

**VOLKSWAGEN**

GROUP OF AMERICA

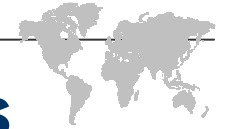
---



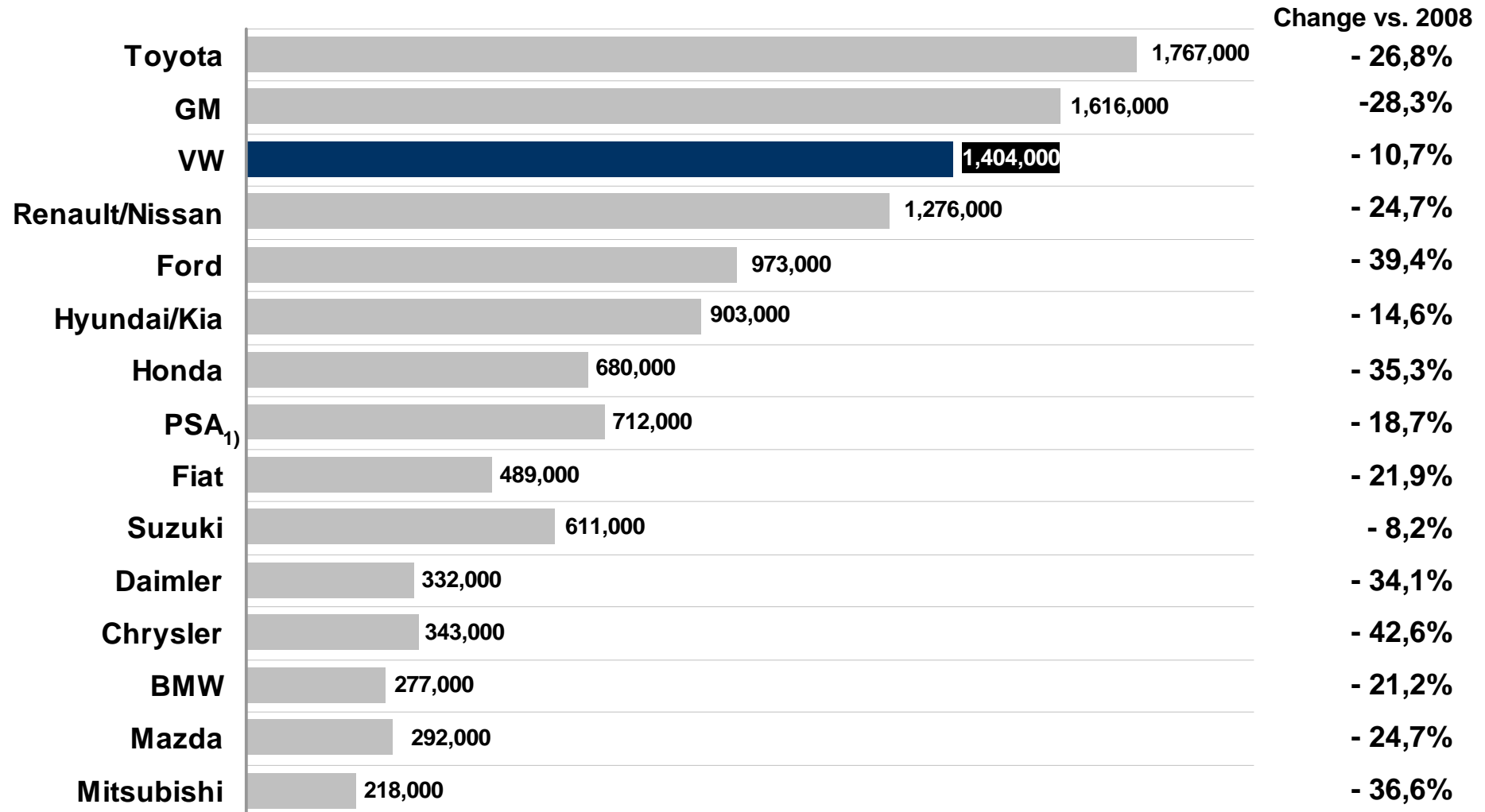
**Volkswagen Group of America  
Chattanooga Operations, LLC  
Press Conference  
Monday, May 11<sup>th</sup> 2009**

