

2009 FIRST QUARTER RESULTS



NOTWITHSTANDING DIFFICULT MARKET CONDITIONS, WITH REVENUES DOWN MORE THAN 25% OVER THE PRIOR YEAR, FIAT GROUP POSTED A BREAK-EVEN TRADING PERFORMANCE, WHILE MAINTAINING STRONG LIQUIDITY AT €1.1 BILLION.

DEMAND IS EXPECTED TO IMPROVE GRADUALLY OVER THE REMAINDER OF 2009, AND THE GROUP IS CONFIRMING A MINIMUM TRADING PROFIT OF €1 BILLION FOR THE YEAR.

- Revenues of €11.3 billion were down 25.3% over Q1 2008, with volume declining across all businesses
- The Group recorded a narrow trading loss of €48 million (trading profit of €766 million in 2008), with the lost contribution from the €3.8 billion sales shortfall offset by aggressive cost containment measures already initiated in 2008.
- As a result, the net loss for the period was €411 million, compared with net profit of €427 million for Q1 2008.
- Net industrial debt rose to €6.6 billion from €5.9 billion at end 2008 with cash absorption more than halved over Q1 2008 (from €1.5 billion to €0.6 billion).
- Liquidity increased to €1.1 billion from €0.9 billion at the end of 2008.
- Trading activities are expected to improve throughout the remainder of 2009, and the Group expects to record a minimum trading margin of ~2% or €1 billion.

The Board of Directors of Fiat S.p.A. met today in Turin, under the chairmanship of Luca Cordero di Montezemolo, to approve the Group's first quarter 2009 results.

- Group revenues were down 25.3% to €11.3 billion on the back of substantial deterioration in all markets, with particularly severe declines in construction equipment and trucks. Market declines were more contained for automobiles and agricultural equipment, where the Group successfully capitalised on the strengths of its product portfolio to consolidate or improve its position in several key regions.
 - Fiat Group Automobiles (FGA) reported €5.6 billion in revenues (-18%) on a total of 464,600 cars and light commercial vehicles delivered (-17.6% over Q1 2008). Demand trends improved during the quarter, especially in March as a result of the introduction of tax and scrapping incentives in several Western European countries and Brazil. With its fuel efficient and environmentally-friendly products, FGA gained market share in Germany (to 5.5% from 3.3%), France (to 4.7% from 4.0%) and Italy (to 32.2% from 31.1%). Fiat was confirmed as the market leader in Brazil.
 - Agricultural and Construction Equipment (CNH) revenues were down 12.7% to €2.6 billion, mainly driven by a sharp decline in the global construction equipment industry. For agricultural equipment, revenues were substantially unchanged as pricing actions compensated the decrease in volumes.
 - Trucks and Commercial Vehicles (Iveco) reported a 48.7% decrease in revenues to €1.5 billion, reflecting the sharp drop in demand (compared with a particularly strong performance in Q1 2008) and measures to reduce dealer inventories. Total deliveries were down 63% to 21,485 vehicles, with significant decreases in each of the Sector's three major regions: Western Europe (-63.9%), Eastern Europe (-80%) and Latin America (-33%).

FIAT GROUP Income Statement – 1 st Quarter		
(€ million)	2009	2008
Net revenues	11,268	15,078
% change	-25.3	
Trading profit/(loss)	(48)	766
Change	-814	
Trading margin (%)	(0.4)	5.1
Operating profit/(loss)	(129)	783
Change	-912	
Profit/(loss) before taxes	(360)	636
Change	-996	
Profit/(loss)	(411)	427
Change	-838	
EPS (€)		
ordinary shares	(0.331)	0.316
preference shares	(0.331)	0.316
savings shares	(0.331)	0.471

