



October 27, 2011

Fisker Automotive is a California-based car company that is turning American ingenuity and innovation into American jobs. We are combining our innovative technology and dedication to uncompromised design and performance to help re-invent the United States automobile industry by giving consumers around the world a new American car option that is bold, beautiful, smart, and environmentally friendly.

We have already created over 700 US jobs in California and Delaware, and we hope to create many more in the coming years. We are also indirectly supporting a significant number of jobs at over 40 American suppliers, including GM, Goodyear, TRW, and A123 Systems. Suppliers based in the US are providing almost half the components of our first car, the Karma sedan, a plug-in hybrid electric luxury sedan.

The Karma sedan has been delivered to the market in record time — less than four years, start to finish. We designed and engineered the Karma sedan in the US. At the beginning of the Karma program several years ago, we intended to assemble the Karma sedan in the US, but none of the established domestic automakers were willing to work with us to meet our needs. So, in 2008, we partnered with Valmet Automotive, the experienced contract assembler of several Porsche models and other international brands.

Deliveries of the Karma sedan have now begun in the US. We believe that the Karma sedan will have a strong appeal to those consumers seeking a car that offers uncompromised responsible luxury. The Karma sedan's styling and stunning lines have been turning heads and garnering praise from automotive experts and enthusiasts alike.

Based on our internal testing, the Karma sedan can travel up to 50 miles on its battery — plenty of range to cover most people's daily commute — with zero tailpipe emissions and zero gasoline consumption. The EPA gives the Karma sedan an energy equivalent rating of 52 miles per gallon combined city/highway in all-electric mode. For longer trips between charges, the Karma sedan's gasoline-powered generator is available to provide the convenience and freedom of extended range. The Karma sedan delivers sports performance and handling with overall tailpipe CO₂ output that is comparable with today's conventional compact hybrid cars.

Our next car, code-named Nina, due in 2013, will be built in a former GM plant in Delaware. We purchased this plant with the proceeds from the Department of Energy (DoE) loan we received in 2010 under the Advanced Technology Vehicle Manufacturing (ATVM) loan program. The ATVM loan program was established by Congress in 2007 to support the manufacturing, design, and engineering of advanced technology vehicles in the US. All of the monies we have received from the DoE have been used exclusively within the US for these purposes, and are independently audited by PricewaterhouseCoopers.

Since buying the Delaware plant in the summer of 2010, we have been clearing out and re-commissioning the plant for our future production. However, instead of simply scrapping materials we have sent more than 11.2 million pounds of Iron, steel, wood, and aluminum on more than 400 truckloads to be recycled.

The revenue generated from these recycling activities has been used to purchase more materials, tools, and equipment as well as on additional factory improvements. In addition, some materials are now being re-used by Fisker itself rather than being recycled. For example, wood from the original production line in Delaware has been used as flooring in the reception area of our Anaheim, California headquarters.

At the time we started our journey as a company, no one had thought of a plug-in hybrid electric car as a full-size luxury sedan. We are excited to be a positive example of American ingenuity and competitiveness, and a company that is helping to re-invent the United States automobile industry. We are also proud that the Karma sedan, an all-new luxury vehicle from an American car company, uses innovative technology and distinctive design to appeal to consumers in the US and other major markets around the world.

We think that Americans should be proud that engineers and designers in America have developed the world's first luxury Electric Vehicle with extended range (EVer™) to compete with the European and Asian luxury cars worldwide.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Fisker", written over a horizontal line.

Henrik Fisker
CEO and Chief Designer