

Daimler and Renault-Nissan Alliance Start Manufacturing Joint Venture in Mexico

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- **Manufacturing joint venture called COMPAS (Cooperation Manufacturing Plant Aguascalientes)**
- **To build plant for the production of next-generation premium compact vehicles for the brands Mercedes-Benz and Infiniti**
- **COMPAS led by international management team from Daimler and Nissan**

AGUASCALIENTES, Mexico – Five years after their strategic cooperation was established, Daimler and the Renault-Nissan Alliance have significantly expanded their collaboration with the start of a manufacturing joint venture in Aguascalientes in central Mexico.

The new business entity COMPAS (Cooperation Manufacturing Plant Aguascalientes) is 50:50 owned by Daimler and Nissan. The partners will invest a total of US\$1 billion in COMPAS which will oversee the construction and operation of a manufacturing plant for the production of next-generation premium compact vehicles for the brands Mercedes-Benz and Infiniti.

The state-of-the-art plant will be located near the Nissan Aguascalientes A2 plant. It will have an initial annual production capacity of more than 230,000 vehicles and will create about 3,600 direct jobs by 2020.

Depending on the market development and customer demand, there will be the potential to add additional capacity. Production of Infiniti vehicles will begin in 2017, first Mercedes-Benz vehicles will roll off the line in 2018.

COMPAS is led by an international management team from Daimler and Nissan: Ryoji Kurosawa is Chief Executive Officer (CEO); Uwe Jarosch is Chief Financial Officer (CFO) and Glaucio Leite is Chief Quality Officer (CQO).

The decision-making process of COMPAS is supported by a Board of Directors made up of three executives from each company. The board members from Daimler are: Michael Göbel, Head of Production Compact Cars, Mercedes-Benz Cars; Axel Harries, Head of Quality Management, Mercedes-Benz Cars; and Christian Schulz, Head of Controlling, Mercedes-Benz Cars Operations. The Nissan executives are: Armando Avila, Manufacturing VP, Nissan Mexico; Carlos Servin, Finance VP, Nissan North America; and Takehiro Terai, Total Customer Satisfaction VP, Nissan North America.

“COMPAS is an outstanding example of the global reach of the Renault-Nissan Alliance and Daimler cooperation. Together we are combining the manufacturing expertise of Nissan and Daimler in one production plant in Mexico for the production of next-generation premium compact cars,” said COMPAS CEO Kurosawa. “Aguascalientes was selected as the location for this new plant thanks to the state’s well-established supplier base and Nissan’s track record in highly efficient manufacturing in Mexico for more than three decades,” he added.

Kurosawa has more than 30 years’ manufacturing experience at both Nissan and Infiniti. In his last position as General Manager of the Tochigi Plant in Japan, he was in charge of the production and quality of Infiniti, including the Infiniti Q50 flagship sedan.

“With COMPAS, Mercedes-Benz Cars will for the first time have a production location for compact cars in the NAFTA region and will thus be able to serve its customers close to the market in a flexible and efficient manner,” said COMPAS CFO Jarosch.

During more than 40 years at Daimler, Jarosch has completed various and largely international assignments in finance and controlling. In his last position as CFO of the Mercedes-Benz passenger cars business in India, he had a responsible role in the significant expansion of the local production and the sales network in the country.

“By incorporating the best from both companies in terms of manufacturing and quality processes, we will produce top-quality products, maximize resources, and optimize costs at the same time. We are also making sure that both brands’ quality requirements and identities are safeguarded,” added COMPAS CQO Leite.

During 24 years at Daimler, Leite has taken over various functions in production and planning at Mercedes-Benz commercial vehicles as well as passenger cars in Brazil and Germany. In his last position, after several project assignments at the passenger car plants in the USA and China, he

oversaw preparations for the final assembly of the next-generation E-Class at the Mercedes-Benz Sindelfingen plant in Germany.

As announced in June 2014, Daimler and Infiniti will also cooperate in the development of the next-generation premium compact vehicles for the brands Mercedes-Benz and Infiniti. The two partners will closely collaborate at every stage of the product creation process. Brand identity will be safeguarded as the Mercedes-Benz and Infiniti vehicles will clearly differ from each other in terms of product design, driving characteristics, and specifications.

Daimler and Nissan will also produce the next-generation premium compact cars at other production locations around the world, including Europe and China.

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DAIMLER AT A GLANCE

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, financial investments, credit cards, 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. Daimler consequently invests in the development of alternative drive trains with the long-term goal of emission-free driving: from hybrid vehicles to electric vehicles powered by battery or fuel cell. Furthermore, the company follows a consistent path towards accident-free driving and intelligent connectivity all the way to autonomous driving. 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 in Europe, North and South America, Asia, and Africa.

Its current brand portfolio includes, in addition to the world's most valuable premium automotive brand, Mercedes-Benz, as well as Mercedes-AMG and Mercedes-Maybach, the brands smart, Freightliner, Western Star, BharatBenz, FUSO, Setra and Thomas Built Buses, and Daimler Financial Services' brands: Mercedes-Benz Bank, Mercedes-

Benz Financial, Daimler Truck Financial, moovel and car2go. The company is listed on the stock exchanges of Frankfurt and Stuttgart (stock exchange symbol DAD). In 2014, the Group sold more than 2.5 million vehicles and employed a workforce of 279,972 people; revenue totaled €129.9 billion and EBIT amounted to €10.8 billion.

ABOUT THE RENAULT-NISSAN ALLIANCE

The Renault-Nissan Alliance is a strategic partnership between Paris-based Renault and Yokohama, Japan-based Nissan, which together sell one in 10 cars worldwide. The companies, which have been strategic partners since 1999, sold 8.5 million vehicles in nearly 200 countries in 2014. In addition to AVTOVAZ, the Alliance operates strategic collaborations with automakers including Germany's Daimler, Japan's Mitsubishi, China's Dongfeng, and India's Ashok Leyland.

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