CHRYSLER GROUP LLC ACHIEVED $0.8 BILLION IN MODIFIED OPERATING PROFIT AND $1.4 BILLION IN FREE CASH FLOW IN 2010, ABOVE RECENTLY REVISED GUIDANCE

- **Net Revenues in Q4 2010 of $10.8 billion; total year 2010 Net Revenues of $41.9 billion**
- **Modified Operating Profit[(a)] of $198 million in Q4 2010; total year 2010 Modified Operating Profit of $763 million exceeded recently revised guidance**
- **Modified EBITDA[(b)] of $882 million in Q4 2010 (8.2 percent of Net Revenues); total year 2010 Modified EBITDA was $3,461 million**
- **Net Loss of $199 million in Q4 2010; total year Net Loss was $652 million**
- **Cash[(c)] at December 31, 2010, was $7.3 billion, bringing total available liquidity to more than $9.6 billion; Free Cash Flow[(d)] for 2010 was $1.4 billion, significantly above recently revised guidance**
- **U.S. market share for 2010 was 9.2 percent versus 8.8 percent in 2009[(e)]; Canadian market share increased to 13.0 percent for 2010 compared to 11.0 percent in 2009**
- **Fiat ownership increased to 25 percent, as Chrysler Group met first of three Class B Events**
- **Full-year 2011 guidance is:**
  - **Net Revenues of >$55 billion**
  - **Modified Operating Profit of >$2.0 billion**
  - **Modified EBITDA of >$4.8 billion**
  - **Net Income of $0.2 - $0.5 billion**
  - **Positive Free Cash Flow of >$1.0 billion**

AUBURN HILLS, Mich., January 31, 2011 – Chrysler Group LLC today issued its preliminary financial results for the fourth quarter (Q4) and total year 2010.

In Q4 2010, **Net Revenues** decreased 2.3 percent to $10,763 million, as compared to Q3 2010, primarily due to reduced shipment volumes as the Company launched production of 11 new vehicles. Total year 2010 Net Revenues were $41,946 million, in line with full year 2010 guidance.

The Company posted a **Modified Operating Profit** of $198 million in Q4 2010 and $763 million for total year 2010. The Q4 2010 operating performance, in comparison to Q3 2010, was driven primarily by improved mix and pricing, industrial efficiencies and improved quality, more than offset by lower volumes, increased advertising investment and higher launch costs.

CHRYSLER GROUP LLC ($Mils)	Q4 2010	B/(W) Q3 2010	Total Year 2010
Net Revenues	10,763	(255)	41,946
Modified EBITDA (1)	882	(55)	3,461
Modified Operating Profit (1)	198	(41)	763
Net Loss	(199)	(115)	(652)
Cash (2)	7,347	(913)	7,347

(1) A reconciliation of U.S. GAAP Net Loss to Modified Operating Profit and Modified EBITDA for Q4 2010 and Total Year 2010 is detailed in Table 1 of the attachment to the press release.
(2) Cash includes Cash and Cash Equivalents

"As Chrysler Group's brand displays at the Detroit auto show confirmed, the Company has lived up to its promise to launch 16 all-new or significantly refreshed vehicles in the past 12 months," said Sergio Marchionne, Chief Executive Officer, Chrysler Group LLC. “All of these vehicles bear testimony to Chrysler’s rebirth. Given the positive comments we have received to date, it can safely be said that what Chrysler delivered last year, on both the product and financial fronts, surpassed many expectations.

“However, our job is not yet done. We have a lot of work ahead to fulfill our five-year business plan objectives,” said Marchionne.

Modified Earnings Before Interest, Taxes, Depreciation and Amortization (Modified EBITDA) in Q4 2010 was $882 million, or 8.2 percent of Net Revenues, a $55 million decrease from Q3 2010; total year 2010 Modified EBITDA was $3,461 million, or 8.3 percent of Net Revenues.

Net Interest Expense in Q4 2010 was $329 million, including non-cash interest accretion of $57 million. Net Interest Expense was $1,228 million for total year 2010, including non-cash interest accretion of $229 million.

