

Overview

1. Company Background
2. Tesla's Strategy to become the world's biggest and most highly regarded producer of electric vehicles
3. Questions arise about the safety of the Model S battery pack
4. The electric vehicle segment of the global automotive industry

Tesla Motors' Company Overview

- Incorporated in July 2003 by Martin Eberhard and Marc Tarpenning
- Named after the genius electrical engineer, Nikola Tesla
- Tesla's first vehicle, the Tesla Roadster, introduced in 2008, was powered by an AC motor that descended directly from Nikola Tesla's original 1882 design

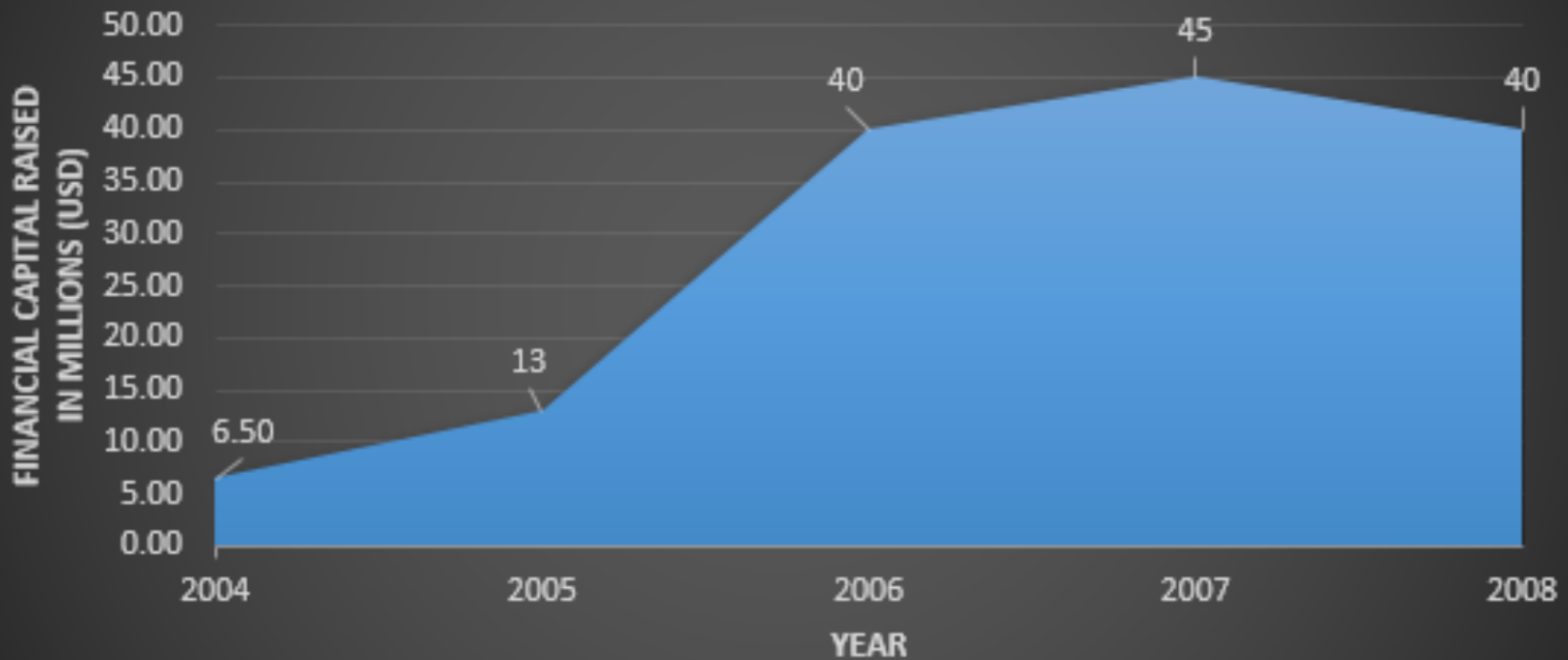
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Financing Early Operations

- First five financing rounds
 - Round 1 - Feb 2004, \$6.5 million. Elon Musk accounts for \$6.35 million, assumes position of Chairman of the Board of Directors
 - Round 2 - \$13 million from Musk and three private equity investment groups
 - Round 3 - May 2006, \$40 million. Majority from Musk and the Technology Partners investment group, included contributions from Google's Sergey Brin and Larry Page, and eBay president Jeff Skoll
 - Round 4 - May 2007, \$45 million. Spent quickly due to high R&D costs
 - Round 5 - Feb 2008, \$40 million
- Of the \$145 million in investment capital raised in the first five financing rounds, Elon Musk contributed \$74 million, making him the company's largest shareholder

Early Financing Operations



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Financing Early Operations Continued; 2009

- May- Daimler AG acquires 10% equity stake in Tesla for \$50 million, strategic partnership to accelerate the development of Tesla's lithium-ion battery and electric drive train technologies to collaborate on electric vehicles being developed at Mercedes
- July- Abu Dhabi's Aabar Investments purchases 40 percent of Daimler's ownership in Tesla
- June- Tesla received \$465 million in low interest loans from US Department of Energy (DOE), part of DOE's \$25 billion Advanced Technology Vehicle Manufacturing Program, created in 2007 by the Bush administration
 - Tesla intended to use \$365 million for production engineering and assembly of the forthcoming Model S and \$100 million for a powertrain manufacturing plant that would supply all-electric powertrain solutions to other automakers and help accelerate the availability of low-cost, mass-market electric vehicles
- September- Tesla raised \$82.5 million from Daimler, Fjord Capital Partners, and Aabar Investments to open additional sales and service centers

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Financing Early Operations Continued; Going Public

- In June 2010, Tesla Motors became a public company, raising \$226 million with an IPO of 13,300,000 shares of common stock sold at a price of \$17 per share
- Its shares began trading on Tuesday, June 29th, 2010 on the NASDAQ under the ticker symbol "TSLA"
- Tesla Motors was the first American car company to go public since the Ford Motor Company's IPO in 1956
- In October 2012, Tesla completed a follow-on offering of 7.97 million shares, receiving net proceeds of \$222.1 million