Tesla Delivers 700th Roadster

German law student gets milestone car at Frankfurt Motor Show as electric vehicle maker accelerates deliveries throughout Europe.

FRANKFURT, Germany -- (**BUSINESS WIRE**) — **Tesla Motors** delivered its 700th vehicle Tuesday at the Frankfurt Motor Show, where the world's leading electric vehicle manufacturer unveiled the production version of the Roadster Sport.

Tesla CEO Elon Musk handed the keys to an electric blue Roadster Sport to Lennart Hennig, a German law student in Bonn. Tesla has also delivered cars to customers in England, Switzerland, France, Austria, Denmark, Norway, Iceland, Spain, Monaco and Sweden.

"I am a socially responsible consumer who considers the environmental impact of my purchases," said Hennig, 24. "As soon as I saw the Tesla web site in 2006, I knew I wanted to support a company dedicated to making more and more affordable vehicles so that mainstream people could have cars with a lower carbon footprint. I plan to drive this car every day so that people can see for themselves that the future of mobility is electric."

The 700th delivery came less than a week after Tesla opened a store in Munich (Blumenstr.17) -- its first regional sales and service center in continental Europe. Tesla opened its flagship **London store** in June and will open a store in Monaco later this year.

"Many of our customers are die-hard European sports car aficionados who switch to Roadsters over concern about climate change and the dangers of foreign oil addiction," Musk said. "And some customers buy the Roadster simply because it will beat the Porsche 911 or Audi R8 off the line every time."

Tesla's Full 2010 Model-Year Lineup On Display in Frankfurt

Musk and Tesla Chief Designer Franz von Holzhausen unveiled the production version of the second-generation Roadster and the even higher-performance Roadster Sport supercar. The **Frankfurt Motor Show** also marked the European debut of the Model S, an all-electric, seven-passenger sedan that Tesla plans to begin producing in late 2011. **Photos are available online**.

The Roadster 2, which Tesla is building and shipping to customers now, features an array of enhancements over the first-generation car, which Tesla began producing last year. Those include a more powerful heating, ventilation and air-conditioning system, more comfortable seats and a far more luxurious dashboard and cabin. The interior is quieter than its predecessor, and the ride is forgiving over harsh surfaces -- without sacrificing handling performance.

The Roadster Sport, which Tesla is also building and shipping to customers now, is an even higher performance car that does 0 to 100 kmh in 3.7 seconds, compared to 3.9 seconds for the standard Roadster. The Sport includes a more powerful motor, custom-tuned adjustable suspension and forged wheels. A customer's Roadster Sport **sprinted the quarter-mile** in 12.643 seconds in late July, setting a new record in the U.S. National Electric Drag Racing Association.

The **acclaimed** Roadster – which has better acceleration than a Porsche 911 or Audi R8 and is twice as energy efficient as a Toyota Prius – is the only highway-capable electric vehicle for sale in Europe or North America. It's the first EV to travel more than 300 km per charge and the first EU- and US-certified Lithium-Ion battery electric vehicle.

The Roadster has an estimated average range of about 400 km per charge and produces zero tailpipe emissions. In April, the Roadster set another significant EV record when it traveled the entire 390-km course of the Rallye Monte Carlo d'Energies Alternatives on a single charge – from Valance, France to Monaco, through the Alps. The Roadster was the only car to finish the course – and at the end it still had 61 km left on the charge.

The Roadster qualifies for numerous tax benefits in Europe, including sales, luxury and use tax waivers in Scandinavia and exceptional incentives in Holland, making the car an unquestionable bargain compared to internal combustion engine vehicles. The relatively high cost of petrol in Europe dramatically lowers Teslas' total cost of ownership relative to gas-guzzlers. Eventually, Tesla expects sales to be roughly split between North America and Europe.

About Tesla

Tesla Motors remains the only automaker worldwide manufacturing and selling highway-capable EVs. The company **achieved overall corporate profitability** in July and has delivered 700 Roadsters to real-world owners so far. Tesla's goal is to produce increasingly affordable cars to mainstream buyers – relentlessly driving down the cost of EV technology. Tesla also sells patented power train components to other automakers, including the battery pack and charger for the electric Smart, built by German carmaker Daimler.

Tesla **sells cars online** and **operates showrooms** in New York, Seattle, London, Munich, West Los Angeles and California's Silicon Valley. **Tesla** will soon open stores in Chicago, South Florida, Washington DC, Toronto and Monaco.

The Roadster beats nearly every other car for acceleration yet is **twice as energy efficient** as a Toyota Prius and has a range of approximately 400 km

per charge. The Roadster costs about €10 to recharge with 100 percent renewable energy, and it's faster than street-legal Porsches and Ferraris. The Roadster consumes no gasoline whatsoever, never needs routine oil changes and requires far less maintenance than internal combustion engine vehicles or complicated hybrids, resulting in dramatically lower total cost of ownership than a conventional car.

Tesla Motors attains profitability milestone

Electric vehicle manufacturer achieves record deliveries in July and will significantly expand in Europe this quarter.

