



Production for the local market starts in the Moscow region

Press Information

Opening of Mercedes-Benz Cars passenger car plant in Russia

3 April, 2019

- **Mercedes-Benz Cars is investing more than 250 million euros in their new plant in Russia and will create over 1,000 jobs.**
- **In the Moscow region, Mercedes-Benz models will be produced for the local market.**
- **The first vehicle to roll off the production line is the Mercedes-Benz E-Class Sedan.**
- **Dieter Zetsche, Chairman of the Board of Management of Daimler AG and Head of Mercedes-Benz Cars: “The Moscovia plant is another component of our strategy of producing where our customers are. And both partners benefit from this: Russia and Mercedes-Benz.”**

Moscow. Mercedes-Benz Cars is starting production for the local market in the new passenger car plant Moscovia with the Mercedes-Benz E-Class Sedan. SUV models will follow the E-Class. Mercedes-Benz Cars is investing more than 250 million euros in the plant in the Moscow region. Over 1,000 employees will work in production and administration. The Moscovia plant is characterized by a flexible and green production and will use modern industry 4.0 technologies.

“The Mercedes-Benz plant Moscovia is another component of our strategy of producing where our customers are. And both partners benefit from this: Russia and Mercedes-Benz,” said Dieter Zetsche, Chairman of the Board of Management of Daimler AG and Head of Mercedes-Benz Cars.

At the opening Daimler CEO Dieter Zetsche, President of the Russian Federation Vladimir Putin, Peter Altmaier, German Federal Minister for Economic Affairs and Energy, Industry and Trade Minister of the Russian Federation Denis Manturov, Andrej Vorobjov, Governor of the Moscow region, as well as Markus Schäfer, Member of the Divisional Board of Mercedes-Benz

Cars, Production and Supply Chain, Jan Madeja, president and CEO of Mercedes-Benz RUS AO and Axel Bense CEO Mercedes-Benz Manufacturing RUS, participated.

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Investments of more than 250 million euros

In 2017 Mercedes-Benz Cars laid the foundation stone for the new plant, which has been constructed over a period of less than two years, in the Moscow region. It is located around 40 kilometres northwest of the Russian capital Moscow in the Esipovo industrial estate across an area of 85 hectares. The production company Mercedes-Benz Manufacturing RUS (MBMR) has responsibility for the new passenger car production in Russia and was created specifically for this purpose. The plant is part of the global production network with more than 30 locations worldwide.

“Our investments in the new Mercedes-Benz plant in Russia are an important switch for our global production network to become even more flexible and to produce close to the market. In our new plant we’ll use the most modern technologies, too, and produce in Mercedes-Benz top quality”, said Markus Schäfer, Member of the Divisional Board of Mercedes-Benz Cars, Production and Supply Chain.

Economic engine for the Moscow region

With the start of a local Mercedes-Benz passenger car production Daimler is following up on its previous activities in Russia. The new capacities aim to serve the high demand for Mercedes-Benz E-Class Sedans and SUVs, which is especially high in Russia. The plant will therefore in addition to the E-Class also produce SUV models. This means that the bestselling Mercedes-Benz passenger cars in Russia will be manufactured directly locally in future. Since 2013 Mercedes-Benz has been the premium automotive brand with most new registrations in Russia. In the past ten years the company more than doubled its passenger car sales in Russia.

“The Russian automotive market continues to be a key market for German car manufacturers. The opening of the first plant of Mercedes-Benz Cars in Russia is a landmark for the commitment of Mercedes-Benz in Russia, but also that of German ventures in Russia overall,” said Peter Altmaier, the German Federal Minister for Economic Affairs and Energy.

Production at the Mercedes-Benz Moscovia plant is characterized by the most modern and innovative Industry 4.0 technologies. Driverless transportation systems convey the bodies between the subsections. Automated shopping cart systems are also used in assembly. Additionally, there are forward-looking solutions for improving ergonomics and efficiency, such as human-robot cooperation when installing the windscreen without a protective fence.