- The Group's trading performance was substantially break even (-€48 million) as a result of sharply lower volumes, offset by rigorous cost containment measures, including prudent reductions in production levels to respond to weaker demand.
 - Fiat Group Automobiles reported a trading loss of €30 million attributable to lower volumes, particularly in the first two months of the quarter, partially offset by significant cost containment actions.
 - CNH posted a trading profit of €49 million (€198 million in Q1 2008). Positive price recovery and cost containment measures reduced the substantial impact of the weakness in construction equipment markets and lower volumes in agricultural equipment.
 - Iveco posted a trading loss of €12 million, down from a €222 million profit for Q1 2008. The steep decline in volumes was partially offset by extensive and disciplined cost reduction measures. After sales activities, Latin America and the special vehicles business continued to provide margin support.
- Net industrial debt was contained at €6.6 billion due to rigorous working capital management and increased discipline in capital expenditures.
- In Q1, the Group finalised a new 3-year, €1 billion syndicated facility and once again accessed the US ABS market with a USD 0.5 billion transaction

Group Results

Group **revenues** for Q1 2009 totalled €11.3 billion, down 25.3% over the same period in 2008: the global economic crisis had a significant negative impact on demand for all of the Group's businesses.

FIAT GROUP Revenues by business – 1 st Quarter		
(€ million)	2009	2008
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	6,111	7,422
% change	-17.7	
Agricultural and Construction Equipment (CNH)	2,598	2,977
% change	-12.7	
Trucks and Commercial Vehicles (Iveco)	1,523	2,970
% change	-48.7	
Components and Production Systems (FPT, Magneti Marelli, Teksid, Comau)	2,281	3,634
% change	-37.2	
Other Businesses	266	325
% change	-18.2	
Eliminations	(1,511)	(2,250)
Total for the Group	11,268	15,078
% change	-25.3	

Following adoption of improvements to IAS 16, revenues for CNH and Iveco for Q1 2008 were restated by €14 million and €39 million, respectively, having a combined increase on consolidated revenues of €53 million. This restatement had no effect on trading and net profit.

The Group reported a **trading loss** of €48 million compared with a trading profit of €766 million for the first quarter of 2008. Measures to aggressively reduce costs, including the temporary shutdown of plants to avoid working capital builds, were taken in order to contain the impact of drop in revenues.

FIAT GROUP Trading profit/(loss) by business – 1 st Quarter		
(€ million)	2009	2008
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	27	262
Change	-235	
Agricultural and Construction Equipment (CNH)	49	198
Change	-149	
Trucks and Commercial Vehicles (Iveco)	(12)	222
Change	-234	
Components and Production Systems (FPT, Magneti Marelli, Teksid, Comau)	(113)	108
Change	-221	
Other Businesses and Eliminations	1	(24)
Change	25	
Total for the Group	(48)	766
Change	-814	

The first quarter closed with an **operating loss** of €129 million (operating profit of €783 million in Q1 2008), including €81 million in net unusual expense related to provisions on vehicles inventory and residual values for leased vehicles for FGA and Iveco.

Net financial expenses for the first quarter totalled €210 million and included a €14 million gain from the marking-to-market of two stock option related equity swaps (€63 million loss for Q1 2008). Net of this item, financial expense increased €77 million over prior year substantially due to a higher level of debt.

The **loss before taxes** was €360 million, compared with a profit before taxes of €636 million for Q1 2008. This figure mainly reflects a significantly lower operating result (€912 million lower) and a decrease in the result from investments (€84 million lower).

Income taxes totalled €51 million (€209 million for Q1 2008) and essentially relate to employment related cash income taxes in Italy.

There was a **net loss** for the period of €411 million, compared with a profit of €427 million for Q1 2008.

Net industrial debt rose by €0.6 billion, compared to the increase of €1.5 billion in Q1 2008; the cash flow from operations (+€0.2 billion) was more than offset by capital expenditures (€0.7 billion) and the negative impact of mark-to-market of operational hedging items.

Liquidity improved by €1.2 billion to €5.1 billion following drawdown on the new 3-year syndicated loan facility.

