CHRYSLER GROUP LLC REPORTS AN OPERATING PROFIT OF $239 MILLION IN THE THIRD QUARTER; COMPANY REVISES GUIDANCE UPWARD FOR FULL YEAR 2010

- **Net Revenues in Q3 2010 increased to $11.0 billion, up 5.2 percent from $10.5 billion in Q2 2010**
- **Operating Profit[(a)] came in at $239 million, an improvement of $56 million versus Q2 2010**
- **Modified EBITDA[(a,b)] was $937 million (8.5 percent of Net Revenues), an $82 million increase from Q2 2010**
- **Net Loss reduced to $84 million in Q3 2010 from $172 million in Q2 2010**
- **Cash[(c)] at September 30, 2010 increased to $8.3 billion, bringing total available liquidity to more than $10.5 billion**
- **Market share improved for the fifth consecutive quarter since the Company's formation to 9.6 percent in the U.S., up from 9.4 percent in Q2 2010 and 8.0 percent in Q3 2009; Canadian market share was consistent with Q2 2010 at 12.8 percent in Q3 2010**
- **Full year 2010 guidance is revised upwards based on continued operating performance improvement to:**
  - **Operating Profit of ~$0.7 billion (from $0.0-0.2 billion)**
  - **Positive Free Cash Flow of ~$0.5 billion (from negative $1 billion)**

AUBURN HILLS, Mich., November 8, 2010 – Chrysler Group LLC today issued its financial results for the third quarter 2010.

In Q3 2010, **Net Revenues** increased to $11,018 million representing a 5.2 percent improvement over the prior quarter. Year-to-date Net Revenues, as of September 30, 2010, totaled $31,183 million.

The Company posted an **Operating Profit**[(a)] of $239 million in Q3 2010 and $565 million for year-to-date 2010. The Q3 2010 Operating Profit improvement of $56 million, compared to Q2 2010, was driven primarily by improved mix and pricing from the launch of the new Jeep® Grand Cherokee, partially offset by increased industrial costs associated with seasonal plant changeovers.

CHRYSLER GROUP LLC ($Mils)	Q3 2010	B/(W) Q2 2010	Jan-Sept 2010
Net Revenues	11,018	540	31,183
Modified EBITDA (1)	937	82	2,579
Operating Profit (1)	239	56	565
Net Loss	(84)	88	(453)
Cash (2)	8,260	419	8,260

(1) A reconciliation of U.S. GAAP Net Loss to Operating Profit and Modified EBITDA for Q3 2010 and Jan-Sept 2010 is detailed in Table 1 of the attachment to the press release.
(2) Cash includes Cash, Cash Equivalents and Marketable Securities.

"A year ago, Chrysler Group laid out clear and concise five year financial goals and after three consecutive quarters of better than forecasted results, we are not only living up to our commitments but we are also exceeding our 2010 financial objectives," said Sergio Marchionne, Chief Executive Officer, Chrysler Group LLC.

"Chrysler's financial success is dependent upon the vehicles we design, build and sell. In a mere 16 months, the Company is delivering 16 all-new or refreshed products led by the critically acclaimed all-new 2011 Jeep Grand Cherokee and including the Fiat 500, signaling the return of the Fiat brand to the U.S. and Canada. We are committed to ensuring that every new vehicle this company launches has the same high quality and technological advances as the Jeep Grand Cherokee. Our 2010 accomplishments are just the beginning of building Chrysler Group into a vibrant and competitive auto maker," Marchionne added.

Modified Earnings Before Interest, Taxes, Depreciation and Amortization (Modified EBITDA)[a,b] was $937 million, or 8.5 percent of Net Revenues, an $82 million increase from Q2 2010; year-to-date 2010 Modified EBITDA was $2,579 million.

Net Interest Expense in Q3 2010 was $308 million, including non-cash interest accretion of $58 million. Net Interest Expense was $899 million for the first three quarters of 2010.

Net Loss in Q3 2010 was reduced to $84 million as compared with $172 million in Q2 2010, driven by the increase in Operating Profit. Net Loss year-to-date 2010 was $453 million.

