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## **Chrysler Group LLC Plans to Invest \$72 Million in Toledo Machining Plant**

- Investment to prepare plant to produce new generation torque converters and steering columns
- 640 jobs to be retained
- Investment secures future of facility
- Company's total investment in U.S. facilities exceeds \$3 billion since June 2009

August 22, 2011, Auburn Hills, Mich. - Chrysler Group LLC announced today that it is prepared to invest \$72 million in its Toledo Machining Plant in Perrysburg, Ohio, to produce new generation front-wheel and rear-wheel drive torque converters and steering columns, subject to the completion of incentive negotiations and agreements with the State of Ohio. As part of the investment, 640 hourly and salaried jobs will be retained.

The new torque converters will be paired with the next generation eight-speed rear-wheel drive transmission being built at Chrysler's Kokomo (Ind.) Transmission Plant and the all-new nine-speed front-wheel drive transmission to be produced at the company's Indiana (Kokomo, Ind.) Transmission Plant I. The new transmissions and torque converters are a critical part of Chrysler's strategy to meet fuel economy requirements over the next several years.

"We welcome this investment in Toledo Machining as it is an acknowledgement of the high quality components that have been produced by our skilled workforce for many years," said Scott Garberding, Senior Vice President and Head of Manufacturing, Chrysler Group LLC. "Being able to bring new technology to this facility secures its long-term future."

"We are also appreciative of the support we have received from the State of Ohio in providing the incentives necessary to make this investment possible," said Garberding.

The investment would fund the installation of new equipment and special tooling to modernize and enhance the plant's capability. Work on the plant is expected to begin late third quarter 2011 and be completed in the first quarter of 2013.

"We're very pleased that Chrysler is making the decision to invest in the Toledo Machining Plant and the skilled workforce there," said General Holiefield, Vice President and Director, UAW Chrysler Department. "This will help preserve and enhance jobs in the area and give a greater measure of security to our members and their families well into the future."

Toledo Machining currently produces steering columns for the following assembly plants: Warren Truck (Mich.), Belvidere (Ill.), Sterling Heights (Mich.), Toledo Assembly Complex (Ohio); Windsor (Ont.), Toluca (Mex.), Saltillo (Mex.) and Carabobo (Venezuela).

The plant also produces torque converters, a component that allows the transmission to shift gears in an automatic transmission, for Kokomo Transmission (Ind.), Indiana Transmission I and II (Kokomo, Ind.), Sterling Heights, Toluca and London, England.

Since June 2009, Chrysler Group has invested nearly \$3.2 billion in its U.S. facilities and has made significant progress toward building a successful enterprise, including:

- reporting a net profit of \$116 million in the first quarter of 2011;
- reporting the 16th-consecutive month of year-over-year sales gains in July;

- confirming a \$114 million investment to repurpose about one-fifth or nearly 400,000-square feet of the Trenton North Engine Plant for the production of core components for the Pentastar engine produced at Trenton South;
- investing nearly \$1.3 billion into the Company's existing transmission manufacturing facilities in Kokomo, Ind., to accommodate production of a new advanced front-wheel drive automatic transmission; increase capacity and support production of the World Engine and improve processes for the 62TE transmission program; and accommodate future production of a new highly fuel-efficient eight-speed automatic transmission;
- announcing a \$600 million investment in its Belvidere Assembly Plant;
- confirming an investment of \$850 million in its Sterling Heights Assembly Plant and surrounding stamping facilities;
- planning an investment of \$150 million in its GEMA (Dundee, Mich.) facility;
- announcing an investment of \$27.2 million USD in its Etobicoke Casting Plant (Toronto) to produce front and rear crossmembers for future Chrysler vehicles starting in the third quarter 2011;
- announcing in December 2009 that it will invest \$179 million to launch production of the 1.4-liter, 16-valve Fully Integrated Robotized Engine (FIRE) at the company's Global Engine Manufacturing Alliance (GEMA) plant in Dundee, Mich., creating more than 150 new Chrysler jobs;
- adding a second shift of production – or nearly 1,100 jobs – at its Jefferson North Assembly Plant in May 2010;
- adding nearly 900 jobs on a second shift at its Sterling Heights Assembly Plant in February 2011;
- launching the all-new 2011 Jeep® Grand Cherokee in May 2010;
- beginning production of the all-new Fiat 500, Dodge Durango, Chrysler 200 and Dodge Avenger in December 2010;
- starting production of the 2011 Chrysler 300, Dodge Charger and Dodge Challenger in January.

#### **About Toledo Machining**

Construction of the Toledo Machining facility began in 1964 with production starting in 1966. The plant expanded in 1969, adding 226,000 square-feet, increasing its overall footprint to more than 1.2 million square-feet. Because the plant produces several products specified as vehicle safety items, Toledo Machining requires precision machining operations to meet high quality standards.

#### **About Chrysler Group LLC**

Chrysler Group LLC, formed in 2009 from a global strategic alliance with Fiat S.p.A., produces Chrysler, Jeep®, Dodge, Ram, Mopar® and Fiat vehicles and products. With the resources, technology and worldwide distribution network required to compete on a global scale, the alliance builds on Chrysler Group's culture of innovation – first established by Walter P. Chrysler in 1925 – and Fiat's complementary technology – from a company whose heritage dates back to 1899.

Headquartered in Auburn Hills, Mich., Chrysler Group's product lineup features some of the world's most recognizable vehicles, including the Chrysler 300, Jeep Wrangler and Ram Truck. Fiat contributes world-class technology, platforms and powertrains for small- and medium-size cars, allowing Chrysler Group to offer an expanded product line including environmentally friendly vehicles.

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