Numerous environmentally friendly and resource-saving solutions such as paperless documentation, emission-free electric forklifts, heat recovery in the buildings and the use of water-soluble products in painting ensure sustainable and green production. The "One-Roof Concept" pools all the work steps in one location. It facilitates short paths and fast, direct communication. This philosophy is also reflected in the architecture: glass walls serve as a connecting feature and create the space between the workplaces in administration and production transparent.

“In the past few years we have laid the foundation for a long, successful cooperation with the Russian government and especially the Ministry of Industry and Trade, as well as the Moscow region, by creating new, highly qualified jobs. We are thus actively contributing to the further development of the entire region,” said Axel Bense, CEO Mercedes-Benz Manufacturing RUS.

Around half of the more than 1,000 planned employees have already started to work. The recruiting and training measures for the remaining open jobs in production are on their way and will be completed shortly. The staff are predominantly from the local region and were trained in a targeted manner at existing Mercedes-Benz plants all over the world and in cooperation with the local vocational colleges.

“Many automotive manufacturers have already localized production in Russia. Today, Mercedes-Benz joins them. The project realisation will allow producing different models of cars in the Russian Federation. Investments in the project amount to around 19 billion rubles according to preliminary estimates. It is important that such technological operations as welding, painting and assembly, as well as conducting quality checks of finished cars will be carried out directly in the plant in Russia,” said Denis Manturov, Minister of Industry and Trade of the Russian Federation.

“Thanks to the support of the president an ambitious and full scale project, which in my opinion is going to be a milestone for the whole country, was able to be implemented. I also want to thank the Board of Daimler for their trust and their wish to build their plant in our region. We, on the other side, have done everything to ensure that the opening of the plant is happening on time. Of particular importance for us is the collaboration of the plant with our technical colleges. The students that are studying in the ‘Mercedes’ programme at the Podmoskowje technical college are highly motivated. And for us it is important that the alumni get a desired job with an appropriate salary,” said the governor of the Moscow region, Andrej Vorobjov.

The E-Class: the most intelligent Sedan in business class

The ramp-up of Mercedes-Benz E-Class Sedan production in Moscow was celebrated at the same time as the inauguration of the new production plant. The models equipment include the latest driver assistance systems such as Active Distance Assist DISTRONIC, hot on the heels of the S-Class. Mercedes-Benz Intelligent Drive technologies relieve the strain on drivers and ensure higher comfort. The current model series is therefore known as not just the most elegant, but also as the most intelligent Sedan in the business class.

An especially evolutionary step is the LINGUATRONIC voice control system, which, for the first time, allows control over not only the entertainment system but also vehicle functions, like temperature or blower level. The system uses preinstalled commands and is thus not reliant on an internet connection. There are several hundred alternatives per command lodged in the system, thus LINGUATRONIC understands almost every instruction. It is currently available in 22 languages, including Russian.

Another highlight of the interior is the enhanced, dynamic ambient lighting with 64 colours and three colour zones. It optically structures the interior and also offers functional aspects: If the temperature in a section of the car is supposed to rise that section is briefly illuminated red.

About Mercedes-Benz Cars Operations

Mercedes-Benz Cars Operations (MO) is responsible for passenger car production in over 30 locations worldwide. Two of them are currently being established. Within a flexible and efficient production network with around 78,000 employees, it includes the central functions of production planning,

technology factory, logistics and quality management. The network is structured around the product architectures front-wheel drive (compact cars) and rear-wheel drive (e.g. S-Class, E-Class and C-Class), as well as the SUV and sports car architectures. There is also a production network for the powertrain (engines, transmissions, axles, components). At the centre of each architecture production network is a lead plant that serves as a centre of competence for new product start-ups, technology and quality assurance. Mercedes-Benz Cars is ready for electro mobility: Electro-hubs are currently being established around the globe for the production of electric cars and batteries. The focus of the day-to-day work is on the continuous improvement and advancement of modern production processes that make efficient, flexible and environment-friendly production of future hi-tech vehicles with Mercedes-Benz quality possible. The focus is on the employees with their expertise and on supporting their work through specific ergonomic design of the workplace and intelligent automation. In addition to their own production plants, Mercedes-Benz increasingly relies on cooperative ventures as part of the growth trajectory.

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