



Tesla Motors, Inc. Announces Pricing of its Follow-On Offering

Friday, June 3, 2011

PALO ALTO, Calif., – Tesla Motors, Inc. (Nasdaq: TSLA), a manufacturer of high-performance fully electric vehicles and advanced electric vehicle powertrain components, announced today that it has priced and fully allocated its follow-on offering of 5,300,000 shares of common stock at a price to the public of \$28.76 per share, the closing price for Tesla shares on June 2, 2011. The closing price of Tesla's common stock on May 24, 2011, the day before Tesla announced the offering, was \$26.72 per share. In addition, Tesla has granted the underwriter a 30-day option to purchase up to an additional 795,000 shares of common stock. All shares are being offered by Tesla.

Additionally, in a private placement to occur concurrently with the closing of the public offering, Elon Musk, Tesla's Chief Executive Officer and cofounder, plans to purchase 1,416,000 shares of common stock directly from Tesla at the public offering price and Blackstar Investco LLC, an affiliate of Daimler AG, plans to purchase up to 637,475 shares of common stock directly from Tesla at the public offering price.

Tesla intends to use a portion of the net proceeds from this offering and the concurrent private placement to fund the development of its Model X crossover vehicle.

Goldman, Sachs & Co. acted as Sole Underwriter for the public offering.

A registration statement relating to the securities was declared effective by the Securities and Exchange Commission on June 2, 2011. Any offer or sale will be made only by means of a written prospectus forming part of the effective registration statement. Copies of the final prospectus relating to the offering may be obtained from Goldman, Sachs & Co., via telephone: (866) 471-2526; facsimile: (212) 902-9316; email: prospectus-ny@ny.email.gs.com; or standard mail: Goldman, Sachs & Co., Attn: Prospectus Department, 200 West Street, New York, NY 10282-2198.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.