

September 30, 2016

## **Cooperation between Daimler and Renault-Nissan Alliance deepening in 2016**

- **Original project portfolio matures in all areas (vehicles, engines and cross-supplying) across three continents**
- **World premiere of EV versions of new smart fortwo, smart cabrio and smart forfour (Electric energy consumption: 13.1 – 12.9 kWh/100 km; CO2 emissions, combined: 0 g/km) with motors built at Renault's Cléon plant**
- **First Mercedes-Benz pickup truck taking shape and set-up of the Alliance's production facilities in Spain and Argentina fully on track**
- **Joint production facility in Aguascalientes, Mexico, preparing for pilot production of next generation premium compact cars**
- **Partnership growing in 2016, delivering economies of scale for both companies and higher-value vehicles to customers**

PARIS – The strategic partnership between the Renault-Nissan Alliance and Daimler AG is maturing as it enters its seventh year in 2016, the companies' leaders said today in their annual media update during the Paris International Motor Show.

"The partnership between Daimler and the Alliance has grown and matured", said Carlos Ghosn, Alliance Chairman and CEO. "It is based on a spirit of cooperation and trust that has strengthened over the years. The results have clearly benefitted both partners. By sharing development and production costs, we have been able to enter new segments and offer our customers more compelling vehicles with the latest technology and features at more competitive prices."

Dieter Zetsche, Chairman of the Board of Management of Daimler and Head of Mercedes-Benz Cars, added: "Over the last seven years we've established a partnership that extends from parts to platforms, from co-development to co-production and from cars to commercial vehicles. And we did so in

project-oriented, diverse teams that share competences across continents. They are driven by the best ideas – may they originate in Paris, Stuttgart, or Yokohama. So, our future cooperation continues to hold great promise.”

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Major milestones of the past year include:

- **EV versions of the new smart fortwo, smart cabrio and smart forfour** (Electric energy consumption: 13.1 – 12.9 kWh/100 km; CO2 emissions, combined: 0 g/km): These all-new smart and the Renault Twingo were the first vehicles built on a common platform by Daimler and the Alliance. Launched in 2014, the smart two-seater is built at Daimler’s Hambach plant, France, whereas both four-seater vehicles are produced at Renault’s plant in Novo Mesto, Slovenia. Initial customer reaction to all three models has been highly positive. The project has therefore been further expanded, as announced earlier by the two executives. EV versions of the smart fortwo, smart cabrio and smart forfour (Electric energy consumption: 13.1 – 12.9 kWh/100 km; CO2 emissions, combined: 0 g/km) debuted here at the Paris Motor Show. The new motors are being built at the Renault plant in Cléon, France. The battery of the new smart electric drive is produced by the Daimler subsidiary, “Deutsche ACCUotive,” in Kamenz, Germany. This means smart is the first brand to offer its entire portfolio with both a combustion engine and also battery-electric drive.
- **First joint production facility COMPAS established:** Nissan and Daimler broke ground on the US\$ 1 billion Aguascalientes, Mexico, plant in 2015, which will produce next-generation premium compact vehicles for Infiniti as of 2017 and for Mercedes-Benz starting in 2018. The staffing and equipping of the plant started in May 2016 according to plan. Construction will be completed in 2017, followed by preparation for pilot production of Infiniti vehicles. A new quality evaluation standard will be implemented at the facility to assure the delivery of premium-model quality. The plant is expected to produce more than 230,000 cars a year by 2020. The vehicles will also be produced at other Daimler and Nissan plants in Europe and China.
- **Expansion of the cooperation to 1-ton pickup trucks:** In 2015, Daimler and Nissan announced the joint development of the first Mercedes-Benz pickup truck. The new pickup will share some of its architecture with the all-new Nissan NP300. It will be engineered and designed by Daimler to meet the specific needs of its customers in Europe, Australia, South Africa and Latin America. The vehicle will have all of Mercedes-Benz’ distinctive characteristics and features. Production of the Mercedes-Benz pickup truck will take place at the

Renault plant in Cordoba, Argentina, and at Nissan's Barcelona plant in Spain, where the Nissan NP300 Frontier and the Renault Alaskan will also be produced. In October, Mercedes-Benz will provide further insights into the new pickup truck's design, strategy and markets.

- **Joint engine production in North America:** Joint engine development and production in addition to engine cross-supply projects mark a one of a kind cooperation in the powertrain segment covering engines and transmissions. The Nissan Decherd plant in Tennessee, USA, is an example of this success with joint engine production. In June 2014, production of 2-liter, 4-cylinder gasoline engines was started for Nissan; operations for Daimler engines followed in October 2014. Since then, the plant has produced about a quarter of a million engines. Plant expansion was decided upon early in 2016 and is now being implemented. The Nissan Decherd plant has become an important pillar of Daimler's flexible, global production network (i.e. in addition to serving local demand, the plant exports engines to Mercedes sites in East London, South Africa, as well as machined components to Germany).

When the Daimler-Alliance partnership was launched in April 2010, the scope of the original collaboration was limited to three projects, primarily in Europe. Since then, the combined portfolio shared between the partners is growing in all fields (products, engines and cross-supplying) in Europe, Asia and the Americas.

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 deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates; a shift in consumer preferences towards smaller, lower-margin vehicles; 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 for 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 for 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 or of investigations requested by governments 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 the current Annual Report. If any of these risks and uncertainties materializes 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 date of publication.

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