August 7, 2009

SAN CARLOS, Calif.--(BUSINESS WIRE) —Tesla Motors attained a significant milestone in July when it achieved overall corporate profitability with approximately $1 million of earnings on revenue of $20 million.

Tesla reached overall corporate profitability while continuing to develop the all-electric Model S sedan and opening regional sales and service centers. Profitability arose primarily from improved gross margin on the Roadster 2, the second iteration of Tesla's award-winning sports car.

Tesla shipped a record 109 vehicles in July and enjoyed a surge in new Roadster purchases. In the third quarter, the privately held company will make significant deliveries to European customers while expanding its presence in several countries.

"We achieved a bottom-line profitability thanks to a tremendous amount of hard work by the Tesla team to improve quality, while simultaneously reducing costs on the Roadster," said Tesla CEO and Product Architect Elon Musk. "This also shows that there is strong demand for a car that is unique in offering high performance with a clean conscience. Moreover, customers know that in buying the Roadster they are helping fund development of our mass market electric cars."

The highly acclaimed Roadster -- faster than a Porsche and twice as energy efficient as a Toyota Prius – is the only highway-capable electric vehicle for sale in North America or Europe. It's the first production EV to travel more than 200 miles per charge and the first US- and EU-certified Lithium-Ion battery electric vehicle. With an estimated range of 244 miles per charge and zero tailpipe emissions, it offers supercar performance with a clean conscience.

The Roadster 2, which Tesla is building and shipping to customers now, features an array of enhancements. Those include a more powerful heating, ventilation and air-conditioning system, more comfortable seats and a more luxurious dashboard and cabin.

Last month Tesla began delivering the Roadster Sport, an even higher performance car that does 0 to 60 mph in 3.7 seconds, compared to 3.9 seconds for the standard Roadster. The Sport includes a more powerful motor, custom-tuned suspension and forged wheels. A customer's Roadster Sport sprinted the quarter-mile in 12.643 seconds in late July, setting a class record in the National Electric Drag Racing Association.

Financing Now Available

Last month, Tesla announced Roadster financing through Bank of America. Financing means the Roadster can have lower total monthly costs than a gas-guzzling sports car with a similar sticker price. Prospective customers may complete loan documents in Tesla's showrooms or online.

The Roadster is six times as energy-efficient as comparable sports cars – yet it does not require routine oil changes or exhaust system work. Roadsters have far fewer moving (and breakable) parts than internal combustion engine sports cars, which need replacement such as spark plugs, pistons, hoses, belts and clutches. The Roadster costs roughly $4 to fully recharge – a bargain even when gasoline costs less than $1 per gallon.

Tesla sells cars online and at showrooms in California (Menlo Park and West Los Angeles), New York City, Seattle and London. Tesla is rapidly expanding its network of showrooms this summer with stores in Chicago, South Florida, Washington DC, Toronto, Munich and Monaco.

Tesla has developed an industry-leading mobile service team, including highly skilled technicians who make "house calls" to customers' homes or offices in every region where Tesla sells cars. Electric vehicles have far fewer moving (and breakable) parts than internal combustion engine vehicles. They qualify for federal and state tax credits, rebates, sales tax exemptions, free parking,

commuter-lane passes and other perks.

Tesla, which in June won Department of Energy approval for $465 million in low-interest loans, is deep into the development of the Model S. The all-electric sedan will have a base price of $49,900, roughly half the price of the Roadster. Reducing unit cost on the Roadster is helping Tesla to bring the Model S to market at a vastly lower price point, paving the way to mass-market EVs for mainstream buyers.

In addition to the Model S program, Tesla is jointly developing an electric version of the popular Smart car with Daimler. The first of an initial test fleet of 1,000 electric Smart cars are expected to be on the road in late 2009.

About Tesla

Based in California's Silicon Valley, Tesla Motors is the only automaker in the world manufacturing and selling highway-capable EVs. The company's goal is to produce increasingly affordable cars to mainstream buyers – relentlessly driving down the cost of EV technology. Tesla also sells patented powertrain components to other automakers.

Strategic partnership: Daimler acquires stake in Tesla

• German automaker acquires nearly 10 percent of one of the leading electric vehicle companies
• Automakers agreed to cooperate in battery systems, electric drive systems and vehicle projects

May 19, 2009

STUTTGART, Germany, and SAN CARLOS, Calif.

– Daimler AG has acquired an equity stake of nearly 10 percent of Tesla Motors Inc. This investment deepens the relationship between the inventor of the automobile and the newest member of the global auto industry. Tesla is the only production automaker selling a highway capable electric vehicle in North America and Europe.

The two companies have already been working closely to integrate Tesla's lithium-ion battery packs and charging electronics into the first 1,000 units of Daimler's electric smart car. In order to benefit from each other's know-how, the investment enables the partners to collaborate even more closely on the development of battery systems, electric drive systems and in individual vehicle projects.