# VOLKSWAGEN

GROUP OF AMERICA



## Automobile Manufacturer's first quarter sales



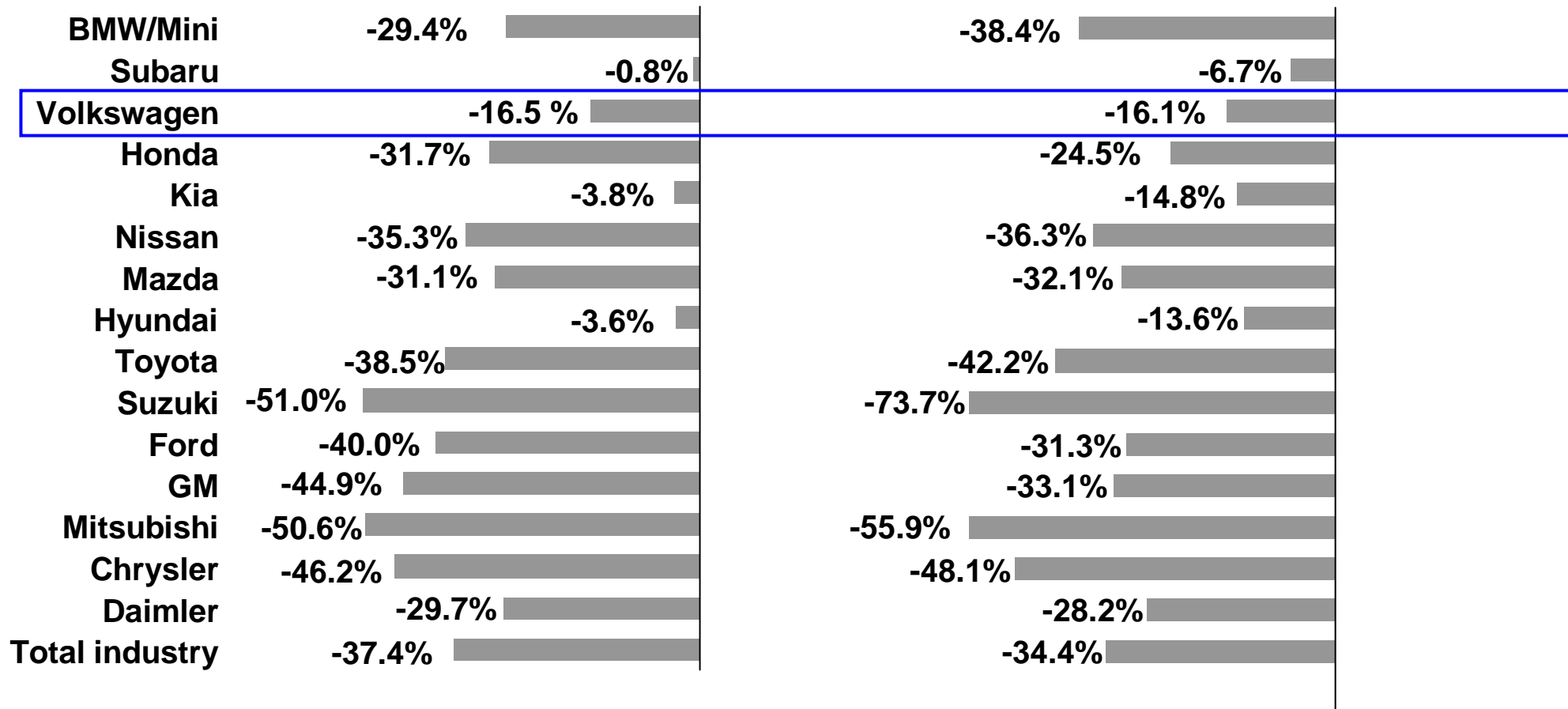
# VOLKSWAGEN

GROUP OF AMERICA

## Total Industry Development USA

Year-to-April 2009

April 2009



---

## Volkswagen Group: 1<sup>st</sup> Quarter Review

- Global financial and economic crisis also significantly impacts Volkswagen
- Volkswagen Group generates operating profit of € 312 million (vs. 2008: € 1,311 million) in the period from January to March 2009
- New model initiative successfully driven forward under difficult conditions:
  - Global passenger car market **20.7%** below the previous year
  - Deliveries to customers worldwide down **10.7%** year-on-year to 1.4 million vehicles
  - Volkswagen Group increases market share in key regions of the world
  - Deliveries in Germany, China, Brazil, Russia and Poland **higher** than in prior-year quarter

