# FCA US LLC

## First Quarter 2015 Results

(U.S. GAAP – Preliminary)

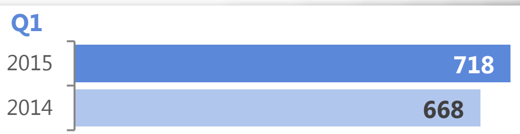
May 7, 2015

# 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," "should" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties, including, but not limited to: successful vehicle launches; industry SAAR levels; economic conditions, especially in North America, including unemployment levels and the availability of affordably priced financing for our dealers and consumers; introduction of competing products and competitive pressures which may limit our ability to reduce sales incentives; supply disruptions resulting from natural disasters and other events affecting our supply chain; changes in laws, regulations and government policies; and our dependence on our parent, Fiat Chrysler Automobiles N.V. (FCA). 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. Further details of potential risks that may affect FCA US LLC (FCA US) are described in FCA US LLC periodic reports filed with the U.S. Securities and Exchange Commission.

# Q1 2015 highlights

**Vehicle shipments**
(000's)

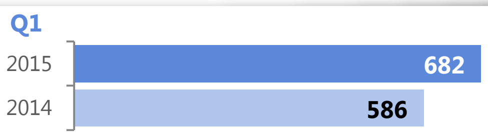



- Increase of 8% primarily due to the Jeep Cherokee, and all-new Chrysler 200 and Jeep Renegade (723k shipments adjusted for GDP; +10% versus prior year – see Appendix)

**Net revenues**
($B)

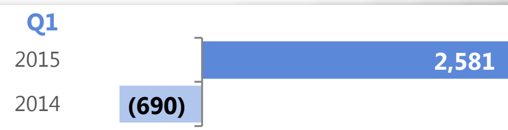

- Increase of 10% primarily due to increased shipments and improved net pricing

**Modified operating profit**
($M)



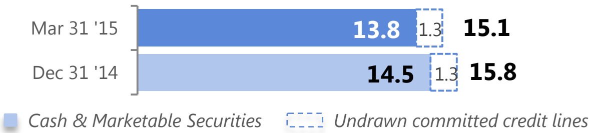

- Increase of 16%; margin of 3.3% in Q1 2015 versus 3.1% in Q1 2014
- Recall costs negatively impacted margins by approximately 1% and 0.5% in Q1 2015 and Q1 2014, respectively

**Net income (loss)**
($M)




- Increase primarily due to infrequent items
- Q1 2015 adjusted net income was $312M, excluding $2.3B from the tax status change of FCA US, and a $10M loss on extinguishment from the refinancing of the Mexican Development Banks debt
- Q1 2014 adjusted net income was $486M, excluding a $504M loss on extinguishment of VEBA debt and a $672M charge for the January MOU with the UAW

**Total available liquidity**[1]
($B)




- Decrease reflects a $1.3B special distribution paid to the parent in Feb 2015

**Net industrial cash**
($B)


- Decrease primarily reflects the decrease in cash

1 *Excludes undisbursed $0.4B on the Mexico Bank Loan, which can be drawn subject to meeting the preconditions for additional disbursements*

