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## **Additional Production Capacities for the Mercedes-Benz A-Class: Contract Manufacturing Starts at Valmet Automotive**

- **First customer vehicle rolled off the line at the Valmet Automotive plant in Uusikaupunki according to plan**
- **Top quality – new generation of Mercedes-Benz compact cars receives excellent customer response**
- **Production of more than 100,000 vehicles planned at Valmet Automotive between 2013 and 2016**
- **Andreas Renschler: "Our new compacts are very successful – we will now be able to serve high customer demand even better. Valmet Automotive is complementing our flexible production network of the plants in Rastatt and Kecskemét in an optimal way."**

Stuttgart, Germany / Uusikaupunki, Finnland – The first Mercedes-Benz A-Class rolled off the line at the production specialist Valmet Automotive in Uusikaupunki. Production of customer vehicles thus started according to plan about 13 months after the contract manufacturing agreement was announced.

Andreas Renschler, member of the Daimler Board of Management responsible for Manufacturing and Procurement Mercedes-Benz Cars & Mercedes-Benz Vans: "Our new compacts are very successful – we will now be able to serve high customer demand even better. Valmet Automotive is complementing our flexible production network of the plants in Rastatt and Kecskemét in an optimal way. Thanks to these additional capacities for the A-Class, our core plant in Rastatt can at the same time optimally prepare for its third production model - the GLA - which is due soon."

Page 2

Commenting on the intensive joint preparations for the start of production and on further cooperation with Valmet Automotive in the next years, Renschler added: "We have found the ideal partner for this project with Valmet Automotive. As a production specialist, Valmet Automotive reliably fulfils the high requirements in terms of processes and especially quality which globally apply to the production of Mercedes-Benz passenger cars."

Risto Hukkanen, Senior Vice President Manufacturing Services, Valmet Automotive: "The launch of contract manufacturing of the Mercedes-Benz A-Class is an important milestone in the history of Valmet Automotive. Daimler is the inventor of the automobile and one of the world's most successful automotive companies, and we are pleased to be part of the success story of the A-Class as their manufacturing partner."

Production at Valmet Automotive's plant in Uusikaupunki is continuously being ramped up following the start of production and will be flexibly adjusted in close consultations between Daimler and Valmet to meet the respective required output from the current year on through 2016. In total, more than 100,000 A-Class vehicles are planned to roll off the line in Uusikaupunki.

Valmet Automotive and Daimler will present the A-Class contract manufacturing to guests from the areas of politics, economy,

administration and media in September 2013 with an official celebration at the Uusikapunki plant.

Page 3

### **A success story: The new generation of Mercedes-Benz compact cars**

Mercedes-Benz' attack in the premium compact segment continues: The Frankfurt Motor Show in September will see the presentation of the GLA as an impressive reinterpretation of the compact SUV segment. The GLA is the fourth of five new models that mark a significant expansion of the brand's product portfolio and appeals to new customer groups. As an example, the conquest rate of the new A-Class in Europe is at about 50 percent, the average age of the customers is 10 years lower compared to the predecessor model.

Already introduced were the new B-Class, the new A-Class and the four-door compact coupe CLA. Demand for these models continues to be very high: From January through July 2013 alone, 202,149 vehicles of the A- and B-Class and the CLA were delivered (+62.7%). Further momentum is expected in the months ahead with continuously rising availability in further markets.

### **About the production network of the new generation of Mercedes-Benz compact cars**

The new Mercedes-Benz compacts are produced in the flexible production network of the plants in Rastatt, Germany, and Kecskemét, Hungary, according to the standards of the Mercedes-Benz production system MPS. The high degree of flexibility is on the one hand due to the joint architecture of the new compacts, thanks to which all models at each location can be built in any order and volume. On the other hand, models produced at several locations serve as levers allowing the plants to breathe and to allocate units optimally in the production network, always according to market demand for individual models.

Production of the B-Class started in both plants as the first product of the new generation (Rastatt: September 2011, Kecskemét: March 2012). The new A-Class has been built in Rastatt since July 2012. As the second product from Kecskemét, production of the CLA started in January 2013. Production of the compact SUV GLA, to be introduced to markets in 2014, will soon begin in Rastatt. In total, Daimler has invested about 2 billion euros over several years, of which (including 2013) 1.2 billion at the Rastatt core plant and 800 million euros to build the new plant in Kecskemét. The number of staff at Rastatt rose to a record value of more than 6,600 by the end of 2012, at Kecskemét to about 3,400. Further investments connected to the new generation of compact cars were made at the powertrain plants in Germany, with almost 400 million euros between 2012 and 2013 for components exclusively used in compact cars. Additional production capacities for the A-Class are now available with the contract manufacturing at Valmet Automotive, with planned output of more than 100,000 vehicles of the model series between 2013 and 2016. In addition, local production of the GLA for the Chinese market at BBAC (Beijing Benz Automotive Corporation, joint venture of Daimler and its Chinese partner BAIC) is planned in the future.

Page 4

Further information from Daimler is available at:

**[www.media.daimler.com](http://www.media.daimler.com) and [www.daimler.com](http://www.daimler.com)**

This document contains forward-looking statements that reflect our current views about future events. The words "anticipate," "assume," "believe," "estimate," "expect," "intend," "may," "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 euro zone; a deterioration of our funding 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 as well as to 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 governmental 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 forwardlooking statements prove incorrect, then our 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. Any forward-looking statement speaks only as of the date on which it is made.

Page 5

#### **About Daimler**

Daimler AG is one of the world's most successful automotive companies. With its divisions Mercedes-Benz Cars, Daimler Trucks, Mercedes-Benz Vans, Daimler Buses and Daimler Financial Services, the Daimler Group is one of the biggest producers of premium cars and the world's biggest manufacturer of commercial vehicles with a global reach. Daimler Financial Services provides financing, leasing, fleet management, insurance and innovative mobility services. The company's founders, Gottlieb Daimler and Carl Benz, made history with the invention of the automobile in the year 1886. As a pioneer of automotive engineering, Daimler continues to shape the future of mobility today: The Group's focus is on innovative and green technologies as well as on safe and superior automobiles that appeal to and fascinate its customers. For many years now, Daimler has been investing continually in the development of alternative drive systems with the goal of making emission-free driving possible in the long term. So in addition to vehicles with hybrid drive, Daimler now has the broadest range of locally emission-free electric vehicles powered by batteries and fuel cells. This is just one example of how Daimler willingly accepts the challenge of meeting its responsibility towards society and the environment. Daimler sells its vehicles and services in nearly all the countries of the world and has production facilities on five continents. Its current brand portfolio includes, in addition to the world's most valuable premium automotive brand, Mercedes-Benz, the brands smart, Freightliner, Western Star, BharatBenz, Fuso, Setra and Thomas Built Buses. The company is listed on the stock exchanges of Frankfurt and Stuttgart (stock exchange symbol DAI). In 2012, the Group sold 2.2 million vehicles and employed a workforce of 275,000 people; revenue totaled €114.3 billion and EBIT amounted to €8.6 billion.