Cash[c] at the end of Q3 2010 was $8,260 million compared to $7,841 million at the end of Q2 2010, primarily due to the finalization of the Mexican development banks loan for $400 million which was fully drawn during the quarter. An additional $2.3 billion remains available to be drawn under Chrysler Group's U.S. Treasury (UST) and Canadian and Ontario government loan agreements, bringing total available liquidity above $10.5 billion.

Gross Industrial Debt[d] at September 30, 2010, increased to $12.0 billion, primarily due to the finalization of the Mexican development banks loan, capitalized interest on the VEBA Trust Note, and additions of other financial obligations. **Net Industrial Debt**[d] increased to $3.8 billion from $3.4 billion at the end of Q2 2010.

Worldwide vehicle sales were 401,000 units for Q3 2010, a decrease of 1 percent compared to 407,000 units in Q2 2010, with the Jeep and Ram brands posting gains. U.S. market share improved for the fifth consecutive quarter since the Company's formation to 9.6 percent in Q3 2010 from 9.4 percent in Q2 2010 and 8.0 percent in Q3 2009. In addition, Canadian market share was a strong 12.8 percent although volumes decreased in line with the seasonal Canadian auto industry decrease. Throughout the quarter, the new Jeep Grand Cherokee drove dealership consumer traffic in both the U.S. and Canada.

Worldwide vehicle shipments in Q3 2010 were 407,000 units, a decrease of 6 percent versus Q2 2010. U.S. vehicle shipments totaled 301,000 compared to 305,000 in the prior quarter.

Chrysler Group maintained a **U.S. dealer inventory** level consistent with its sales performance, increasing from 222,000 vehicles at June 30, 2010, to 231,000 vehicles at September 30, 2010. Days supply, however, decreased to 58 days (from 60 in Q2 2010), due to the Company's focus on maintaining disciplined dealer inventory levels consistent with market demand.

Significant Events: Third Quarter and Subsequent to September 30, 2010

Global appeal and momentum for the all-new 2011 Jeep Grand Cherokee continued in the third quarter with increased worldwide opinion-leader accolades, strong U.S. sales as the vehicle began arriving in dealerships in greater numbers and the international vehicle launch at the Paris Motor Show for distribution in more than 100 countries. Nearly two decades after the Jeep brand invented the premium sport-utility vehicle (SUV) segment, more than 4.3 million Jeep Grand Cherokee vehicles have been sold worldwide.

The 2011 Jeep Grand Cherokee was named “SUV of Texas” and “Full-size SUV of Texas” by the influential Texas Auto Writers Association (TAWA). Also, Consumers Digest magazine picked the Jeep Grand Cherokee as a “Best Buy” in the Full-size/Luxury SUV category. TAWA selected the Jeep Wrangler Unlimited Sahara as the “Mid-Size SUV of Texas” and the Jeep Wrangler was named “Best of Show” in the SUV category at the Specialty Equipment Market Association (SEMA) show.

The 2011 Ram Laramie Longhorn was named “Truck of Texas” by the Texas Auto Writers Association. Ram Trucks swept every category entered including the Ram 1500 Outdoorsman being named “Full-Size Pickup Truck of Texas,” the Ram Power Wagon picking up the “Heavy-Duty Pickup Truck of Texas” honor and the Ram Laramie Longhorn winning the “Luxury Pickup Truck of Texas” honor.

In preparation for the reintroduction of the Fiat brand in the U.S. and the December 2010 production launch of the Fiat 500, Chrysler Group began the process of establishing a Fiat dealer network, announcing the intent to select a total of 165 dealerships nationwide in 119 markets identified for growth potential in the small-car segment. In October, the Company began the first phase of appointing Fiat dealers. In addition, Chrysler Group selected Ally Financial as the preferred financing provider for Fiat vehicles in the U.S.

