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Official closing ceremony for strategic investment held in Beijing: Daimler AG is 12% shareholder in Chinese partner BAIC Motor

- **Following green light from Chinese authorities: Official closing ceremony in Beijing for Daimler AG's 12% stake in leading Chinese manufacturer BAIC Motor**
- **Daimler is first non-Chinese automotive company to acquire an interest in a Chinese OEM**
- **Dr. Dieter Zetsche: "Strategic investment proves our long-term commitment to China and our partner"**
- **Daimler Board of Management members Hubertus Troska and Bodo Uebber receive seats on the Board of Directors of BAIC Motor**
- **Closing crowns tenth anniversary of strategic partnership between Daimler and BAIC**

Beijing – Daimler AG is taking a major step forward in its China strategy with the closing of the company's 12% investment in long-standing partner BAIC Motor, the passenger car unit of Beijing Automotive Group (BAIC Group), one of the top automotive companies in China. This important joint move breaks new ground as the first ever investment by a non-Chinese automotive company in a Chinese OEM. The official closing of the transaction, following a short time after the signing of the investment agreement between the two companies in Stuttgart earlier this year and a smooth

approval by the relevant Chinese authorities, will boost the already strong and trusted partnership to the next strategic level. Daimler's investment will take place through the issuance of new shares corresponding to a 12% stake in BAIC Motor. With this investment, Daimler is proving its strong support for BAIC Motor's intention to launch an initial public offering (IPO) in the future.

In the presence of Wang Anshun, Mayor of The People's Government of Beijing, Daimler's Chairman of the Board of Management and Head of Mercedes-Benz Cars, Dr. Dieter Zetsche; Member of the Board of Management of Daimler AG responsible for Greater China, Hubertus Troska; and Member of the Board of Management and Chief Financial Officer of Daimler AG, Bodo Uebber, met today at the Hall of City Government in Beijing with Chairman Xu Heyi, Deputy General Manager Zhang Xiyong, and Chief Financial Officer Ma Chuanqi of BAIC to celebrate the closing of the transaction.

The agreement between the strategic partners includes two seats for Daimler on the Board of Directors of BAIC Motor, to be held by Hubertus Troska and Bodo Uebber. Furthermore, BAIC will increase its stake in the production joint venture Beijing Benz Automotive Corporation (BBAC) by 1% to 51%. At the same time, Daimler will increase its stake in the integrated sales joint venture Beijing Mercedes-Benz Sales Service Corporation (BMBS) by 1% to 51%.

In emphasizing the significance of the transaction, Dr. Dieter Zetsche stated: "This strategic investment proves our long-term commitment to both the key market China and our trusted partner BAIC Motor. Going forward, the cooperation between Daimler AG and BAIC Motor will contribute towards increasing our footprint in China and so enable us to actively participate even better in the huge opportunities the Chinese automotive market offers."

BAIC Chairman Xu Heyi underlined the positive impacts of the transaction: “This is another historical milestone in a partnership that has already seen great success in the past, with joint production and sales activities ranging from passenger cars to trucks. By further deepening our cooperation on a strategic level, the partnership between our two companies will face an even more prosperous future.”

Hubertus Troska said: “This year we are celebrating the tenth anniversary of our cooperation with BAIC that, with significant investments, has grown from strength to strength since day one. Today our partnership is stronger than ever. With this strategic step we are again pushing our cooperation into new heights, leveraging the potential of the Chinese automotive market to the greatest extent possible.”

Bodo Uebber noted: “BAIC already stands firm amongst the top Chinese car companies and has broad recognition as a successful enterprise. To further strengthen its position, we fully support BAIC Motor’s intention to publicly list its shares in the future. In this way, we will become part of the growth of the Chinese auto market and one of its key domestic players.”

As one of China’s largest automakers, BAIC Group sold over 1.7 million vehicles in 2012. Recently, BAIC Group has been listed (position 336) in the Fortune Global 500, the overview of the largest corporations in the world. Earlier this year, BAIC was ranked second on KPMG’s Global Auto Executive Survey 2013, a ranking of the top automotive companies that are expected to gain market share in the future.