"Our strategic partnership is an important step to accelerate the commercialization of electric drives globally," said Dr. Thomas Weber, Member of the Board of Daimler AG, responsible for Group Research and Mercedes-Benz Cars Development. "As a young and dynamic company, Tesla stands for visionary power and pioneering spirit. Together with Daimler's 120 years of experience in the automotive sector this collaboration is a unique combination of two companies' strengths. This marks another important milestone in Daimler's strategy for sustainable mobility."

"Daimler has set the benchmark for engineering excellence and vehicle quality for more than a century. It is an honor and a powerful endorsement of our technology that Daimler would choose to invest in and partner with Tesla," said

Tesla Chairman, CEO and Product Architect Elon Musk. "Daimler is also on the leading edge in the field of sustainable mobility. Among others the lithium-ion pouch-cell battery developed by Daimler and especially designed for automotive applications is of interest to us. We are looking forward to a strategic cooperation in a number of areas including leveraging Daimler's engineering, production and supply chain expertise. This will accelerate bringing our Tesla Model S to production and ensure that it is a superlative vehicle on all levels."

Together on the road to electro-mobility

As part of the collaboration, Prof. Herbert Kohler, Vice President E-Drive and Future Mobility at Daimler AG, will take a seat on Tesla's board of directors.

This long-term partnership with Tesla complements Daimler's multi-facetted strategy to advance the electrification of the automobile.

Daimler is also moving forward the industrialization of lithium-ion technology. In March, the company founded the Deutsche Accumotive GmbH, a joint venture with Evonik Industries AG. As a result, Daimler is the first vehicle manufacturer worldwide that develops, produces and markets batteries for automotive applications. This is based on a Daimler stockholding in Li-Tec, the German specialist for lithium-ion battery cells.

100 smart electric cars have already been undergoing large-scale trials in London since 2007. These electric vehicles are being tested in day-to-day assignments by fleet operators and private customers.

Later this year the smart assembly plant in Hambach, France, will start production of up to 1,000 units of the second-generation smart fortwo with electric drive, which will initially be used for mobility projects such as e-mobility Berlin or e-mobility Italy. This year Daimler is also starting small-series production of the Mercedes-Benz B-Class with a fuel cell drive system. In 2010 the company will introduce its first battery-powered Mercedes-Benz. As of 2012, Daimler plans to equip all smart and Mercedes-Benz electric vehicles with own

produced lithium-ion batteries.

In 2004, Tesla began development of its first electric vehicle, the Roadster, which remains the only highway capable EV for sale in North America or Europe. The Tesla Roadster is the first production battery electric vehicle to travel more than 200 miles per charge and the first US- and EU-certified lithium-ion battery electric vehicle. This green supercar accelerates from 0 to 60 mph in 3.9 seconds yet gets the equivalent of 256 miles per gallon. The Roadster, which travels an estimated 244 miles per charge with zero tailpipe emissions, is the first production vehicle to break the historical compromise between automobile performance and efficiency.

The Tesla Model S builds upon the success of the Tesla Roadster by leveraging its technology into the world's first fully electric sedan. Based in Silicon Valley, Tesla unveiled the Model S in March and plans to produce it in California starting in late 2011.

About Daimler
Stuttgart, Germany-based Daimler AG, with its businesses Mercedes-Benz Cars, Daimler Trucks, Daimler Financial Services, Mercedes-Benz Vans and Daimler Buses, is a globally leading producer of premium passenger cars and is the global market leader for heavy- and medium-duty trucks and buses. The Daimler Financial Services division has a broad offering of financial services, including vehicle financing, leasing, insurance and fleet management. Daimler sells its products in nearly every country and has production facilities on five continents. Founders, Gottlieb Daimler and Carl Benz, continued to make automotive history following their invention of the automobile in 1886. As an automotive pioneer, Daimler and its employees willingly accept an obligation to act responsibly towards society and the environment and to shape the future of safe and sustainable mobility with groundbreaking technologies and high-quality products. The current brand portfolio includes the world's most valuable automobile brand, Mercedes-Benz, as well as smart, AMG, Maybach, Freightliner, Western Star, Mitsubishi Fuso, Setra, Orion and Thomas Built Buses. The company is listed on the stock exchanges in Frankfurt, New York and Stuttgart (stock exchange abbreviation DAI). In 2008, the Group sold 2.1 million vehicles and employed a workforce of over 270,000 people; revenue

totaled €95.9 billion and EBIT amounted to €2.7 billion. Daimler is an automotive Group with a commitment to excellence, and aims to achieve sustainable growth and industry-leading profitability.

About Tesla Motors
San Carlos, Calif.-based Tesla Motors Inc. makes electric vehicles with exceptional design, performance and efficiency, while conforming to all North American and European safety, environmental and durability standards. The Roadster has a 0-to-60 mph acceleration of 3.9 seconds yet is more energy efficient than a Toyota Prius. Tesla expects to begin producing the all-electric, zero-emission Model S sedan in late 2011.

CONTACT:

Eva Wiese
Daimler AG
+49 711 17-92311
eva.wiese@daimler.com

Rachel Konrad
Tesla Motors, Inc.
+01 650 701-2664
rachel@teslamotors.com