# Modified operating profit walk

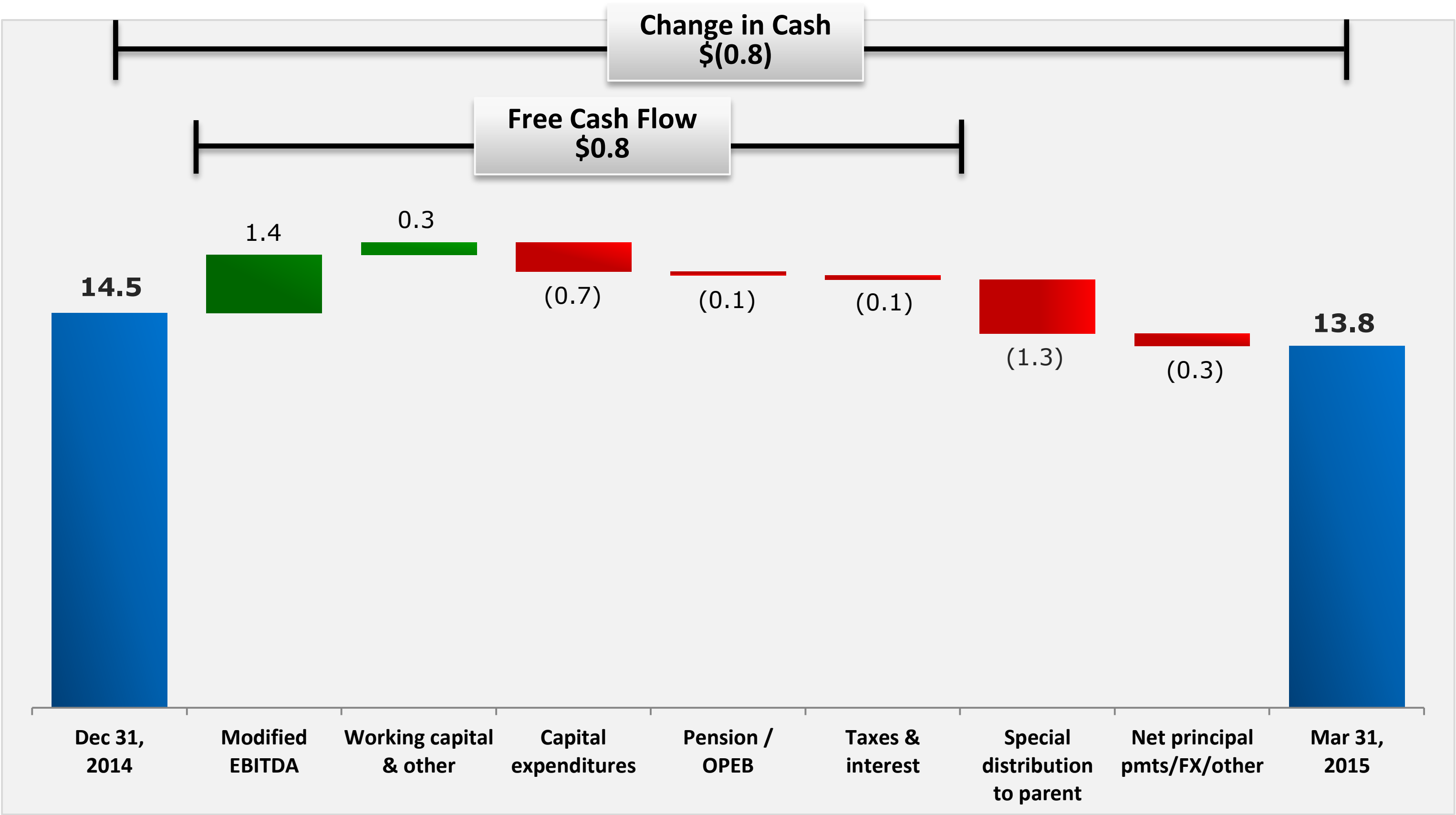
*$ Millions*


- Volume improved due to shipment increase, partially offset by negative market and carline mix
- Positive pricing actions partially offset by FX transaction impact primarily from the Canadian Dollar and Mexican Peso
- Industrial costs increased primarily due to higher base material costs for enhanced content and recall campaign costs, partially offset by purchasing efficiencies
- SG&A increase primarily due to increased advertising costs
- Other reflects FX translation effects and the non-repeat of the Venezuela Bolivar devaluation

FCA US LLC – Q1 2015 preliminary results prepared in accordance with U.S. GAAP
(refer to Appendix for definitions of non-U.S. GAAP financial measures)

# Cash walk

*$ Billions*




*Note: Numbers may not add due to rounding*

# Reconciliation of net industrial cash

| *$ Billions* | Carrying value as of Mar 31, 2015 | Carrying value as of Dec 31, 2014 | *Mar 31, 2015 B/(W) Dec 31, 2014* |
|---|---|---|---|
| **Cash** | **13.8** | **14.5** | ***(0.8)*** |
| Term loan B – Due 2017 | 3.1 | 3.1 | - |
| Term loan B – Due 2018 | 1.7 | 1.7 | - |
| Secured senior notes – due 2019 [1] | 2.9 | 2.9 | - |
| Secured senior notes – due 2021 | 3.2 | 3.2 | - |
| Canadian health care trust notes | 0.6 | 0.8 | *0.1* |
| Mexico bank loan – due 2022 | 0.5 | - | *(0.5)* |
| Mexican development banks credit facilities | - | 0.5 | *0.5* |
| Other financial liabilities | 0.5 | 0.6 | *0.1* |
| **Total financial liabilities** | **12.6** | **12.8** | ***0.2*** |
| **Net industrial cash [2]** | **1.2** | **1.8** | ***(0.6)*** |

