



Chrysler Venezuelan Operations

Based on recent developments related to the foreign exchange process in Venezuela, Chrysler Group LLC ("**Chrysler**") has changed the exchange rate used to remeasure its Venezuelan subsidiary's financial statements in U.S. dollars ("USD")¹. As of March 31, 2014 Chrysler has begun to use the SICAD I rate of 10.7 Venezuelan Bolivar, or VEF, to USD as determined by the periodic auctions for USD under SICAD I. Previously Chrysler had utilized the official exchange rate of 6.30 VEF to USD.

This change was made because Chrysler believes the SICAD I rate is more representative of the exchange rate that will be used for the periodic auctions in SICAD I for many of the goods and services produced by Chrysler's Venezuelan operations and also for payment of future dividends, as the official exchange rate is increasingly reserved only for purchases of those goods and services deemed "essential" by the Venezuelan government.

Chrysler expects this change to result in a first quarter 2014 pre-tax remeasurement charge of approximately 130 million USD. Because the SICAD I exchange rate is based on periodic auctions, it is possible that there will be significant changes to the exchange rate in future quarters which could have a further material effect on Chrysler's Venezuelan subsidiary's financial statements, as well as, on Chrysler's consolidated financial statements. It is also possible that significant changes in the exchange rate as well as other related developments in Venezuela may have a further impact on Chrysler's subsidiary's operations going forward, which may also have a material impact on Chrysler's consolidated financial statements.

Turin, 11 April 2014

¹ The functional currency of Chrysler's Venezuelan subsidiary is USD.