

Contact: Bertrand Blaise
Shawn Morgan

Chrysler Group LLC Completes \$5 Billion Debt Offering and Repays VEBA Trust Note in Full

February 9, 2014, Auburn Hills, Mich. - Chrysler Group LLC ("Chrysler Group") announced today the closing of its previously announced offering of secured senior debt securities, raising approximately \$3.0 billion in net proceeds; and senior secured term loan facilities, raising approximately \$2.0 billion in net proceeds. Chrysler Group applied the proceeds of the debt offering to prepay all amounts outstanding, including accrued and unpaid interest, of approximately \$5.0 billion under the senior unsecured note issued on June 10, 2009 to the VEBA Trust with an original face amount of \$4.587 billion (the "VEBA Trust Note").

The secured senior debt securities consist of \$1.375 billion aggregate principal amount of 8% Secured Senior Notes due 2019 (the "2019 Notes") at an issue price of 108.25% of their aggregate principal amount plus accrued interest from December 15, 2013, and \$1.380 billion aggregate principal amount of 8¼% Secured Senior Notes due 2021 (the "2021 Notes" and together with the 2019 Notes, the "Notes") at an issue price of 110.50% of their aggregate principal amount plus accrued interest from December 15, 2013. The issue prices represent a yield to maturity of 6.165% per annum for the 2019 Notes and 6.433% per annum for the 2021 Notes.

The Notes were issued as additional 8% Secured Senior Notes due 2019 and additional 8¼% Secured Senior Notes due 2021 under an indenture, dated May 24, 2011, pursuant to which Chrysler Group previously issued \$1.5 billion aggregate principal amount of 8% Secured Senior Notes due 2019 and \$1.7 billion aggregate principal amount of 8¼% Secured Senior Notes due 2021.

In connection with the term loan facilities, Chrysler Group borrowed (1) an additional \$250 million of term loans under its existing senior secured credit facilities maturing May 24, 2017, under which Chrysler Group borrows at 2.75% over LIBOR, subject to a LIBOR floor of 0.75%; and (2) \$1.75 billion of term loans under a new senior secured term loan facility maturing December 31, 2018, at 2.50% over LIBOR, subject to a LIBOR floor of 0.75%.

The refinancing transactions are expected to result in yearly interest expense savings, for the period from 2014 to 2016, of approximately \$200 million^[1] including the elimination of the non-cash VEBA Trust Note discount amortization of approximately \$65 million per annum. Chrysler Group expects to record a non-cash charge of approximately \$500 million in connection with the repayment of the VEBA Trust Note. Chrysler Group consolidated financial statements are prepared in accordance with US GAAP.

"This transaction brings to a successful and earlier than anticipated conclusion the process that led the U.S. and Canadian governments, the UAW and the VEBA, together with Fiat, to take on the task of reestablishing Chrysler as a viable automotive enterprise. With the full early repayment of government loans in 2011, the acquisition from the VEBA of their Chrysler equity stake by Fiat in January of this year, and the full monetization of the VEBA note some nine years before the expiry of its term, Fiat and Chrysler together have satisfied all the monetary commitments that were made to Chrysler back in 2009. None remain outstanding. All this is simply a testament to the hard work by the people of Chrysler Group in the last five years and sets the stage for the next chapter as we work to strengthen our global presence as part of Fiat Chrysler Automobiles," said Chrysler Group LLC Chairman and CEO Sergio Marchionne.

Chrysler Group placed the Notes in a private placement under Rule 144A and Regulation S under the Securities Act of 1933, as amended (the "Securities Act"). The Notes have not been registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States without registration or an applicable exemption from registration requirements of the Securities Act and applicable state laws.

^[1] For the purposes of Fiat Group consolidated financial statements (prepared in accordance with IFRS), the

refinancing transactions are expected to result in yearly interest expense savings, for the period from 2014 to 2016, of approximately \$134 million. Fiat Group does not expect to record non-cash charges in connection with Chrysler Group's repayment of the VEBA Trust Note, which has been carried at face value as a result of the purchase accounting related to the acquisition of control and consolidation of Chrysler Group in May 2011.

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