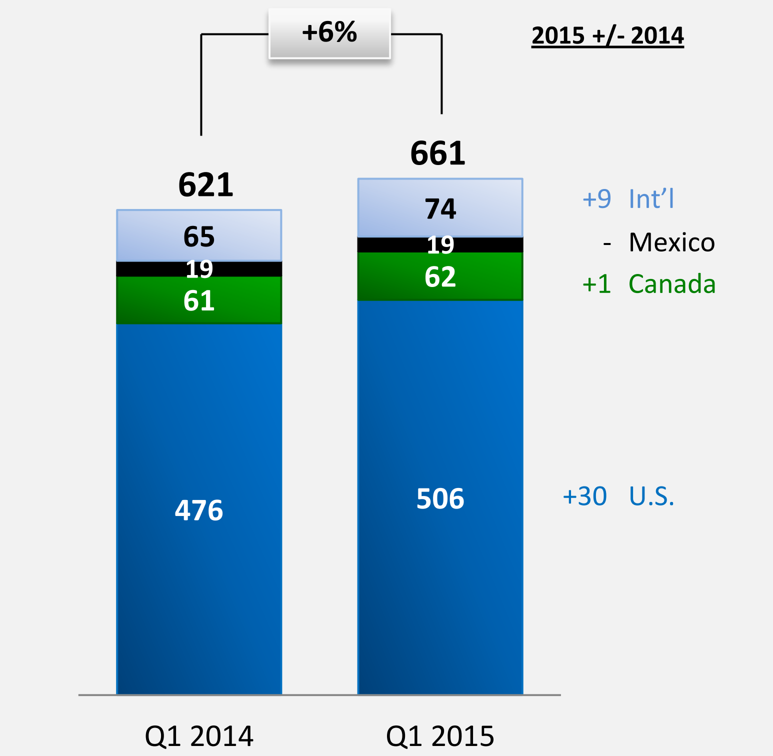
*1 Expected to be redeemed on May 14, 2015 pursuant to their terms*
*2 Excludes pension and OPEB underfunding*
*Note: Numbers may not add due to rounding*