## Current Status May 2009

- April 3<sup>rd</sup> - placing orders for body shop, assembly shop and offices to Graycor; about 60% local contractors involvement
- April 6<sup>th</sup> – design finished for Training Center; Contract for buildings awarded to D.F. Chase. Start of construction May 11th.
- April 9<sup>th</sup> – first column → **construction schedule on track!!**
- April 16<sup>th</sup> – IHK Hannover supplier forum of South Eastern US
- April 30<sup>th</sup> – List of specifications for supplier park investors
- Training – cross cultural training and Value Stream Mapping

# Current Model of Chattanooga Plant



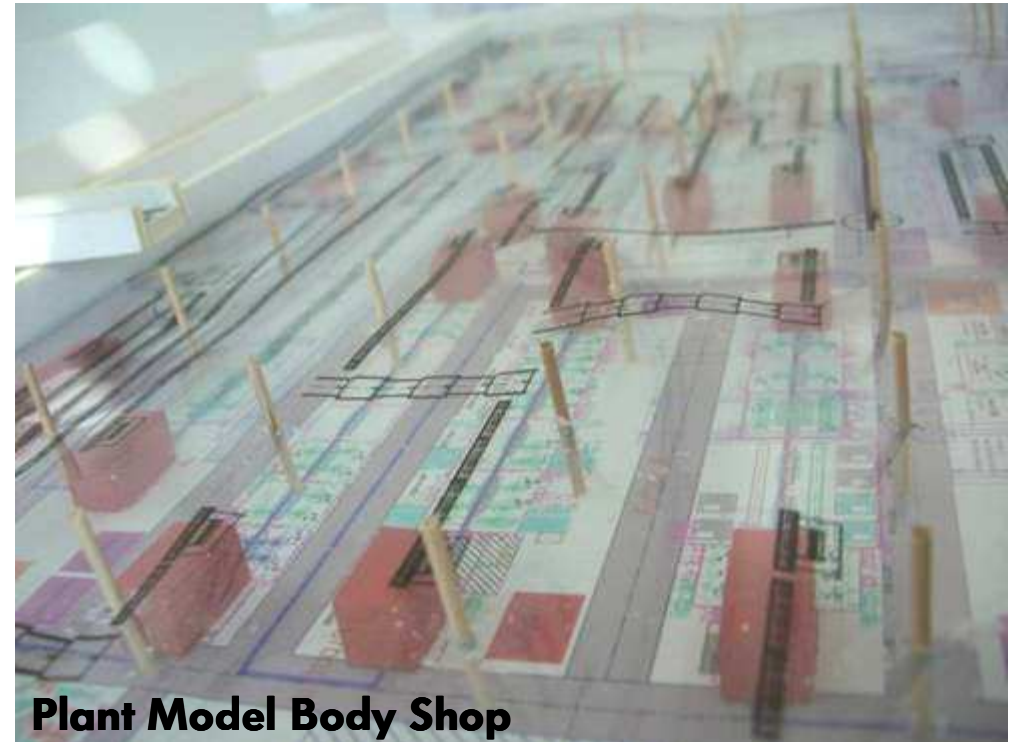
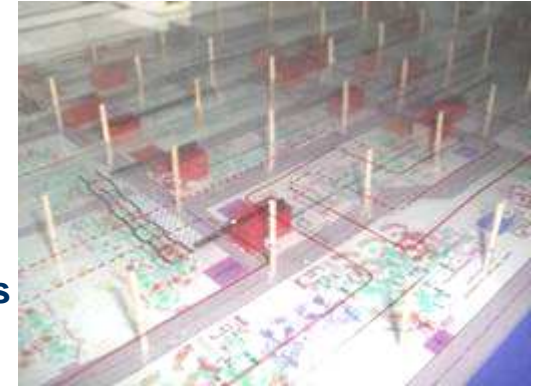
# VOLKSWAGEN