FIAT GROUP
Key Balance Sheet Data

(€ million)	At 31.03.2009	At 31.12.2008
Total assets	62,788	61,772
Total equity	10,589	11,101

FIAT GROUP
Net debt

(€ million)	At 31.03.2009	At 31.12.2008
Financial debt	(23,372)	(21,379)
- Asset-backed financing	(7,343)	(6,663)
- Other debt	(16,029)	(14,716)
Current financial receivables from financial services companies under joint control ⁽¹⁾	9	3
Financial payables net of intersegment balances and current financial receivables from jointly controlled financial entities	(23,363)	(21,376)
Other financial assets (liabilities) ⁽²⁾	(543)	(438)
Liquidity	5,130	3,860
Net debt	(18,776)	(17,954)
<i>Industrial Activities</i>	(6,575)	(5,949)
<i>Financial Services</i>	(12,201)	(12,005)

(1) This includes current financial receivables from the JV FGA Capital

(2) This includes the positive and negative fair value of derivative financial instruments

FIAT GROUP
Change in Net Industrial Debt

(€ million)	1 st Quarter 2009	1 st Quarter 2008
Cash from Operating Activities before change in working capital	(37)	785
Cash from Operating Activities	227	(472)
Net Industrial Cash Flow ⁽¹⁾	(645)	(1,244)
Change in Net Industrial Debt	(626)	(1,462)

(1) Change in net industrial debt, excluding any capital increases, dividends, share buy-backs and currency translation impacts

AUTOMOBILES 1 st Quarter – Net revenues		
(€ million)	2009	2008
Fiat Group Automobiles	5,600	6,829
% change	-18.0	
Maserati	115	193
% change	-40.4	
Ferrari	441	456
% change	-3.3	
Eliminations	(45)	(56)
Total	6,111	7,422
% change	-17.7	

AUTOMOBILES 1 st Quarter – Trading profit/(loss)		
(€ million)	2009	2008
Fiat Group Automobiles	(30)	193
Change	-223	
Maserati	3	10
Change	-7	
Ferrari	54	59
Change	-5	
Total	27	262
Change	-235	
Trading margin %	0.4	3.5

Automobiles

Fiat Group Automobiles

Fiat Group Automobiles closed the quarter with **revenues** of €5.6 billion, down 18% year-over-year due to the severe downturn affecting the automobile market globally.

For Q1 2009, Fiat Group Automobiles delivered a total of 464,600 cars and light commercial vehicles, down 17.6% over the first quarter of 2008. In Western Europe, deliveries fell 17.5% to 257,700 units, with decreases in Italy (-25.1%), France (-8.2%), Great Britain (-30.1%) and Spain (-75.2%). A strong increase was however achieved in Germany (+90.1%).

For passenger cars only, Fiat Group Automobiles delivered a total of 398,800 units during the quarter, representing a 13% decrease over Q1 2008. In Western Europe, deliveries fell 9.5% to 243,200 units (with an overall market decline of 16.3%). Deliveries

of passenger cars fell in some of the main Western European markets: Italy (-21%), Great Britain (-23.1%) and Spain (-73%). There was an exceptional performance in Germany (+192.8%), where the increase significantly outpaced growth in the market. The positive performance recorded in France (+4.4%) ran counter to the trend in market demand.

The Fiat brand itself performed exceptionally well. In Europe, the Fiat Panda and the Fiat 500 continue to be the most sold A-segment cars and the Punto is one of the most sold cars in its segment.

The Western European passenger vehicle market declined 16.3% over Q1 2008, with significant variations in performance in the principal markets. Scrapping incentives introduced in Germany at the end of January, together with a reform of the annual vehicle tax, were particularly effective with demand rising 18%. The modest 3.9% year-over-year decline in France also reflected the positive effect of car scrapping incentives introduced in December 2008. In Italy, the decline in demand (-19.1%) was still quite pronounced, as

the positive impact of scrapping incentives introduced by the government in February were only felt toward the end of the quarter. Finally, there was a continued severe deterioration in both Spain (-43.1%) and Great Britain (-29.7%). In Brazil, demand increased 3.4% due to the positive impact of government incentives.