With more than 125 years of experience in automotive excellence, Daimler AG is one of the world’s most successful car companies. Both parties have already established a long-term strategic and trustful partnership, constituting a win-win situation for both the two

stakeholders and the Chinese automotive industry. Joint activities include BBAC, which has been producing Mercedes-Benz passenger cars since 2006 and – starting 2013 – also four and six-cylinder engines in the first ever Mercedes-Benz passenger car engine plant outside of Germany, as well as Beijing Foton Daimler Automotive Co., Ltd. (BFDA), which has been jointly manufacturing Auman-branded medium and heavy-duty trucks since mid-2012. Most recently, the establishment of Beijing Mercedes-Benz Sales Service Co., Ltd. marked another significant milestone for the partnership. The company that became operational in March 2013 bundles all sales and service activities for imported and locally produced Mercedes-Benz cars under one roof and is a key pillar for Mercedes-Benz's sustainable growth in China.

Overview: Daimler in China

Daimler Greater China is based in Beijing and includes Beijing Mercedes-Benz Sales Service Co. Ltd. (BMBS), Mercedes-Benz Auto Finance Ltd. (MBAFC) and Mercedes-Benz Leasing Co. Ltd. (MBLC), Daimler Northeast Asia Parts Trading & Services Co. Ltd. (DPTS), the joint ventures Beijing Benz Automotive Co. Ltd. (BBAC), Beijing Foton Daimler Automotive Co. Ltd. (BFDA), Fujian Benz Automotive Corporation (FBAC) and Shenzhen BYD Daimler New Technology Co. Ltd. (BDNT), as well as sales companies in Hong Kong and Taiwan.

Local production of **Mercedes-Benz cars** began with the predecessor series of the E-Class in the BBAC joint venture in 2006; the C-Class series followed in 2008. BBAC has been producing the current E-Class in a long-wheelbase version tailored specifically for the demands of the Chinese market since May 2010; the first locally produced GLK rolled off the production line in Beijing in December 2011. In the near future, the GLA-Class will become the fourth locally produced Mercedes-Benz model range.

On the sales side, Mercedes-Benz Cars is represented in China with its complete product portfolio; around 210,000 vehicles were sold in the year 2012. 75 new dealers will be added to the sales network just in 2013, making the brand increasingly present outside the Tier 1 cities with a total of well over 300 dealerships.

China is already a top sales market for **Mercedes-Benz trucks**. With a market share of more than 50% in the premium segment, Mercedes-Benz Trucks lead the market above all in for heavy-duty trucks. In addition, Daimler is developing the volume segment of the world's biggest market for commercial vehicles in a joint venture with Beiqi Foton Motor, a Chinese truck manufacturer. Since mid-2012, the jointly produced medium and heavy-duty trucks of the Auman brand have been rolling off the production line in Beijing-Huairou.

In addition, Daimler has been producing **Mercedes-Benz vans** for the Chinese market in the Fujian Benz Automotive Corporation joint venture since April 2010. The portfolio includes Mercedes-Benz Vito, Viano and Sprinter models.

Daimler Financial Services has been providing automotive financing in China through Mercedes-Benz Auto Finance China since 2005; established in 2012, Mercedes-Benz Leasing Co. Ltd. added leasing services to the product portfolio.

Together with BYD, Daimler has initiated the joint venture **Shenzhen BYD Daimler New Technology Co. Ltd.** to develop, under the brand DENZA, the safest and most reliable electric vehicle in China and for China.

This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a worsening of the sovereign-debt crisis in the Eurozone; an exacerbation of the budgetary situation in the United States; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates; a shift in consumer preference towards smaller, lower-margin vehicles; or a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; price increases in fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization measures; the business outlook of companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending government investigations and the conclusion 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. If any of these risks and uncertainties materialize or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the 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 since they are based solely on the circumstances at the publication date.

Further Investor Relations information on Daimler is available on the Internet via www.daimler.com/investors and on handhelds via www.daimler.mobi/ir.

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