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## **Daimler Truck AG and Cummins Inc. Have Signed Global Framework Agreement for Cooperation in Medium-duty Commercial Vehicle Engines**

- The two companies announced a global strategic partnership for medium-duty engines.
- Cummins Inc. will set up an engine production facility on the site of the Mercedes-Benz plant in Mannheim for production of medium-duty engines that meet Euro VII emissions for Daimler Trucks & Buses starting in the second half of the decade.
- Cummins Inc. will supply medium-duty engines for Daimler Trucks & Buses vehicles worldwide in the future.

STUTT GART, Germany & COLUMBUS, Ind.--(BUSINESS WIRE)-- Daimler Truck AG and U.S.-based global power leader and engine manufacturer Cummins Inc. (NYSE: CMI) announced in February that they would enter into a global strategic partnership for medium-duty engines. The details of the agreement have been established and the framework agreement has been signed by both companies.

Under the strategic partnership, Cummins will invest in the further development of the medium-duty engine platform and its global production and delivery starting in the second half of the decade for Daimler Trucks & Buses. Daimler Truck AG will no longer invest its own funds in the further development of its medium-duty engines for the Euro VII emissions standard.

“We are very pleased that we were able to conclude the negotiations for a framework agreement with Cummins so quickly. The cooperation makes engine production at the Mannheim location ready for the future and strengthens our competitiveness at the same time. We will develop joint solutions, always keeping the interests of our customers, employees and the company in mind,” said Martin Daum, Chairman of the Board of Management at Daimler Truck AG and a member of the Board of Management at Daimler AG

“We are pleased to sign this agreement as we move forward in collaboration to provide the medium duty engine systems for Daimler Trucks and Buses in global markets,” said Tom

Linebarger, Chairman and CEO, Cummins Inc. “Our partnership is a terrific opportunity for both companies to be more competitive, drive global innovation, expand offerings to customers and reduce emissions. We are looking forward to working with Daimler on this and exploring other potential opportunities to grow our respective companies.”

Cummins Inc. will set up an engine production facility on the site of the Mercedes-Benz Mannheim, Germany plant for local production of medium-duty engines that meet the Euro VII emissions standard for Daimler Trucks and Buses. Production is expected to start in the second half of the decade.

With this strategic partnership, Daimler Truck AG and Cummins will help maintain jobs at the Mannheim location. Cummins will use its existing footprint, strong production and supply chain networks in other regions to be successful in Daimler Trucks’ brands, including those of Daimler Trucks North America. Cummins has continued to grow its presence and footprint across Europe as it expands its product portfolio for customers ranging from advanced diesel, natural gas, electrified power, hybrids and hydrogen fuel cell powertrains.

As part of the strategic partnership, Daimler Truck AG and Cummins Inc. will continue to evaluate additional opportunities for cooperation.

The February 2021 press release with further details can be found [here](#).

Further information from Daimler Trucks is available online: [www.media.daimler.com](http://www.media.daimler.com) and [www.daimler-truck.com](http://www.daimler-truck.com).

Forward-looking statements:

This document contains forward-looking statements that reflect our current views about future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “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; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates, customs and foreign trade provisions; a shift in consumer preferences towards smaller, lower-margin vehicles; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; price increases for 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 for 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 government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading “Risk and Opportunity Report” in this Annual Report. If any of these risks and uncertainties materializes or if the assumptions underlying any of our forward-looking statements prove to be incorrect,

the 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 since they are based solely on the circumstances at the date of publication.