During the first quarter of 2009, Fiat Group Automobiles made notable gains in market share despite the significantly negative performance of the overall automobile market: market share was 32.2% in Italy (+1.1 percentage points over Q1 2008) and 9% in Western Europe (+0.7 percentage points), with the company now ranking fourth among the major European automakers. Fiat Group Automobiles' performance was particularly strong in Germany where it registered a 5.5% market share for the quarter (+2.2 percentage points). A share increase was also recorded in France (+0.7 percentage points to 4.7%). The Fiat brand achieved a 7.4% share for Western Europe overall (+0.5 percentage points over Q1 2008) and performance was stable in Italy (with a share of 25.3%).

A total of 65,800 light commercial vehicles were delivered during the first quarter, representing a year-over-year decrease of 37.5%. For Western Europe, deliveries were down 50.3% to 32,500 units. Fiat Professional's share in Western Europe, where the market contracted 34.1%, was up to 12% (+0.5 percentage points over Q1 2008). In Italy, share for the period was 40.1% (-2.2 percentage points).

In Brazil, cars and commercial vehicles deliveries decreased 7.2% over the first quarter of 2008 and the share declined 1.4 percentage points to 23.8% in order to protect margins. Market leadership was maintained.

Fiat Group Automobiles reported a **trading loss** of €30 million compared with a €193 million trading profit for the first quarter of 2008. This decrease was attributable to the significant contraction in volumes, particularly at the beginning of the quarter, partially offset by significant cost containment actions.

During the quarter the Geneva Motor Show was held, where Fiat premiered the 500C cabriolet which features a sophisticated, electronically-controlled soft top.

Alfa Romeo unveiled the MiTo GTA concept car, a prototype of the brand's future sporting style, which offers an optimised power-to-weight ratio. In Geneva, Alfa Romeo also presented two new Euro 5 engines, the 2.0-litre, 179 hp JTDM diesel and the 1750, 200 hp Turbo gasoline (TBi) which will power the Brera, the Spider and the newly enhanced 159.

Lancia also announced new developments with the Delta Executive, the brand's prestigious new flagship model, and the bi-fuel LPG/gasoline "ECOchic" Ypsilon and Musa.

Fiat Professional released the Ducato 140 Natural Power, which offers optimised performance, low fuel consumption and minimal emissions.

Also of note is the expansion of the Fiat brand's bi-fuel (LPG/gasoline and natural gas/gasoline) range of vehicles. Added to the existing Panda, Grande Punto and Bravo line up were the Punto Classic and Idea.

In the area of technical innovation, Fiat Group Automobiles and FPT Powertrain Technologies presented the MultiAir system, which is destined to significantly improve performance and fuel consumption for gasoline engines. This autumn, the Alfa MiTo will be the first vehicle equipped with the new device.

The Group's cars also received many awards from readers of specialist magazines throughout Europe. Of note was the "2009 World Car Design of the Year" award granted in New York to the Fiat 500 by a panel of 59 journalists from 25 countries.

Maserati

For Q1 2009, **Maserati** reported €115 million in **revenues**, down 40.4% over the same period in 2008. This decrease reflected the crisis impacting the Sector's reference market segments globally, which saw an average decline of 55%.

A total of 1,157 cars were delivered to the network during the quarter, 48% lower than for the same period in 2008.

Despite a sharp decrease in revenues, significant cost containment measures enabled Maserati to achieve a **trading profit** of €3 million for the quarter compared with €10 million for Q1 2008.

At the Detroit Motor Show in January, the company presented a new entrant to the luxury sport sedan category, the Quattroporte Sport GT S: a true driving machine dressed up as a luxury sedan. This car is the best compromise ever achieved by Maserati between a luxury sedan and a sports car.

The new Maserati GranTurismo S Automatic was presented at the Geneva Motor Show in March.

Ferrari

For Q1 2009, **Ferrari** reported €441 million in **revenues**, down 3.3% over the corresponding period for 2008 due to lower sales volumes which reflected the slowdown in the global economy.