# Worldwide vehicle sales

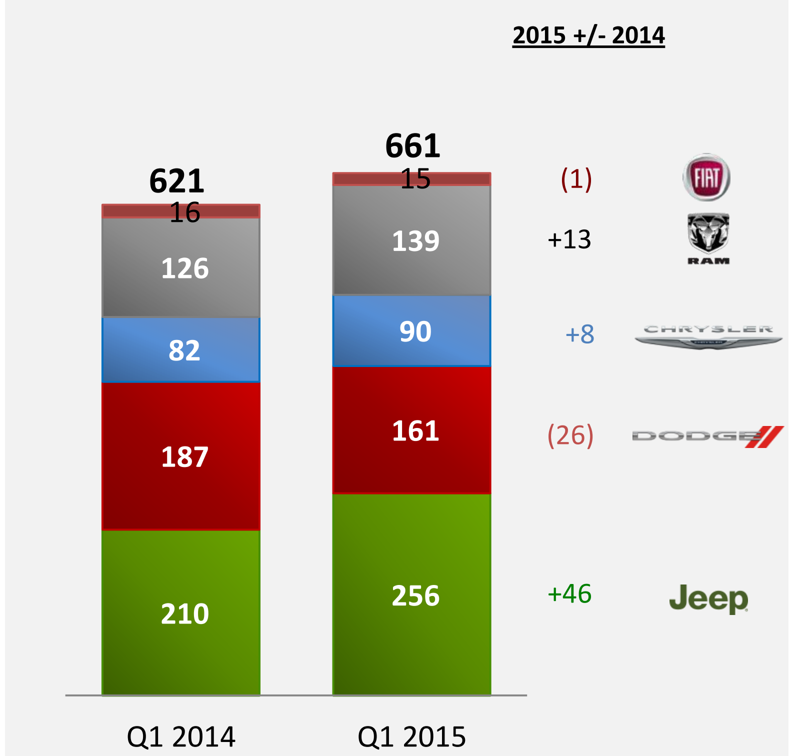
## Q1 2015 versus Q1 2014

*Vehicles (000s)*

### By market

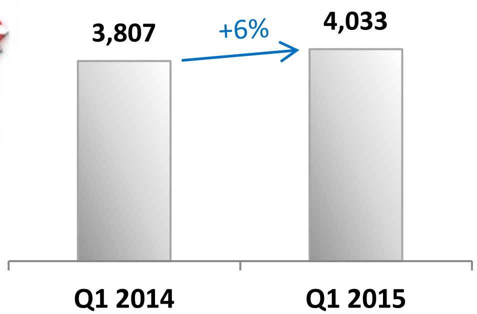
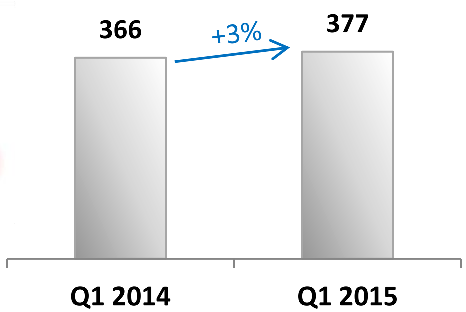



### By brand



# Vehicle sales in U.S. & Canada

## Q1 2015 versus Q1 2014

| Industry vehicles (millions) | FCA US LLC performance | | |
|---|---|---|---|
| | Sales | Market share | Key messages (period-over-period) |
|    | +6% | 12.5%<br>(flat) | • Retail sales increased 6%<br>• Retail of retail market share* increased to 12.1%, up 10 bps from the prior year<br>• Fleet mix at 23%, flat with prior year<br>• Key performers included:<br>  • Chrysler 200 sedan +20k vehicles (+67%)<br>  • Dodge Challenger +5k vehicles (+45%)<br>  • Jeep Cherokee +12k vehicles (+34%)<br>  • Jeep Wrangler +7k vehicles (+21%) |
|    | +2% | 16.4%<br>(down 20 bps) | • Retail sales decreased 1%<br>• Retail of retail market share* at 13.9%, from 14.4% in the prior year<br>• Market leader in Q1 2015<br>• Key performers included:<br>  • Chrysler 200 +0.5k vehicles (+29%)<br>  • Jeep Cherokee +1.0k vehicles (+24%)<br>  • Ram 1500 Pickup +2.3k vehicles (+16%) |

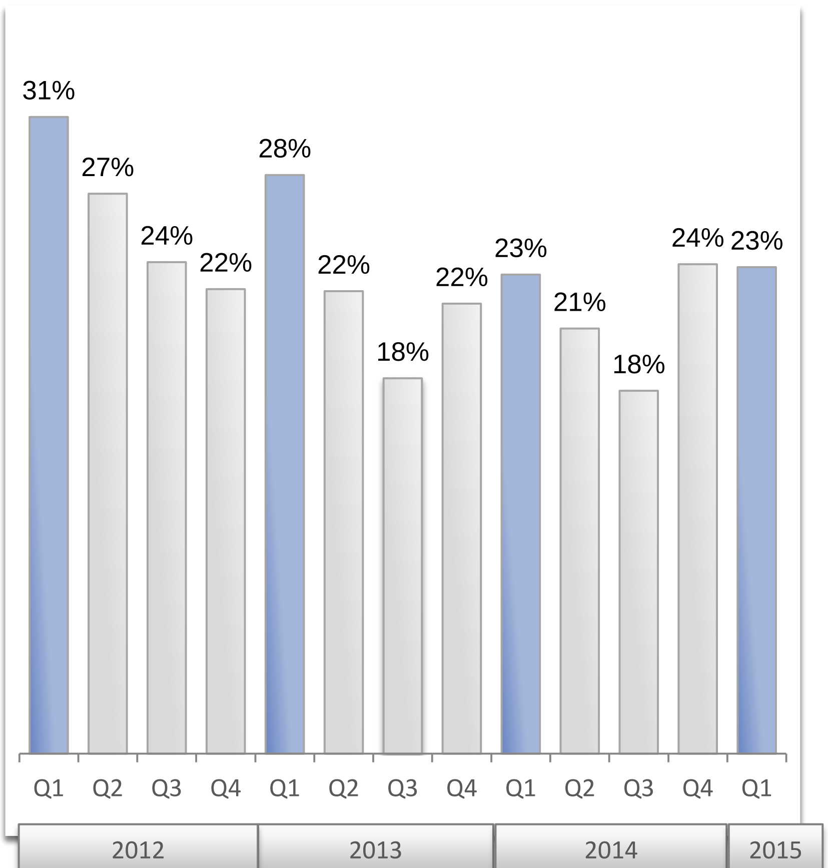
** Company calculation; retail sales versus industry retail sales*