## Daimler Truck at a Glance

The Daimler Truck AG is one of the world's largest commercial vehicle manufacturers, with more than 35 primary locations around the world and approximately 100,000 employees. The company brings together seven vehicle brands under one roof: Mercedes-Benz (light, medium and heavy trucks as well as city, intercity and touring coaches) and Setra (intercity, long-distance and premium coaches) are our traditional European brands; our U.S. brands Freightliner Trucks (trucks in weight classes 5 to 8 for a wide range of commercial vehicle applications), Western Star (heavy trucks for specialized and long-haul transports) and Thomas Built Buses (light to medium-duty buses); and our Asian brands Bharat Benz, based in Chennai, India (trucks in the weight classes 10 to 55 t and medium and heavy-duty buses) and FUSO with its headquarters in Japan (trucks and buses for Asia, the Middle East, Africa, Europe and Latin America). This allows the Daimler Truck AG to offer its customers around the globe a broad spectrum of commercial vehicles, ranging from minibuses to heavy-duty trucks for special-purpose transport applications – in short: products and solutions for everyone who keeps the world moving. Gottlieb Daimler and Carl Benz laid the foundation for the modern transport industry 125 years ago. Over the past decades, Daimler's truck and bus divisions have consistently set standards for the entire transportation industry – in terms of safety, fuel efficiency and driver and passenger comfort. It is now time for the next evolutionary step: emission-free, automated and connected driving. Daimler Trucks & Buses is working to bring these important technologies to high-volume series production, across brands, divisions and regions. In this way the company intends to take a major step closer to realizing its vision of CO<sub>2</sub>-neutral transport and accident-free driving whilst also contributing to the sustainability of global goods and passenger transport. In 2020, a total of 378,500 trucks and buses were delivered. In 2020 the revenue of the individual areas of business amounted to € 35 billion for the Daimler Truck AG. The adjusted EBIT was € 678 million for the Daimler Truck AG.

## Forward-looking disclosure statement

Information provided in this release that is not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our forecasts, guidance, preliminary results, expectations, hopes, beliefs and intentions on strategies regarding the future. These forward-looking statements include, without limitation, statements relating to our plans and expectations for our revenues and EBITDA. Our actual future results could differ materially from those projected in such forward-looking statements because of a number of factors, including, but not limited to: any adverse results of our internal review into our emissions certification process and compliance with emission standards; increased scrutiny from regulatory agencies, as well as unpredictability in the adoption, implementation and enforcement of emission standards around the world; policy changes in international trade; the U.K.'s exit from the European Union; changes in taxation; global legal and ethical compliance costs and risks; increasingly stringent environmental laws and regulations; future bans or limitations on the use of diesel-powered products; supply shortages and supplier financial risk, particularly from any of our single-sourced suppliers, including suppliers that may be impacted by the

COVID-19 pandemic; market slowdown due to the impacts from the COVID-19 pandemic, other public health crises, epidemics or pandemics; impacts to manufacturing and supply chain abilities from an extended shutdown or disruption of our operations due to the COVID-19 pandemic; aligning our capacity and production with our demand, including impacts of COVID-19; large truck manufacturers and original equipment manufacturers customers discontinuing outsourcing their engine supply needs or experiencing financial distress, particularly related to the COVID-19 pandemic, bankruptcy or change in control; a slowdown in infrastructure development and/or depressed commodity prices; failure to realize expected results from our investment in Eaton Cummins Automated Transmission Technologies joint venture; the actions of, and income from, joint ventures and other investees that we do not directly control; product recalls; the development of new technologies that reduce demand for our current products and services; lower than expected acceptance of new or existing products or services; variability in material and commodity costs; product liability claims; our sales mix of products; protection and validity of our patent and other intellectual property rights; disruptions in global credit and financial markets as the result of the COVID-19 pandemic; labor relations or work stoppages; reliance on our executive leadership team and other key personnel; climate change and global warming; our plan to reposition our portfolio of product offerings through exploration of strategic acquisitions and divestitures and related uncertainties of entering such transactions; exposure to potential security breaches or other disruptions to our information technology systems and data security; political, economic and other risks from operations in numerous countries; competitor activity; increasing competition, including increased global competition among our customers in emerging markets; foreign currency exchange rate changes; the performance of our pension plan assets and volatility of discount rates, particularly those related to the sustained slowdown of the global economy due to the COVID-19 pandemic; the price and availability of energy; the outcome of pending and future litigation and governmental proceedings; continued availability of financing, financial instruments and financial resources in the amounts, at the times and on the terms required to support our future business; and other risks detailed from time to time in our SEC filings, including particularly in the Risk Factors section of our 2020 Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are made only as of the date of this press release and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. More detailed information about factors that may affect our performance may be found in our filings with the SEC, which are available at <http://www.sec.gov> or at <http://www.cummins.com> in the Investor Relations section of our website.

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