Chrysler Group announced three significant investments in this reporting period including $850 million in the Sterling Heights (Michigan) assembly plant (SHAP) to ready the plant for production of future vehicle models. As previously stated, SHAP will remain open beyond 2012 and nearly 900 new jobs will be added to a second shift planned for the first quarter of 2011.

A $600 million investment in the Belvidere (Illinois) assembly plant will support the production of future models and includes the construction of a 638,000 square foot body shop, as well as the installation of new machinery, tooling and material handling equipment. This brings the Company’s investments in U.S. facilities to $2.1 billion since Chrysler Group began operations in June 2009. Work on the Belvidere expansion began this summer and will be completed in 2011.

A $27.2 million investment in its Etobicoke casting plant near Toronto, a facility that produces aluminum die castings and pistons, will prepare the facility for future Chrysler Group vehicles by securing new tooling and equipment to enhance the plant’s capability, and bringing in new technologies that will improve quality, testing and inspection processes. As part of the investment, 280 jobs will be retained.

The Toledo (Ohio) assembly complex, an innovative manufacturing project with three supplier partners, hosted Vice President Joe Biden in August. The Vice President visited the Chrysler plant to highlight the important role suppliers play in the automotive industry. The plant began production of the new 2011 Jeep Wrangler and Jeep Wrangler Unlimited in the third quarter.

In September, a record number of Chrysler Group dealers, including more than 1,700 U.S. and 700 from Canada, Mexico and international markets, attended the 2010 Dealer Announcement Show to see the all-new or significantly refreshed 2011 model year vehicles. Dealer attendance represented a record 90 percent of the Company's sales volume.

Following the successful Jeep Grand Cherokee launch, Chrysler Group has continued its 2011 model year product offensive in the third quarter, with the announcement of most of the 16 all-new or refreshed products to be launched this year.

The Chrysler brand announced the upcoming 2011 Chrysler 200 mid-size sedan; the new 2011 Chrysler Town & Country, set to arrive in dealerships in Q4 2010, and the all-new, next generation 2011 Chrysler 300.

The Dodge brand entered a new era of performance announcing six vehicles including the all-new 2011 Dodge Durango, the all-new 2011 Dodge Charger and the significantly redesigned 2011 Grand Caravan, Journey, Avenger and Challenger vehicles.

In addition to the new Jeep Wrangler and Jeep Wrangler Unlimited, the refreshed 2011 Jeep Patriot compact SUV was announced in Q3 2010 and will arrive in showrooms in Q4 2010.

At the Paris Motor Show in September, the Jeep brand also introduced two new diesel engines for markets outside North America. A 2.8-liter turbo diesel for the Jeep Cherokee, Jeep Wrangler and Jeep Wrangler Unlimited, brings increased performance, better fuel economy and reduced CO_2 emissions versus the 2.8-liter diesel engine it replaces, and a new 2.2-liter turbo diesel for the Jeep Compass and Jeep Patriot delivers better overall performance than the 2.0-liter diesel engine it replaces.

In October, Chrysler Group revealed that the new Pentastar V-6 engine, with improved fuel efficiency, more power and reduced emissions, is slated to be available across 13 vehicle models by 2013. Introduced in the 2011 Jeep Grand Cherokee, the new V-6 will be available in the 2011 Chrysler Town & Country, 300 and 200, as well as the Dodge Charger, Avenger, Durango and Journey, gradually phasing out seven V-6 legacy engines. The engines are produced in state-of-the-art facilities in Trenton, Mich., and Saltillo, Mexico.

2010 Outlook

Based on better than forecasted financial results achieved to date, the Company has upgraded its full year 2010 guidance, first provided on November 4, 2009. The new targets for the year are:

- Net Revenues of ~$42 billion (previously $40 - 45 billion)
- Operating Profit of ~$0.7 billion, up from $0.0 - 0.2 billion
- Modified EBITDA of ~$3.3 billion, up from $2.5 - 2.7 billion
- Positive Free Cash Flow of ~$0.5 billion, up from a negative $1.0 billion

Management will hold an analyst webcast and conference call November 8, at 10 a.m. EST, to present the 2010 third quarter results. The call can be followed live and a recording will be available on the Chrysler Group website: www.chryslergroupllc.com. The Q3 2010 financial results press release and webcast presentation will be available the morning of the webcast at www.chryslergroupllc.com and www.media.chrysler.com.