# U.S. fleet mix, dealer inventory & days supply

FCA
FIAT CHRYSLER AUTOMOBILES

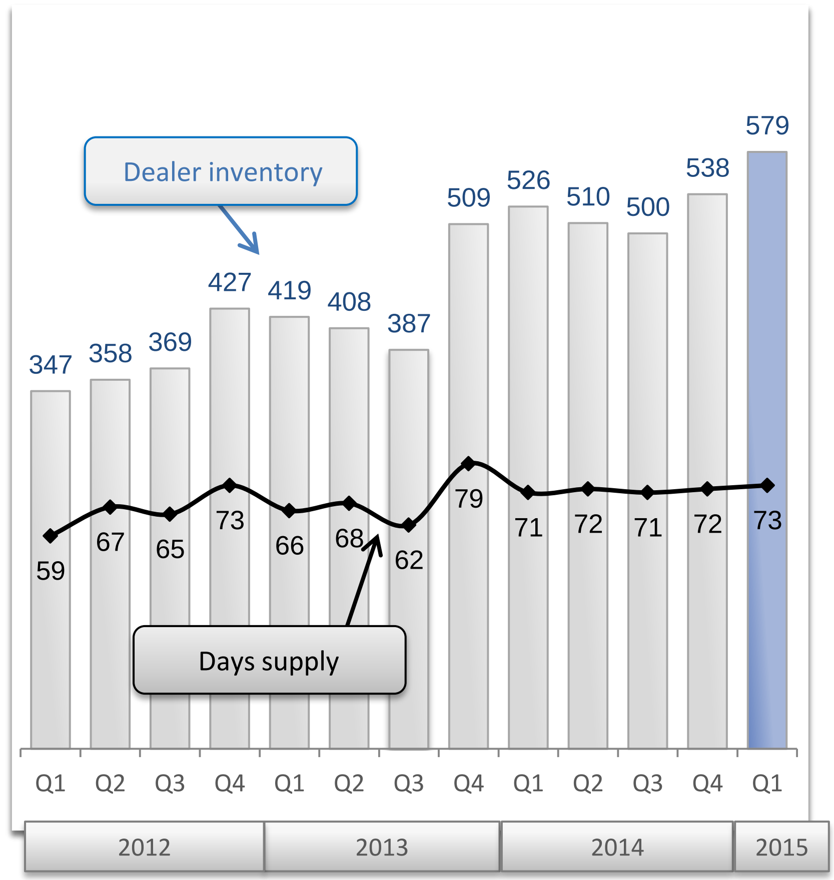
## U.S. fleet mix

*Percentage of total U.S. sales*




## U.S dealer inventory & days supply

*Vehicles (000s)*



FIAT CHRYSLER AUTOMOBILES

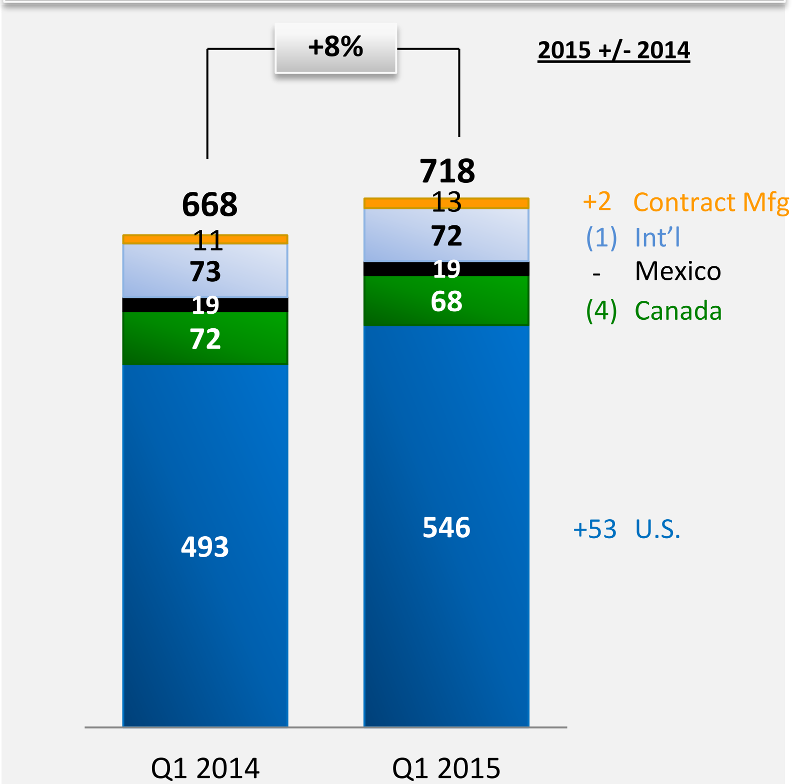
# Appendix

# Worldwide vehicle shipments

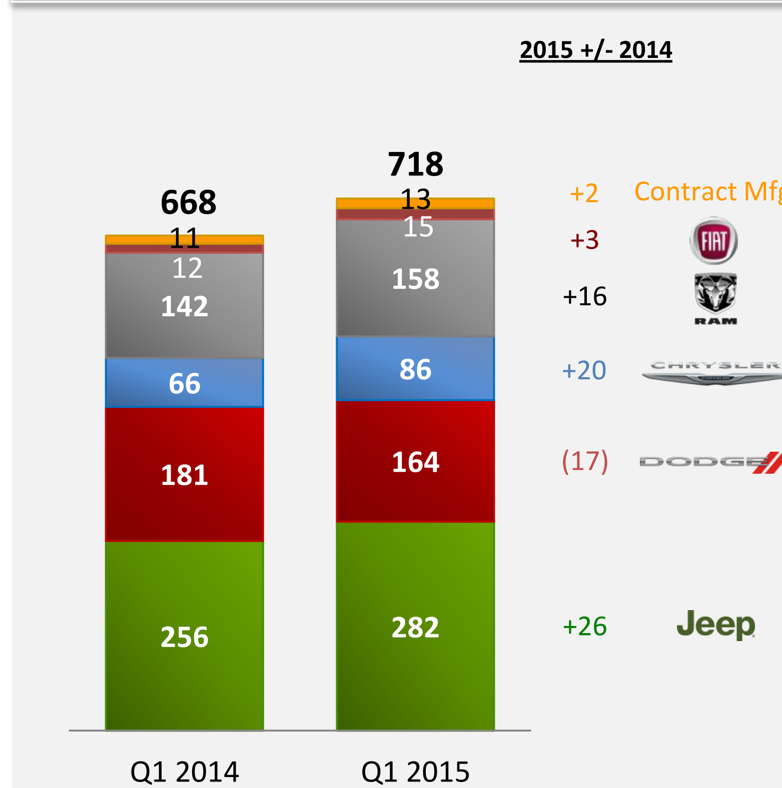
## Q1 2015 versus Q1 2014

*Vehicles (000s)*

### By market




### By brand




*Note: Military and Puerto Rico / Caribbean shipments classified as U.S. in Q1 2015 (3k); classified as Int'l in Q1 2014 (4k)*

# Guaranteed depreciation program (GDP) adjusted shipments

| *Vehicles (000s)* | Q1 2015 | Q1 2014 | Q1 2015 B/(W) Q1 2014 |
|---|---|---|---|
| **Worldwide shipments** | **718** | **668** | **50** |
| Guaranteed depreciation program (GDP) | | | |
| *Subtract:* Shipments during period | (24) | (31) | 7 |
| *Add:* Returns/auctions during period | 29 | 22 | 7 |
| Net shipments | 5 | (9) | 14 |
| **GDP adjusted worldwide shipments** | **723** | **659** | **64** |