A total of 1,571 cars were delivered to the network during the quarter, a 5% decrease over Q1 2008, while sales to end-customers totalled 1,480 units (-10%). Of note is the positive sales performance of the new Ferrari California in the second part of the quarter.

Ferrari closed the quarter with a **trading profit** of €54 million (€59 million for Q1 2008). Efficiency gains in production costs and overhead substantially offset the negative impact of lower sales volumes and unfavourable exchange rates.

Ferrari started the year with the presentation of two new products, both unveiled at the Geneva Motor Show. The Handling GT Evoluzione (HGTE) performance package for the 599 GTB Fiorano and the 599XX. The HGTE package enhances the handling performance and responsiveness of the 599 GTB Fiorano. The 599XX, on the other hand, is targeted at a select customer base who desire the highest level of technological innovation available.

AGRICULTURAL AND CONSTRUCTION EQUIPMENT Revenues & Trading profit/(loss) – 1 st Quarter		
(€ million)	2009	2008
Net revenues	2,598	2,977
% change	-12.7	
Trading profit	49	198
Change	-149	
Trading margin %	1.9	6.7

Agricultural and Construction Equipment

CNH – Case New Holland revenues in Q1 2009 amounted to €2.6 billion, a decrease of 12.7% over Q1 2008 (24.1% in US dollar terms) mainly driven by a sharp decline in the global construction equipment industry. Revenues for the agricultural equipment business were

substantially unchanged as pricing actions compensated the overall decrease in volumes. In North America, increased sales of combines and higher horsepower tractors more than offset declines in under 100 hp models. Sales for the other regions were down.

In Q1 2009, the global market for agricultural equipment decreased by 10%, with a decline in retail unit volumes for tractors and combines of 10% and 23% respectively, compared to the same period in 2008. Demand for tractors was down in all regions, particularly in North and Latin America. The drop in combine harvester retail unit sales in Latin America and Rest-of-World countries was partially offset by an increase in Western Europe and a strong increase in North America.

CNH worldwide tractor market share was flat with gains in the Americas offset by declines in Rest of World; Western Europe remained flat. In the global combine market, CNH share was slightly down, as increases in Rest of World and Western Europe were offset by decreases in Latin America, where the Group chose to tighten its credit extensions. North America was flat.

Construction equipment industry unit retail sales declined 57% in Q1 2009 across all regions. Industry sales of heavy construction equipment were down 50%, with Western Europe and Latin America declining more than the global average. Light construction equipment fell 61% and there were sharp declines in all regions, with North America decreasing less than the other markets.

CNH global market share in the construction equipment was flat for the quarter. Share for light equipment was flat with strength in North and Latin America offset by declines in Western Europe and Rest of World markets. Heavy equipment share remained unchanged with gains in the Americas offset in Western Europe. Share in Rest of World was flat.

As a result of the continuing weak trading conditions in the global construction equipment market, CNH has undertaken a thorough review of the positioning of its brands. Based on preliminary findings, actions will be introduced starting in the second quarter of 2009, designed to streamline the businesses, reinforce the product architectures and significantly reduce the costs associated with the management of the networks, while improving our brand value and customer support.

CNH closed the first quarter of 2009 with a **trading profit** of €49 million, a decrease of €149 million from the €198 million for Q1 2008 (down 78.4% in US dollar terms). The significant loss of volumes in the construction equipment markets and lower volumes for agricultural equipment, more than offset the cost containment measures and pricing actions which were initiated already at the end of 2008.

In Q1 2009 **Case IH Agriculture** expanded its Magnum tractor range in North America, while the international region saw the introduction of the Quantum N and V specialty tractors, enlarging the narrow and vineyard offering.

New Holland Agriculture launched the 167 to 225 hp T7000 Auto Command™ range in Europe designed for cash crop farmers and contractors. It features the new in-house manufactured CVT transmission to optimize engine speeds and operating costs. New Holland Latin America introduced the TT4030 75 HP standard tractor, ideal for small and mid-sized farms as well as family agriculture.

