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Partners reach joint decision: BMW Group and Mercedes-Benz AG put development cooperation in automated driving temporarily on hold – may be resumed later

- Both companies will continue to pursue their own development path
- Technological understanding of both partners remains a good fit
- Successful collaboration to continue in other fields as planned
- Fröhlich: "Current technology puts us into excellent position for many years"
- Schäfer: "Sounding out possibilities with partners outside automotive sector"

Munich/Stuttgart. The BMW Group and Mercedes-Benz AG are putting their cooperation on development of next-generation technology for automated driving temporarily on hold. Following extensive review, the two companies have arrived at a mutual and amicable agreement to concentrate on their existing development paths – which may also include working with current or new partners. Both explicitly wished to emphasise that cooperation may be resumed at a later date and that the two organisations' underlying approach to matters such as safety and customer benefits in the field of automated driving remains highly compatible.

The BMW Group and Mercedes-Benz AG are both working separately on current generations for highly-automated driving and have achieved major progress in this field in the past. However, the BMW Group and Mercedes-Benz AG were unable to hold detailed expert discussions and talk to suppliers about technology roadmaps until the contract was signed last year. In these talks – and after extensive review – both sides concluded that, in view of the expense involved in creating a shared technology platform, as well as current business and economic conditions, the timing is not right for successful implementation of the cooperation.

"We have systematically further developed our technology and scalable platform with partners like Intel, Mobileye, FCA and Ansys," said **Klaus Fröhlich**, member of the Board of Management of BMW AG, responsible for Development. "Our current technology generation offers very strong, sustainable potential: With extremely powerful sensors and computing power, our robust modular system puts us in an excellent position to offer our customers what they need for many years."

Markus Schäfer, Member of the Board of Management of Daimler AG and Mercedes-Benz AG; responsible for Daimler Group Research and Mercedes-Benz Cars COO: "Our expertise





complements that of the BMW Group very well, as our successful collaborations have proved. Next to decarbonisation, digitalization is a major strategic pillar for Mercedes-Benz. To prepare for the future challenges of a rapidly changing environment, we are currently also sounding out other possibilities with partners outside the automotive sector."

Both companies also underlined that they would continue working in close cooperation in the remaining fields as planned. In 2015, the two companies joined with Audi AG to acquire the location and technology platform HERE, which now has a very broad and international shareholder structure. In early 2019, the BMW Group and Daimler AG also pooled their mobility services in a joint venture under the umbrella of the NOW family.

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The BMW Group

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 2019, the BMW Group sold over 2.5 million passenger vehicles and more than 175,000 motorcycles worldwide. The profit before tax in the financial year 2019 was \in 7.118 billion on revenues amounting to \in 104.210 billion. As of 31 December 2019, the BMW Group had a workforce of 126,016 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.

Mercedes-Benz AG at a glance

Mercedes-Benz AG is responsible for the global business of Mercedes-Benz Cars and Mercedes-Benz Vans with over 173,000 employees worldwide. Ola Källenius is Chairman of the Board of Management of Mercedes-Benz AG. The company focuses on the development, production and sales of passenger cars, vans and services. Furthermore, the company aspires to be leading in the fields of connectivity, automated driving and alternative drives with its forward-looking innovations. The product portfolio comprises the Mercedes-Benz brand with the sub-brands Mercedes-AMG, Mercedes-Maybach and Mercedes me - as well as the smart brand, and the EQ product and technology brand for electric mobility. Mercedes-Benz AG is one of the largest manufacturers of premium passenger cars. In 2019 it sold nearly 2.4 million cars and more than 438,000 vans. In its two business divisions, Mercedes-Benz AG is continually expanding its worldwide production network with over 40 production sites on four continents, while aligning itself to meet the requirements of electric mobility. At the same time, the company is developing its global battery production network on three continents. Sustainable actions play a decisive role in both business divisions. To the company, sustainability means creating value for all stakeholders on a lasting basis: customers, employees, investors, business partners and the society as a whole. The basis for this is the sustainable business strategy of Daimler in which the company takes responsibility for the economic, ecological and social effects of its business activities and looks at the entire value chain.