# Reconciliation of worldwide vehicle sales to shipments

| *Vehicles (000s)* | Q1 2015 | Q1 2014 |
|---|---|---|
| **Worldwide sales** | **661** | **621** |
| Increase in U.S. dealer inventory | 41 | 17 |
| Increase in Canada dealer inventory | 6 | 11 |
| Contract manufacturing & other | 10 | 19 |
| **Worldwide shipments** | **718** | **668** |

# Financial results

| $ Millions | Q1 2015 | Q1 2014 | Q1 2015 B/(W) Q1 2014 |
|---|---|---|---|
| Worldwide vehicle shipments (000) [1] | 718 | 668 | 50 |
| | | | |
| Net revenues | 20,881 | 18,990 | 1,891 |
| **Modified operating profit** | **682** | **586** | **96** |
| % of net revenues | 3.3% | 3.1% | 0.2 ppt |
| Modified EBITDA | 1,404 | 1,282 | 122 |
| % of net revenues | 6.7% | 6.8% | (0.1) ppt |
| **Net income (loss)** | **2,581** | **(690)** | **3,271** |
| Adjusted net income | 312 [2] | 486 [3] | (174) |
| | | | |
| **Free cash flow** | **845** | **919** | **(74)** |
| | | | |
| **Cash** | **13,756** | **12,363** | **1,393** |
| Financial liabilities | (12,575) | (12,914) | 339 |
| **Net industrial cash (debt)** | **1,181** | **(551)** | **1,732** |

*1 Before GDP adjustments*

*2 Excludes $2,279M from tax status change of FCA US recognized as a net deferred tax benefit, and $10M loss on extinguishment of debt from refinancing of the Mexican Development Banks debt*

*3 Excludes $504M loss on extinguishment of debt from prepayment of the VEBA Trust Note in Q1 2014, and $672M charge for the MOU with the UAW entered into in January 2014*

# Reconciliation of adjusted net income, modified operating profit and modified EBITDA

FIAT CHRYSLER AUTOMOBILES

| *$ Millions* | Q1 2015 | Q1 2014 | Q1 2015 B/(W) Q1 2014 |
|---|---|---|---|
| **Net income (loss)** | **2,581** | **(690)** | **3,271** |
| Tax status change | (2,279) | - | (2,279) |
| Loss on extinguishment of debt | 10 | 504 | (494) |
| Charge for MOU with the UAW | - | 672 | (672) |
| **Adjusted net income** | **312** | **486** | **(174)** |
| Income tax expense (benefit) | 210 | (115) | 325 |
| Net interest expense | 180 | 213 | (33) |
| Other employee benefit gains [1] | (25) | (8) | (17) |
| Restructuring expense, net & other | 5 | 10 | (5) |
| **Modified operating profit** | **682** | **586** | **96** |
| Depreciation and amortization expense [2] | 722 | 696 | 26 |
| **Modified EBITDA** | **1,404** | **1,282** | **122** |

*1 Includes interest cost, expected return on plan assets and amortization of unrecognized losses*
*2 Excludes depreciation and amortization expense for vehicles held for lease*

# Reconciliation of free cash flow

| *$ Millions* | Q1 2015 | Q1 2014 | Q1 2015 B/(W) Q1 2014 |
|---|---|---|---|
| Net cash provided by operating activities | 1,653 | 1,623 | 30 |
| Net cash used in investing activities | (808) | (704) | (104) |
| **Free cash flow** | **845** | **919** | **(74)** |

# Financial liabilities

| *$ Billions* | Mar 31, 2015 | |
|---|---|---|
| | Carrying value | Face value |
| Term loan B – due 2017 | 3.1 | 3.1 |
| Term loan B – due 2018 | 1.7 | 1.7 |
| Secured senior notes – due 2019 [1] | 2.9 | 2.9 |
| Secured senior notes – due 2021 | 3.2 | 3.1 |
| Canadian health care trust notes | 0.6 | 0.6 |
| Mexico bank loan – due 2022 | 0.5 | 0.5 |
| Other financial liabilities | 0.5 | 0.6 |
| **Total financial liabilities** | **12.6** | **12.5** |

*1 Expected to be redeemed on May 14, 2015*
*Note: Numbers may not add due to rounding*