Net Loss in Q4 2010 was $199 million. Total year 2010 Net Loss was $652 million.

Cash at December 31, 2010, was $7.3 billion compared to $8.3 billion at September 30, 2010. The decrease primarily reflected anticipated unfavorable working capital impacts at the end of the year due to reduced production volumes as new vehicles were launched. An additional $2.3 billion remains available to be drawn under Chrysler Group’s U.S. Treasury and Canadian and Ontario government loan agreements, bringing total available liquidity above $9.6 billion.

Free Cash Flow for the year totaled $1.4 billion, over $2 billion ahead of original guidance.

Gross Industrial Debt[(f)] at December 31, 2010, was $13.1 billion, an increase of $1.1 billion from September 30, 2010 primarily due to the issuance of promissory notes (totaling approximately $1 billion) to an independent Health Care Trust in connection with transferring the responsibility for certain CAW retiree health care benefits from the Company to the trust, which was offset by a reduction in Accrued Expenses and Other Liabilities. **Net Industrial Debt**[(f)] increased by $2.0 billion to $5.8 billion during Q4 2010.

Worldwide vehicle sales of 374,000 units for Q4 2010 represented a decrease of 7 percent (27,000 units) compared to 401,000 units in Q3 2010, due mainly to reduced fleet volume associated with the new model changeovers in Q4. Total year 2010 worldwide sales were 1,516,000 units. U.S. market share for full year 2010 was 9.2 percent, versus 8.8 percent in 2009. Canadian market share increased to 13 percent for full-year 2010 compared to 11 percent in 2009.

Worldwide vehicle shipments in Q4 2010 were 382,000 units, a decrease of 6 percent versus Q3 2010. U.S. vehicle shipments totaled 270,000 units compared to 301,000 units in the prior quarter. Total year 2010 worldwide vehicle shipments were 1,602,000 units.

Chrysler Group maintained a **U.S. dealer inventory** level consistent with its sales performance, increasing from 231,000 vehicles at September 30, 2010, to 236,000 vehicles at December 31, 2010. Days supply increased to 63 days from 58 days in Q3 2010, as the Company prepared for the marketing launch of its new and refreshed products.

Significant Events: Fourth Quarter and Subsequent to December 31, 2010

On October 29, Mexico's President Felipe Calderon and other government officials joined Chrysler Group executives as Chrysler Mexico confirmed its commitment to the region and country with the inauguration of its sixth manufacturing plant, the new Saltillo Engine Plant in Coahuila, Mexico. The plant, along with the Trenton (Mich.) South Engine Plant, produces the new and advanced Pentastar 3.6-liter V-6 engine.

Chrysler Group's product offensive continued in the fourth quarter with the launch of 11 new or significantly-refreshed vehicles. For the full year 2010, Chrysler Group launched 16 all-new or significantly refreshed vehicles.

The all-new Jeep® Grand Cherokee was named "2011 Urban Truck of the Year" by Decisive Media; *Four Wheeler* magazine editors selected the vehicle as "Four Wheeler of the Year" and *The Detroit News* named it "Truck of the Year." Additionally, *AutoWeek* magazine honored the Jeep Grand Cherokee with the "Best of the Best/Truck Award" and the vehicle was a finalist for "North America Truck of the Year" at the North American International Auto Show (NAIAS) in Detroit, along with the 2011 Dodge Durango.

Four Wheeler magazine also chose the iconic Jeep Wrangler Rubicon the "Best 4X4 of the Decade."

Seven Chrysler Group vehicles — the new Chrysler 300, Chrysler 200, Dodge Charger, Dodge Avenger, Dodge Journey, Jeep Grand Cherokee and Jeep Patriot — were named Top Safety Picks for 2011 by the Insurance Institute for Highway Safety (IIHS). The IIHS annually recognizes vehicles that do the best job of protecting people in front, side, rollover and rear crashes based on a "good" rating in a series of tests conducted by the Institute. The 2011 Dodge Avenger and Dodge Journey were selected as Top Safety Picks for the third straight year and the Jeep Patriot for the second year in a row.

