



PORSCHE

VIA FEDERAL EXPRESS

July 11, 2012

Ms. Nancy Lewis
Associate Administrator for Enforcement
National Highway Traffic Safety Administration
Attention: Recall Management Division (NVS-215)
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Porsche Cars North America, Inc.
980 Hammond Drive
Suite 1000
Atlanta, Georgia 30328
(770) 290-3500 Fax: (770) 290-3700

Subject: Notification of Recall
2012 Panamera Turbo S
2011 – 2012 Panamera Turbo
2012 Cayenne Turbo
Replacing Turbochargers

Dear Ms. Lewis:

Porsche Cars North America, Inc. ("Porsche") on behalf of Dr. Ing. h.c.F. Porsche AG ("Porsche AG"), hereby informs you of Porsche's intention to conduct a safety related recall and remedy campaign involving certain 2011 and 2012 Porsche vehicles. This information is submitted in accordance with the provisions of Part 573 of Title 49 of the code of Federal Regulations.

573.6 (c) (1) Manufacturer's Name
Dr. Ing. h.c.F. Porsche AG
70435 Stuttgart
Germany

Importer / Agent
General Counsel and Secretary
Porsche Cars North America, Inc.
980 Hammond Drive
Suite 1000
Atlanta, GA 30328

573.6 (c) (2) Identification of Vehicles

Make: Porsche

Model Years: 2012 Panamera Turbo S
2011 – 2012 Panamera with optional Turbo Kit
2012 Cayenne with optional Turbo Kit

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Models:	Panamera Turbo S Panamera Turbo (equipped with option code X80) Cayenne Turbo (equipped with option code E81)	
Production Dates:	Panamera Turbo S May 4, 2011, to May 22, 2012 Panamera Turbo with option X80 September 13, 2010, to November 2, 2011 Cayenne Turbo with option E81 September 30, 2011, to May 19, 2012	
VIN Range:	Panamera Models WPOACA72BL – WPOAC2A76CL Cayenne Models WP1AC2A28CL – WP1AC2A24CL	
Vehicle Types:	Panamera:	Passenger Car
	Cayenne:	Multipurpose Passenger Vehicle
Bodystyles:	Panamera:	5-door hatchback
	Cayenne:	5-door sport utility vehicle
Component Supplier:	Mitsubishi Heavy Industries (MHI)	

573.6 (c) (3) Number of Vehicles Potentially Containing the Defect

270 (264 Panamera, 6 Cayenne)

573.6 (c) (4) Percentage of Vehicles Actually Containing Defect

100%

573.6 (c) (5) Description of Defect

The affected Porsche models have two turbochargers with turbine wheels manufactured from a titanium/aluminum alloy. These special alloy turbine wheels were produced by an outside supplier on a small series production line.

In some instances, the turbine wheel of a turbocharger may fracture due to a casting defect. If the fracture occurs, the driver will experience a decrease in vehicle performance. If the driver doesn't stop, the damage may intensify and the turbine shaft may fracture. If the fractured shaft moves out of a bearing, oil may be drawn into the exhaust system, which could result in smoke and possible fire.

573.6 (c) (6)

Basis for Determination

October 2011

On October 10, 2011 the first case of a turbine wheel defect resulting in a fire was reported from Syria.

Internal testing and component inspections were carried out by Porsche AG and the supplier. The supplier expressed the hypothesis of a delayed increase of oil pressure in the turbocharger bearings. All necessary testing to investigate this assumption were carried out.

In parallel, Porsche became aware of a second case that occurred in August 2011 on a racetrack.

October 2011 to November 2011

Porsche AG investigated alternative possible causes, e.g. a material defect. To rule out turbine wheel defects by contaminant separation from the exhaust manifolds, the finish of these manifolds was improved.

Efforts were made to find inspection methods that could help to detect the root cause such as X-raying, inspecting for cracks and cold- and high-temperature tests. Beginning in November 2011, all titanium-aluminium alloy turbine wheels were inspected by means of computer tomography.

November 2011 to May 2012

There were no reports of related problems of vehicles with titanium-aluminium alloy turbine wheels that had been computer tomography inspected from November 2011 through May 2012. Further investigation of the root cause was conducted.

June 2012

During post-production testing at the production plant in Leipzig, the first defects of computer tomography inspected turbine wheels were detected.

Due to these quality problems of the titanium-aluminium alloy turbine wheels, Porsche AG decided to stop the production and delivery of any additional Panamera Turbo S vehicles, as well as any Panamera Turbo or Cayenne Turbo vehicles equipped with the optional Turbo Kit. Production of the dealer installed Power Kits for the Panamera

Turbo and Cayenne Turbo models also were discontinued. The turbochargers with titanium-aluminum alloy turbine wheels were replaced in production by turbochargers with turbine wheels made from a different alloy material. These turbine wheels are sourced from the standard production used for the Panamera Turbo and Cayenne Turbo models. Performance, maximum torque, and top speed remain unchanged by the new material turbine wheels.

Date of production introduction: June 2012.

To date there have been 37 reported failures of the titanium-aluminum alloy turbine wheels worldwide (3 of which were in the U.S.). On June 26, 2012 the first case of a turbine wheel defect resulting in a fire was reported in the U.S.

Porsche AG has also decided to conduct a safety recall and replace the titanium-aluminum alloy turbine wheels with the standard production turbine wheels for all vehicles that have been delivered to customers.

Porsche is not aware of any events involving accidents or injury resulting from the failure of a titanium-aluminum alloy turbine wheel.

Date of determination: July 4, 2012.

573.6 (c) (7)

Noncompliance Test Result

Not applicable.

573.6 (c) (8)

Proposed Remedial Program

The affected vehicles will be recalled to the workshop and the turbochargers with titanium-aluminum alloy turbine wheels will be replaced with turbochargers with turbine wheels made of the standard alloy material.

573.6 (c) (9)

Remedy Proposal for the Replacement of Tires

Not applicable.

573.6 (c) (10)

Recall Communications

Attached are draft copies of the pertinent Technical Information Bulletins, one for the Cayenne and one for the Panamera, to be distributed to the Porsche dealer network. A draft of the customer notification letter will be forwarded as soon as possible.

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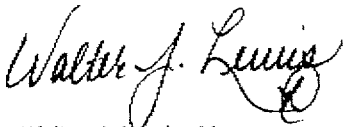
573.6 (c) (10) Manufacturer Campaign Number

AC04.

Porsche is currently planning to notify customers via first class mail in July 2012.

Should you have any questions or require further information, please do not hesitate to contact me at (770) 290-3627.

Sincerely,



Walter J. Lewis, Manager
Regulatory Affairs

Enclosures

cc: Jennifer Timian, NHTSA - ODI via facsimile