# Pension disclosure

*$ Millions*

| | Q1 2015 | Q1 2014 |
|---|---|---|
| **NET PERIODIC PENSION COST** | | |
| Service cost | 52 | 56 |
| Interest cost net of expected return | (98) | (70) |
| Recognition of net actuarial loss | 35 | 21 |
| Amortization of prior service cost | 3 | 3 |
| **Total net periodic pension cost** | **(8)** | **10** |
| **PENSION FUND CONTRIBUTIONS** | **9** | **25** |

| **WEIGHTED AVERAGE ASSUMPTIONS** | **2014** | **2013** |
|---|---|---|
| Benefit obligations at December 31: | | |
| Discount rate – ongoing benefits | 4.03% | 4.69% |
| Periodic costs: | | |
| Discount rate – ongoing benefits | 4.69% | 3.98% |
| Expected return on plan assets | 6.80% | 7.41% |

# OPEB disclosure

FCA
FIAT CHRYSLER AUTOMOBILES

*$ Millions*

| | Q1 2015 | Q1 2014 |
|---|---|---|
| **NET PERIODIC BENEFIT COST** | | |
| Service cost | 7 | 6 |
| Interest cost | 28 | 32 |
| Recognition of net actuarial loss | 7 | 6 |
| Amortization of prior service credit | - | - |
| **Total net periodic benefit cost** | **42** | **44** |
| **BENEFITS PAID** | **42** | **44** |

| **WEIGHTED AVERAGE ASSUMPTIONS** | **2014** | **2013** |
|---|---|---|
| Benefit obligations at December 31: | | |
| Discount rate – ongoing benefits | 4.11% | 4.87% |
| Periodic Costs: | | |
| Discount rate – ongoing benefits | 4.87% | 4.07% |

# Non-U.S. GAAP financial measures

FIAT CHRYSLER AUTOMOBILES

**The following non-U.S. GAAP financial measures definitions apply when the presentation is referring to adjusted net income (loss), modified operating profit, modified EBITDA, cash, free cash flow and net industrial cash**

(a) Adjusted net income is defined as net income (loss), including income attributable to non-controlling interests, excluding the impact of items that we consider infrequent items. The reconciliation of adjusted net income, modified operating profit (defined below) and modified EBITDA (defined below) for the three months ended March 31, 2015 and 2014 is detailed on slide 14

(b) Modified operating profit is computed starting with net income (loss), including income attributable to non-controlling interests, and then adjusting the amount to (i) add back income tax expense and exclude income tax benefits, (ii) add back net interest expense, (iii) add back (exclude) all pension, other postretirement benefit (OPEB) and other employee benefit costs (gains) 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, (vii) exclude non-controlling interests and (viii) add back certain other costs, charges and expenses, which include the impact of infrequent items factored into the calculation of adjusted net income. The reconciliation of adjusted net income, modified operating profit and modified EBITDA (defined below) for the three months ended March 31, 2015 and 2014 is detailed on slide 14

(c) Modified EBITDA is computed starting with net income (loss) adjusted to modified operating profit as described above, and then adding back depreciation and amortization expense (excluding depreciation and amortization expense for vehicles held for lease). The reconciliation of adjusted net income (loss), modified operating profit and modified EBITDA for the three months ended March 31, 2015 and 2014 is detailed on slide 14

(d) Cash is defined as cash and cash equivalents

(e) Free cash flow is defined as cash flows from operating and investing activities, excluding any debt-related investing activities. A reconciliation of free cash flow for the three months ended March 31, 2015 and 2014 is detailed on slide 15

(f) Net industrial cash is defined as cash less financial liabilities. A reconciliation of net industrial cash at March 31, 2015 and December 31, 2014 is detailed on slide 5

# Contacts

FCA
FIAT CHRYSLER AUTOMOBILES

## Investor Relations

| | | |
|---|---|---|
| Joe Veltri | phone: | 248-576-9257 |
| | email: | joe.veltri@fcagroup.com |
| Tim Krause | phone: | 248-512-2923 |
| | email: | timothy.krause@fcagroup.com |
| Alois Monger | phone: | 248-512-1549 |
| | email: | alois.monger@fcagroup.com |
| Judy Zerafa | phone: | 248-576-8186 |
| | email: | judy.zerafa@fcagroup.com |

## Communications

| | | |
|---|---|---|
| Gualberto Ranieri | phone: | 248-512-2226 |
| | email: | gualberto.ranieri@fcagroup.com |


## Website

www.fcagroup.com