Ram also received many honors in Q4 2010. In December, Ram's heavy-duty trucks earned the 2010 Motorist Choice Award for the Active Lifestyle category from IntelliChoice and AutoPacific, and the Ram Heavy Duty earned a 2010 Vehicle Satisfaction Award in the Heavy Duty Pickup category. *Off-Road Adventures* magazine selected Ram as Manufacturer of the Year and *Automobile* magazine named the Ram 1500 to its annual list of All-Stars for the second consecutive year. The Ram 1500 remains the most awarded Ram ever.

As the new year began, Chrysler Group announced that the Chrysler Town & Country minivan was the top-selling minivan in the U.S. for 2010, and, for the tenth straight year, Polk gave the Town & Country the "Automotive Loyalty Award" in the Minivan Category. Polk also selected the Dodge Challenger for a loyalty award in the Sports Car category.

Production of the Fiat 500 began at the Toluca, Mexico Assembly Plant, in Q4 2010, marking the brand's return to U.S. and Canada after a 27 year absence. The Company has appointed the first 130 of an eventual 165 Fiat dealers in the U.S. and appointed 64 dealers in Canada. Those appointed are in the process of preparing their new facilities for the arrival of the Fiat 500, and will open throughout the first three quarters of this year. The 2012 MY Fiat 500 was revealed at the Los Angeles and Montreal International Auto Shows.

On November 23, employees at Chrysler Group's Indiana Transmission Plant II in Kokomo, Ind., welcomed President Obama and Vice President Biden to celebrate recent and planned investments in the Company's Kokomo facilities, resulting in the retention of more than 3,500 jobs. The Company confirmed it will invest $843 million in its Indiana Transmission Plants and Kokomo Casting Plant to accommodate production of a new advanced front-wheel drive automatic transmission for future Chrysler vehicles.

Chrysler Group and ZF Friedrichshafen of Germany-based ZF Group are partnering on both the 9-speed front-wheel drive and 8-speed rear-wheel drive transmissions. ZF is making its designs and technology available to the Company.

Chrysler Group welcomed 2011 with an extensive showcase of its full, reinvigorated product lineup from the Chrysler, Jeep, Dodge, Ram and Mopar® brands at the North American International Auto Show in Detroit. The Company also featured the new Fiat 500. The auto show marked the world premiere of the all-new 2011 Chrysler 300 sedan and introduction of the new, redesigned 2011 Jeep Compass. The Company also kicked off the Jeep brand's 70th anniversary in 2011, marking the occasion with the introduction of distinctive, unique 70th Anniversary Edition models for each vehicle in its lineup.

On January 10, Chrysler Group announced that Fiat's ownership interest in the Company increased from 20 percent to 25 percent upon the Company's achievement of the first of three Class B Events outlined in its June 10, 2009 Operating Agreement. This Event related to the certification and start of commercial production of the Fully Integrated Robotized Engine (FIRE) at the Company's Dundee, Mich., facility. The engine will be first used in the Fiat 500.

2011 Guidance

The targets for 2011 are as follows:

- Net Revenues of >$55 billion
- Modified Operating Profit of >$2.0 billion
- Modified EBITDA of >$4.8 billion
- Net Income of $0.2 - $0.5 billion
- Positive Free Cash Flow of >$1.0 billion

Management will hold an analyst webcast and conference call January 31, at 10 a.m. EST, to present the Q4 and total year 2010 results. The call can be followed live and a recording will be available on the Chrysler Group website: www.chryslergroupllc.com. The Q4 2010 and total year 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-U.S. GAAP Financial Information and Other Items

[a] Modified Operating Profit (Loss) is computed starting with net income (loss) and then adjusting the amount to (i) add back the provision for income taxes, (ii) add back net interest expense (excluding interest expense related to Gold Key Lease financing activities), (iii) add back all pension, other postretirement benefit obligations (OPEB) and other employee benefit costs other than service costs, (iv) add back restructuring expense and exclude restructuring income, (v) add back other financial expense, (vi) add back losses and exclude gains due to cumulative change in accounting principles, and (vii) add back certain other costs, charges and expenses. The reconciliation of U.S. GAAP Net Loss to Modified Operating Profit (Loss) and Modified EBITDA (as defined below) for the three and twelve months ended December 31, 2010, is detailed in Table 1 of the attachment to the press release.

