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Contract signed: BMW Group and Daimler AG launch long-term development cooperation for automated driving

- Initial goal: to develop technologies for driver assistance systems, highly automated driving on highways, and automated parking (all up to SAE Level 4)
- Market launch in series vehicles scheduled for 2024
- Partners will implement technologies independently in their respective series vehicles
- Cooperation involves over 1,200 development specialists in Unterschleissheim and Sindelfingen

Munich/Stuttgart. The BMW Group and Daimler AG are launching their cooperation on automated driving: representatives from the two companies today signed an agreement for a long-term strategic cooperation, which will focus on joint development of next-generation technologies for driver assistance systems, automated driving on highways and automated parking (all to SAE Level 4). In addition, further talks are planned to extend the cooperation to higher levels of automation in urban areas and city centres. This underscores the long-term and lasting nature of the undertaking, which will extend to encompass a scalable platform for automated driving. The non-exclusive cooperation is also open to other OEMs and technology partners, with results being made available to other OEMs under license.

A key aim of the cooperation is the swift market launch of the technology, which is expected to feature in passenger car systems for private customers from 2024. The two companies will each implement the technologies in their respective series products independently. The cooperation will see more than 1,200 specialists working together, often in mixed teams. They will be based at locations including the BMW Group Autonomous Driving Campus in Unterschleissheim, near Munich, the Mercedes-Benz Technology Centre (MTC) in Sindelfingen and the Daimler Testing and Technology Centre in Immendingen. Efforts will focus on developing a scalable architecture for driver assistance systems, including sensors, as well as a joint data centre for data storage, administration and processing, and the development of functions and software.

Safety First for Automated Driving

Along with Aptiv, Audi, Baidu, Continental, Fiat Chrysler, HERE, Infineon, Intel and Volkswagen, the BMW Group and Daimler have published a white paper entitled Safety First for Automated





Driving. As well as covering all relevant safety methods for Level 3/4 SAE automated driving, the paper introduces a traceability system, which extends from the primary goal – being safer than the average driver – right down to the individual safety objectives of the various components. The paper was published on 2 July 2019.

Automated driving at the BMW Group:

The BMW Group has been working on highly automated driving since 2006 and has established a non-exclusive platform with technology specialists, suppliers and OEMs to take it to series maturity. Since 2017, work in this area has been consolidated at the Autonomous Driving Campus in Unterschleissheim, just north of Munich, and the industrialisation of the technology is being advanced with the support of partners. The technology's unique scalability from Level 2 - 4 both enables a high level of flexibility and ensures it will be viable in the future. Cutting edge agile software development is used at the Campus to speed up development of the platform and set new industry standards. Around the world, more than 70 test vehicles are trialling the latest technology. They collect data in order to improve machine learning with artificial intelligence through simulations and test new Level 2 - 5 functions out on the road. The generation of technologies that is currently under development will go into series production as Level 3 automation in 2021 in the BMW iNEXT where it will also be Level 4 enabled for pilot projects.

Automated driving at Daimler AG:

Daimler AG has been working on series development projects not only for specific Level 3 vehicles but also for Levels 4 and 5. Long a leader in active safety systems, it programmed its systems largely in-house right from the very beginning. 2019 will see the launch in San José, Silicon Valley, of its first pilot programme, with Bosch, on self-driving vehicles (Levels 4/5) in urban environments. This will be the next milestone within the existing cooperation between both partners and the cooperation will continue as planned. Early next decade, Daimler will bring to the market not only highly automated (Level 3) vehicles but also fully automated (Level 4/5) vehicles. It is the only OEM in the world to be so well-positioned to apply autonomous driving in every relevant context, from passenger cars and vans to buses and trucks, and is therefore relying on scalable solutions to deliver automated driving.



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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; aworsening 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 forward-looking 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.

The BMW Group at a Glance

With its four brands BMW, MINI, Rolls-Royce and BMW Motorrad, the BMW Group is the world's leading premium manufacturer of automobiles and motorcycles and also provides premium financial and mobility services. The BMW Group production network comprises 31 production and assembly facilities in 15 countries; the company has a global sales network in more than 140 countries.

In 2018, the BMW Group sold over 2,490,000 passenger vehicles and more than 165,000 motorcycles worldwide. The profit before tax in the financial year 2018 was \in 9.815 billion on revenues amounting to \in 97.480 billion. As of 31 December 2018, the BMW Group had a workforce of 134,682 employees.

The success of the BMW Group has always been based on long-term thinking and responsible action. The company has therefore established ecological and social sustainability throughout the value chain, comprehensive product responsibility and a clear commitment to conserving resources as an integral part of its strategy.



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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 largest producer of trucks above 6 tons. Daimler Financial Services provides financing, leasing, fleet management, investment products and brokerage of credit cards and insurance, as well as 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, it is a motivation and commitment of Daimler to shape safely and sustainably the future of mobility. The Group's focus is on innovative and green technologies as well as on safe and superior automobiles that appeal and fascinate. Daimler consequently invests in the development of efficient drive trains with the long-term goal of locally emission-free driving: from hightech combustion engines about hybrid vehicles to electric drive trains powered by battery or fuel cell. Furthermore, the company follows a consistent path towards intelligent connectivity of its vehicles, autonomous driving and new mobility concepts. 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 (Source: Interbrand-Study, 10/4/2018), as well as Mercedes-AMG, Mercedes-Maybach and Mercedes me, the brands smart, EQ, Freightliner, Western Star, BharatBenz, FUSO, Setra and Thomas Built Buses, and Daimler Financial Services' brands: Mercedes-Benz Bank, Mercedes-Benz Financial Services, Daimler Truck Financial, moovel, car2go and mytaxi. The company is listed on the stock exchanges of Frankfurt and Stuttgart (stock exchange symbol DAI). In 2018, the Group sold 3.4 million vehicles and employed a workforce of around 298,700 people. Group revenue amounted to €167.4 billion. Group EBIT amounted to €11.1 billion.