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Location decision in North America: Volkswagen to build new generation of electric cars in Chattanooga

- US plant to be prepared for modular electric toolkit (MEB) by investments totaling €700 million (\$800 million)
- Production to start in 2022 with ID. CROZZ electric SUV
- CEO Herbert Diess: "A key part of our growth strategy in North America"
- Volkswagen is establishing worldwide production network for electric cars: eight MEB plants on three continents by 2022

Detroit / Wolfsburg – The Volkswagen brand is forging ahead consistently with its electric offensive and has now announced the first production location in North America. In future, the Chattanooga plant in Tennessee is to produce vehicles based on the modular electric toolkit MEB, a new generation of electric cars. For this purpose, Volkswagen is investing about €700 million (\$800 million) in the plant. The expansion of the plant will create up to 1,000 new jobs plus additional jobs at suppliers. The first electric car from Chattanooga is to roll off the production line in 2022. Over the next few years, eight MEB plants are to be developed in Europe, North America and China. Volkswagen is building up the production capacity needed to sell more than 1 million electric cars per year by 2025.



1) Concept car

"The US is one of the most important locations for us and producing electric cars in Chattanooga is a key part of our growth strategy in North America," said Dr. Herbert Diess, CEO of Volkswagen AG. "The management team lead by Scott Keogh is committed to continuing to increase our market share in the coming years. Together with

our ongoing investments and this increase in local production, we are strengthening the foundation for sustainable growth of the Volkswagen brand in the US."

The first electric car to roll off the production line in Chattanooga will be the ID. CROZZ¹ SUV model. Volkswagen will also offer the ID. BUZZ¹ in

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North America, the reinterpretation of the legendary VW bus. Both cars are part of Volkswagen's new ID. family, which will make optimum use of the possibilities of e-mobility. Among other features, the vehicles will offer long ranges, a spacious interior, dynamic driving behavior and a new level of digital connectivity.

"We could not be prouder to build the future of mobility here in the U.S.," said Scott Keogh, CEO and president of Volkswagen Group of America.

"We're known as 'the people's car' for a reason, and our EVs will build on that tradition." In addition, the Chattanooga plant will continue to produce the Atlas² and the Passat².

Volkswagen wants to make the electric car popular and has embarked on the largest electric offensive in the automotive industry. Over the next few years, the brand will be launching more than 20 full electric models. The first of these will be the compact ID.¹, with production starting at the Zwickau plant in Germany from the end of 2019. By 2025, the Volkswagen brand intends to sell at least 1 million electric cars per year throughout the world. Further MEB plants are being developed in Emden, Hanover, Dresden and Mlada Boleslav in the Czech Republic. The Chinese market will be served by the Anting and Foshan plants. All in all, the Volkswagen brand is investing a total of €11 billion in future-oriented technologies by 2023, including €9 billion in e-mobility.

¹ *Concept car*

² *The vehicle will not go on sale in Europe*

About the Volkswagen brand: "We make the future real"

The Volkswagen Passenger Cars brand is present in more than 150 markets throughout the world and produces vehicles at over 50 locations in 14 countries. In 2017, Volkswagen delivered 6.23 million vehicles including bestselling models such as the Golf, Tiguan, Jetta or Passat. Currently, 198,000 people work for Volkswagen across the globe. The brand also has 7,700 dealerships with 74,000 employees. Volkswagen is forging ahead consistently with the further development of automobile production. E-mobility, smart mobility and the digital transformation of the brand are the key strategic topics for the future.