GROUP OF AMERICA



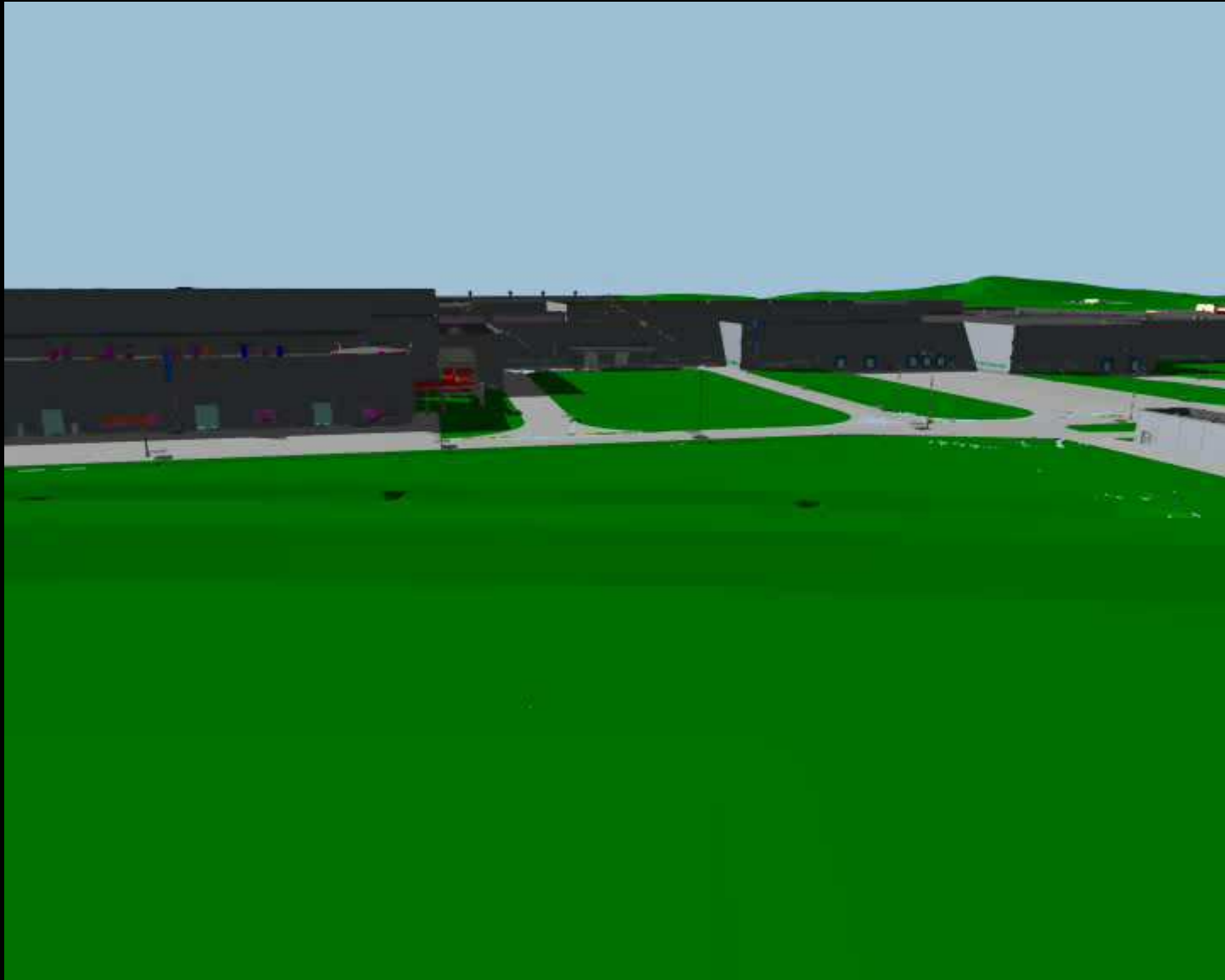
## 3P\* Factory modelized

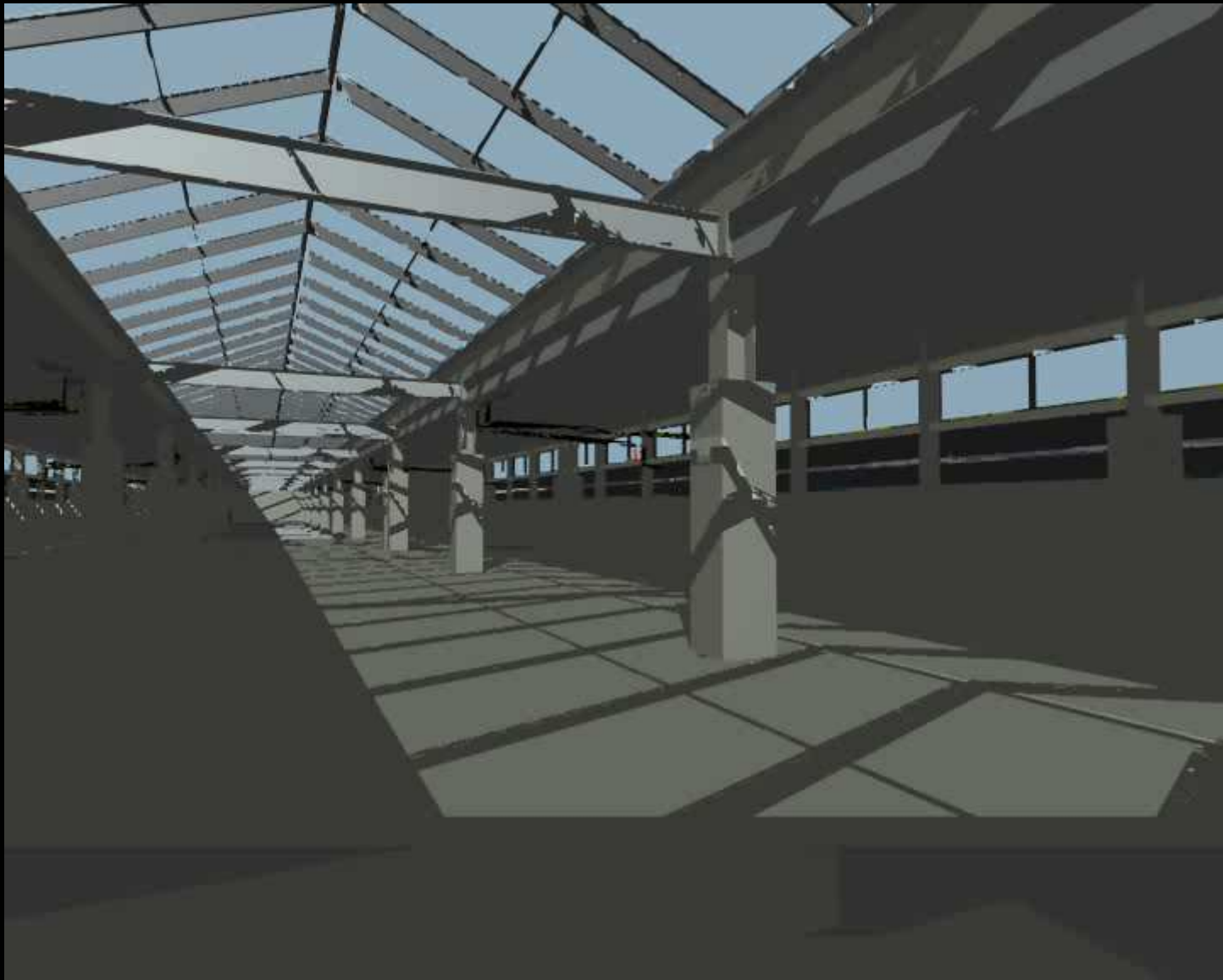
\*Production Preparation Process



# Current Picture of Paint Shop







# Contract awarded for Training Center construction



## Next Steps

- Strategy workshop with entire project management
- Supplier Park investors meeting on May 13<sup>th</sup>
- End of June: Opening of the temporary visitor center
- Wall Raising Ceremony on May 14<sup>th</sup>:
  - ➔ Volkswagen is dedicated to project and region
  - ➔ **Green town - green plant - green cars**



VOLKSWAGEN

GROUP OF AMERICA

# This Thursday: Wall Raising Ceremony

When: **May 14, 2.00 p.m.**

Where: **Enterprise South Site,  
Chattanooga**

Speakers: **Governor of Tennessee  
Phil Bredezen**

**German Ambassador  
Klaus Scharioth**

**Prof. Dr. Martin Winterkorn,  
CEO & Chairman Volkswagen AG**

**Stefan Jacoby, CEO & Chairman  
Volkswagen Group of America Inc.**

**Frank Fischer, CEO and Chairman  
Volkswagen Group of America  
Chattanooga Operations LLC**



**VOLKSWAGEN**

GROUP OF AMERICA

**Thank you for your attention!**

