

Hyundai's expanding operations in the U.S. are creating and retaining jobs, thereby having a significant impact on the country's economy. Our U.S. operations and dealerships contribute more than 94,000 private sector jobs and in excess of \$7 billion to the country's Gross Domestic Product. Of the total jobs, approximately one-third – or 33,000 – is supported by direct employment in our manufacturing-related activities in the U.S., with associated wages and salaries estimated at \$2.4 billion. Hyundai's dealerships support the remaining 61,000 jobs, with associated wages and benefits estimated at \$3.5 billion. U.S. auto industry jobs that are related to Hyundai tend to be very well compensated, leading to higher than average household spending and tax payments impacts.

While the domestic auto industry restructured and contracted in recent years, international manufacturers have continued to expand their U.S. operations. Hyundai's growth, and the expansion of our product development and manufacturing capabilities in the U.S., has outpaced the industry and other major manufacturers. When taken together with our sister company Kia¹, Hyundai accounts for more than one-third of the South Korean direct investment and capital spending in the U.S.

Industry

Over the past two decades, the U.S. automotive industry has been transformed by billions in new direct investments domestically as well as from Asia and Europe. Much of the foreign direct investment has gone to areas of the country that were not traditional locations for automotive employment, in effect, stretching the footprint of the U.S. auto industry.

Hyundai's operations are a significant contributor to those states in which we operate a number of facilities, notably our headquarters operations in California, automotive manufacturing in Alabama, and research and development in Michigan.

Earnings and Employment

By choosing to sell and produce in the U.S. market, Hyundai has created jobs not only at our own facilities, but supports jobs across the automotive industry, extending into nearly every community in the nation.

Hyundai's U.S. operations contribute a total of 94,391 private sector jobs, with \$5.9 billion in annual wages and salaries.

- » Of the total 94,391 jobs, 33,313 are supported by employment in Hyundai's U.S. manufacturing-related activities, with associated wages and salaries estimated at \$2.4 billion. Hyundai's dealerships in the U.S. support the remaining 61,078 private sector jobs, with associated wages and salaries of approximately \$3.5 billion.
- » Of the 33,313 jobs supported by employment in Hyundai's U.S. manufacturing-related activities, we directly employ 4,116 employees and 1,083 Hyundai affiliate partner employees, for a total of 5,199 direct jobs. Hyundai's direct employment supports an additional 9,074 intermediate jobs and 19,040 spin-off jobs, which are associated with spending by the people who work in Hyundai's direct and intermediate jobs.
- » Of the 61,078 total dealership jobs, 27,938 are new vehicle dealer employees, while 10,641 jobs are associated with suppliers to Hyundai dealerships. An additional 22,499 spin-off jobs are a result of the spending by employees who work at direct and intermediate dealership jobs.

The ratio of total jobs created to direct employment by Hyundai yields an employment multiplier of 6.4, meaning there are 5.4 additional jobs in the U.S. economy for every one job in Hyundai's automotive manufacturing operations.

The ratio of total jobs created to direct employment in Hyundai dealership operations is 2.2, meaning there are 1.2 additional jobs in the U.S. economy for every one job in Hyundai's dealership operations.

Investment and Purchasing

Hyundai, though a relatively new entrant into U.S. manufacturing, has already made substantial investments in our U.S. manufacturing infrastructure. Over the past decade, Hyundai, together with Kia, has invested nearly \$3 billion at two assembly sites. These investments include construction of two assembly plants, as well as expansions at both facilities, including \$443 million for engine plant expansions at Hyundai Motor Manufacturing Alabama.

Hyundai has invested in numerous R&D, design and technical centers, service parts distribution operations, administrative operations, logistics centers and a U.S. proving ground.

Hyundai's expenditures on domestically-produced materials, parts and components to supply our automotive manufacturing facilities exceeded \$8 billion in 2010.

¹ The Center for Automotive Research study from which this data was excerpted, "Economic Impact of Hyundai in Nine States and the United States," November 11, 2011, does not examine the economic impact of Kia, although some performance measures and discussions in the study do include Kia.

Hyundai's contributions to the U.S. economy were analyzed by the Center for Automotive Research (CAR), using an economic model provided by Regional Economic Modeling, Inc. (REMI). The employment and compensation data used to perform the research were provided by Hyundai. The remaining data on the U.S. economy and the automotive industry were collected by CAR from a wide variety of publicly available sources. Included in the analysis were Hyundai's manufacturing and supplier, research and development, engineering, headquarters and dealership operations, among others.