw (pic 5).
Your roof panel (if the later molded/bonded style) should now be free except for the sunroof opening. If the earlier stretched-style, you have two roof bows and the rear window to remove, been there too.

So on to the sunroof opening:

Remove the screws holding the bright stainless plates in the opening (left and right) (pic 1). The plates will slide forward and out. Keep left and right separate, they are different (pic 2).

Next there is another plate below the one you just removed, again different left and right, should just slide forward and out (pic 3).

Now you will see 7 metal tabs holding the headliner down. Slide the headliner inward to free it from these tabs (pic 4). The last two tabs are under the front of the sunroof, so be sure you get all of them. This should allow the headliner edge to be lifted upward.

The last step in freeing the headliner, if it hasn't fallen free already, is to slide forward the rear edge of the sunroof opening. There is an aluminum extrusion that is clipped to the rear of the sunroof opening, sometimes the glue releases and it is a separate piece.

This is what you should see, great time to check the sunroof drains, cable, anything else (pic 5).

To remove the headliner from the car, recline both seatbacks fully. Open both rear doors. Rotate the rear edge of the headliner out of one rear door, which should allow one front tip to clear the other rear doorway. With the one front tip out of the rear doorway, move the headliner forward and rotate the rear of the headliner out of the same doorway, pull it out of the car. You should not need to bend the headliner AT ALL to do this, if you are bending it, you will likely wrinkle and ruin your headliner. It is not necessary.
Here are a couple of photos of the removed headliner from the top (pics 1&2). Note the part number (for the gray/graue) and the aforementioned aluminum clip at the rear of the sunroof opening:

This is a photo of the headliner sagging. Southern cars have great steel, but the heat takes its toll on other parts (pics 3&4).
Installation is pretty much the reverse of the above. I did it in this order: sunroof opening rear, rear light & bracket, rear passenger assist handles, C-pillar panels, B-pillar panels (be careful to line up the seatbelt height adjuster handles) rear-door seals, move seats back, front assist handles, sunroof sides, header panel & end clips, header accessories, front door trim, sunroof trim.

Total time was around 4-1/2 hours.