Chrysler Group LLC and Mexico Logistics

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Federal Reserve Bank of Chicago Auto Event
Chrysler and Mexico

Chrysler de Mexico
✓ Established in 1938
✓ Headquartered in Santa Fe, Mexico City

Chrysler Plants

Toluca
✓ Assembly
✓ Stamping (metal fabrication)
✓ Mopar Parts Depot

Saltillo
✓ Truck and Van Assembly
✓ North and South Engine

Mexico City
✓ Automotive Engineering Center
Total Employment
✓ 8,775 (December, 2012)

2012 CY Sales and Production Summary

Vehicles Sold (Ram, Dodge, Chrysler, Fiat, Jeep, Alfa Romeo & Mitsubishi)
✓ 96,197

Total Vehicle Production (Chrysler, Dodge, Fiat, Ram)
✓ 455,334

Engine Production (911,237)
✓ 5.7L Hemi 382,946
✓ 6.4L SRT 20,394
✓ 3.6L PentaStar 507,897

Vehicle Exports
✓ 48 Countries including all six land continents
✓ 16% of production exported outside of NAFTA
Since the start of the negotiations for the NAFTA (1985), the percentage of Mexico production of the Chrysler total has increased over 280%!
Chrysler imports and exports material and vehicles utilizing rail, truck and sea transportation modes.
Mexico Transportation Sustainability

Consistent Sustainability Responsibility

- Canada
- USA
- Mexico

Collaborative Carrier Initiatives

- Equipment innovation
- Increased driver efficiency
- Improved fuel economy
- CO2 reductions
- Carrier business growth
Challenges & Opportunities Producing in Mexico

1. Corporate Security
   - Employees
   - Assets (material and finished vehicles)

2. Security Compliance
   - Contraband at southern border – North and Southbound
   - Robust border crossing processes
     - Participation in all supply chain security initiatives
     - Chrysler considered a “best practice” importer with US CBP

3. Customer Lead-time Advantage
   - Mexico to heartland of the US – one week
   - China to the heartland of the US – four to six weeks

4. Mature Supply Chain Infrastructure
   - NAFTA Transportation network integrated
   - 46 Mexican free trade agreements