[b] Modified EBITDA is computed starting with net income (loss) adjusted to Modified Operating Profit (Loss) as described above, and then adding back depreciation and amortization expense (excluding depreciation and amortization expense for vehicles held for lease). The reconciliation of U.S. GAAP Net Loss to Modified Operating Profit (Loss) and Modified EBITDA for the three and twelve months ended December 31, 2010, is detailed in Table 1 of the attachment to the press release.

[c] Cash is defined as Cash and Cash Equivalents.

[d] Free Cash Flow is defined as cash flows from operating and investing activities, excluding any debt related investing activities, reduced for financing activities related to Gold Key Lease financing. A reconciliation of U.S. GAAP Net Cash Provided by (Used in) Operating Activities to Free Cash Flow for the three and twelve months ended December 31, 2010, is detailed in Table 2 of the attachment to the press release.

[e] Chrysler Group LLC began operations on June 10, 2009; information for 2009 includes combined results of Chrysler Group LLC and Old Carco LLC.

[f] A reconciliation of U.S. GAAP Financial Liabilities to Gross Industrial Debt and Net Industrial Debt at December 31, 2010, is detailed in Table 3 of the attachment to the press release.

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Attachment

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

CHRYSLER GROUP LLC ($Mils)	Q4 2010	Total Year 2010
Net Loss	**(199)**	**(652)**
Add / (Deduct):		
Provision for Income Taxes	32	139
Net Interest Expense	329	1,228
Restructuring (Income)/Expenses & Other	4	54
Other Employee Benefit (Gains) / Losses \1	32	(6)
Modified Operating Profit	**198**	**763**
Add:		
Depreciation and Amortization \2	684	2,698
Modified EBITDA	**882**	**3,461**

\1 Represents interest cost, expected return on plan assets and CAW HCT settlement loss
\2 Excludes depreciation and amortization expense for vehicles held for lease

Table 2: Reconciliation of U.S. GAAP Cash Flows from Operating Activities to Free Cash Flow

CHRYSLER GROUP LLC ($Mils)	Q4 2010	Total Year 2010
Net Cash Provided By (Used In) Operating Activities	**(342)**	**4,522**
Net Cash Used In Investing Activities	(208)	(1,494)
Investing activities excluded from Free Cash Flow		
Change in loans and notes receivable	1	(36)
Financing activities included in Free Cash Flow		
Proceeds from Gold Key Lease Financing	-	266
Repayments of Gold Key Lease Financing	(270)	(1,903)
Free Cash Flow	**(819)**	**1,355**

Table 3: Reconciliation of U.S. GAAP Financial Liabilities to Gross Industrial Debt and Net Industrial Debt

CHRYSLER GROUP LLC ($Mils)	Dec. 31, 2010
Financial Liabilities	**13,731**
Deduct:	
Gold Key Lease (GKL) Debt	
Short Term ABS	(130)
Long Term ABS	(43)
GKL Credit Facility	(438)
Total GKL Debt	(611)
Gross Industrial Debt	**13,120**
Less: Cash \3	(7,347)
Net Industrial Debt	**5,773**

\3 Cash includes Cash and Cash Equivalents

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 Group LLC 2010 – 2014 Business Plan outlined on November 4, 2009, including successful vehicle launches; industry SAAR levels; continued economic weakness, especially in North America, including continued high unemployment levels and limited available financing for our dealers and consumers; introduction of competing products and competitive pressures which may limit our ability to reduce sales incentives; and our ability to realize benefits from our industrial alliance with Fiat. 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. 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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