Non-GAAP Financial Information

(a)A reconciliation of U.S. GAAP Net Loss to Operating Profit and Modified EBITDA for the three and nine months ended September 30, 2010, is detailed in Table 1 of the attachment to the press release.

(b)Modified EBITDA is computed starting with net income (loss) and then adjusting the amount to (i) add back income taxes, (ii) add back net interest expense (excluding interest expense related to Gold Key Lease financing activities), (iii) add back depreciation and amortization expense (excluding depreciation and amortization expense of vehicles held for lease), (iv) add back all pension, OPEB and other employee benefit costs other than service costs, (v) add back restructuring expense and exclude restructuring income, (vi) add back other financial loss, (vii) add back losses and exclude gains due to cumulative change in accounting principles, and (viii) add back certain other costs, charges and expenses. The reconciliation of U.S. GAAP Net Loss to Modified EBITDA for the three and nine months ended September 30, 2010, is detailed in Table 1 of the attachment to the press release.

(c)Cash is defined as Cash, Cash Equivalents and Marketable Securities.

(d)A reconciliation of U.S. GAAP Financial Liabilities to Gross Industrial Debt and Net Industrial Debt at September 30, 2010, is detailed in Table 2 of the attachment to the press release.

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Attachment

Table 1: Reconciliation of U.S. GAAP Net Loss to Operating Profit and Modified EBITDA

CHRYSLER GROUP LLC ($Mils)	Q3 2010	Jan-Sept 2010
Net Loss (U.S. GAAP)	**(84)**	**(453)**
Add / (Deduct):		
Provision for Income Taxes	39	107
Net Interest Expense	308	899
Restructuring (Income)/Expense & Other	(13)	50
Other Employee Benefit Gains \1	(11)	(38)
Operating Profit	**239**	**565**
Add:		
Depreciation and Amortization \2	698	2,014
Modified EBITDA	**937**	**2,579**

\1 Represents interest cost and expected return on plan assets.
\2 Depreciation and amortization expense excludes depreciation and amortization expense for vehicles held for lease.

Table 2: Reconciliation of U.S. GAAP Financial Liabilities to Gross Industrial Debt and Net Industrial Debt

CHRYSLER GROUP LLC ($Mils)	Sept 30, 2010
U.S. GAAP Financial Liabilities	**12,883**
Deduct:	
Gold Key Lease (GKL) Debt	
Short Term ABS	(334)
Long Term ABS	(51)
GKL Credit Facility	(472)
Total GKL Debt	(857)
Gross Industrial Debt	**12,026**
Less Cash \3	(8,260)
Net Industrial Debt	**3,766**

\3 Cash includes Cash, Cash Equivalents and Marketable Securities.

Forward-Looking Statements

This document contains forward-looking statements that reflect management's current views with respect to future events. The words “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “project” and “should” and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties, including, but not limited to: the effective implementation of the Chrysler 2010 – 2014 Business Plan outlined on November 4, 2009, including timely vehicle launches; industry SAAR levels; slower than expected economic recovery in Europe or North America, including continued high unemployment levels and lack of available credit to consumers and dealers; introduction of competing products and supplier insolvencies. If any of these or other risks and uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

About Chrysler Group LLC

Chrysler Group LLC, formed in 2009 from a global strategic alliance with Fiat Group, produces Chrysler, Jeep®, Dodge, Ram and Mopar® vehicles and products. With the resources, technology and worldwide distribution network required to compete on a global scale, the alliance builds on Chrysler’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 LLC’s product lineup features some of the world's most recognizable vehicles, including the Chrysler 300, Jeep Wrangler and Ram Truck. Fiat will contribute world-class technology, platforms and powertrains for small- and medium-sized cars, allowing Chrysler to offer an expanded product line which includes environmentally friendly vehicles.

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