Expansion of the Mercedes-Benz Production Network: Ground-breaking Ceremony in Romania

- Additional capacities in transmission assembly from 2016
- Investments of more than EUR 300 million
- Around 500 jobs to be newly created in Sebes
- Markus Schäfer: "The additional assembly capacities in Sebes supplement our production operations at the Mercedes-Benz Untertürkheim plant optimally. They also are an important contributing factor in the economics and the flexibility of our international production network of Mercedes-Benz."

Stuttgart/Sebes – An important milestone at Daimler and the Romanian subsidiary Star Transmission was celebrated today attended by numerous guests: the ceremonial ground-breaking for a new assembly plant in Sebes was laid in the presence of Romanian Prime Minister Victor Ponta and representatives from both companies. Starting in 2016 the new Mercedes-Benz 9G-TRONIC nine-speed automatic transmission will be assembled here.

Markus Schäfer, Divisional Board Member Mercedes-Benz Cars, Production and Supply Chain Management, said: "The additional assembly capacities in Sebes supplement our production operations at the Mercedes-Benz Untertürkheim plant optimally. They also are an important contributing factor in the economics and the flexibility of our international production network of Mercedes-Benz. With this
set-up we will successfully satisfy the continuing increase in demand for automatic transmissions."

Victor Ponta, Prime Minister of Romania: "The expansion of the Sebes location and the connected further investments of Daimler underline that we are on a good way in Romania and have created an attractive investment climate. With this, we aim to further extend our position as an important automotive manufacturing location in Europe and to create further new jobs."

"In Mercedes-Benz' global production network for passenger cars the Untertürkheim engine and transmission plant serves as a center of competence," said Peter Schabert, Head of Production Powertrain and Head of the Mercedes-Benz Untertürkheim plant. "From here the experienced production team has shared its know-how with the Romanian employees as part of a special qualification program over the course of several months. The great teamwork in the international powertrain team strengthens our competitiveness on a sustainable basis."

Automatic transmissions from Mercedes-Benz are manufactured in the flexible production network of the Mercedes-Benz Untertürkheim plant and Star Transmission. The 9G-TRONIC transmission has been produced and assembled at the Untertürkheim parent plant since last year and starting in 2016 this automatic transmission will also be assembled at the Sebes location. Investments in Sebes total more than EUR 300 million, and the capacity expansion at the Romanian plant will create 500 new jobs.

About Star Transmission SRL

The Daimler subsidiary Star Transmission was founded in 2001. Since then, gearwheels, shafts as well as machined components for engines, transmissions and steering systems are being produced at the Cugir location. Moreover, the technology center which contains
a production of prototypes and a training center is located here. The
Sebes location started the assembly of 5-speed automatic
transmissions in 2013. The start of the assembly of 7G-DCT
dual-clutch transmissions in Sebes this year provides additional
capacities beyond the manufacturing operations previously
concentrated exclusively in Stuttgart. Currently the company
employs a total workforce of more than 1,200 people.

With support from the Romanian government Star Transmission is
one of the first Romanian companies to offer a dual education
system modeled after the German state of Baden-Wuerttemberg.
The goal of the dual education system is to offer young people in the
Alba region a good career outlook while at the same time ensuring
the development of young talents for Star Transmission. Since
September 2013 the plant has been training young people in
technical professions, such as electrical mechanics or model
founder, for example.

To further optimize the working conditions for its more than 1,200
employees, Star Transmission has been offering a health program
since late 2013. A doctor's office on the plant premises provides
free medical check-ups and advice on ergonomics for the
employees. In addition, once a week the employees can get consults
from specialists, among them cardiologists, dermatologists and
professional nutritionists.

**About the Mercedes-Benz Cars Powertrain production network**

The powertrain production network comprises several locations in
Germany, and is being expanded with international production sites
as part of the Mercedes-Benz 2020 growth strategy and the
associated increasing production of Mercedes-Benz vehicles in
proximity to markets and customers. The central location is the
Mercedes-Benz Untertürkheim plant, which manufactures engines,
transmissions and axles at a total of six sub-plants.
The Mercedes-Benz Berlin plant manufactures engines and powertrain components, the Mercedes-Benz Hamburg plant produces axles and various other components. The subsidiary MDC Power manufactures engines in Kölleda, Thuringia.

Among the international locations the Romanian subsidiary Star Transmission is responsible for producing engine and transmission parts as well as for the assembly of automatic transmissions. In China, the production of engines for supplying the local Mercedes-Benz cars and vans manufacturing operations started at the Beijing location (BBAC - joint venture between Daimler and Chinese partner BAIC) in 2013. In the US, Daimler and Nissan will start up the joint production of four-cylinder petrol engines based on a Mercedes-Benz design at the Nissan plant in Decherd, Tennessee, in 2014 as part of a strategic cooperation between Daimler and the Renault/Nissan alliance. Among others, the engines are destined for the future production of the C-Class at the Mercedes-Benz plant in Tuscaloosa, Alabama.

**About the nine-speed 9G-TRONIC automatic transmission from Mercedes-Benz**

The world's first nine-speed automatic transmission with torque converter for premium vehicles impresses with outstanding comfort and barely perceptible gear changes. In the Mercedes-Benz E 350 BlueTEC, which is available in Saloon and Estate models and comes equipped with the new 9G-TRONIC as standard, the 185 kW (252 hp) V6 diesel engine has an average NEDC fuel consumption of 5.3 litres of diesel per 100 kilometers (Estate: 5.5 l/100 km), corresponding to CO2 emissions of 138 g/km (Estate: 144 g/km). As a result, the new models with 9G-TRONIC undercut their predecessors in terms of both consumption and CO2 emissions.
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 and Opportunity 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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