Case Construction introduced 7 new models of its B series excavators, including long-reach, mass and compact models, with increased fuel efficiency and lower noise levels.

New Holland Construction focused on the non-residential construction area, integrating its current product offering with configurations specific to infrastructure and demolition, as well as waste management applications.

TRUCKS AND COMMERCIAL VEHICLES Revenues & Trading profit/(loss) – 1 st Quarter		
(€ million)	2009	2008
Net revenues	1,523	2,970
% change	-48.7	
Trading profit/(loss)	(12)	222
Change	-234	
Trading margin %	(-0.8)	7.5

Trucks and Commercial Vehicles

In Q1 2009, **Iveco** reported **revenues** of €1.5 billion, down 48.7% year-over-year mainly due to lower sales volumes in extremely difficult markets.

Iveco delivered 21,485 vehicles, a 63% decrease over the same period in 2008, reflecting the sharp drop in demand and

measures to reduce dealer inventories. A total of 14,431 vehicles were delivered in Western Europe (-63.9%). Significant declines were experienced in all principal markets including Italy (-58.8%), France (-59.1%) and Germany (-58.7%), and were particularly marked in Spain (-82.9%) and Great Britain (-72.8%). Volumes were also down in other regions: deliveries fell over 80% in Eastern Europe and 33% in Latin America.

In Western Europe, the market for ≥2.8 ton trucks and commercial vehicles contracted significantly (-36.2%) over Q1 2008. The light and heavy segments fell 37%, while demand in the medium segment decreased 26%. Demand fell significantly in all major European markets: Italy (-34.2%), France (-29.7%), Germany (-27.5%), with particularly sharp declines in Great Britain (-47.5%) and Spain (-63.2%), which had already experienced a material contraction in 2008.

Iveco's market share in Western Europe was 9.3% for the quarter, down 0.5 percentage points over the first quarter of 2008. Market share in the light vehicle segment decreased 0.3 percentage points reflecting continuing competition from car-based models ("vans"). Market share in the heavy segment fell 1.7 percentage points, primarily impacted by the significant drop in the Spanish market, where Iveco still achieved a notable performance increasing market share by 8.8 percentage points. A modest increase in market share was also achieved in Italy (+0.7 percentage points). Market share increased slightly in the medium segment (+0.2 percentage points), with significant improvements in Italy (+6.8 percentage points), France (+4.4 percentage points) and Great Britain (+2.5 percentage points).

Iveco closed the quarter with a **trading loss** of €12 million compared with a trading profit of €222 million for Q1 2008. This decrease was primarily attributable to the sharp reduction in sales volumes, only partially offset by extensive cost containment measures adopted throughout the organization. After sales activities, Latin America and the special vehicles business continued to provide margin support.

In March, the Genlyon, the first product of the joint venture between SAIC and Iveco, was presented in Beijing. This new “heavyweight” from SAIC-Iveco Hongyan Commercial Vehicles (SIH) was designed in China and brings Iveco’s technological excellence and European standard of quality to the Chinese market. This product launch also coincided with the world debut of the new Cursor 9 engine which is available in four versions ranging from 270 hp to 400 hp.

Significant new long-term orders received during the quarter include the delivery of 4,500 low environmental impact Daily vehicles to Deutsche Post and 150 Light Multi-role Vehicles (an anti-mine protection vehicle widely used in peacekeeping roles) to the Austrian Ministry of Defence.

Iveco’s development and testing of innovative vehicles included delivery of a hybrid parallel diesel/electric Eurocargo, the first European vehicle of its type and size for use in urban areas.

Finally, Iveco was also named best importer in the transport sector in Germany.

COMPONENTS AND PRODUCTION SYSTEMS
1st Quarter – Net revenues

(€ million)	2009	2008
FPT Powertrain Technologies	1,107	1,988
% change	-44.3	
Components (Magneti Marelli)	976	1,332
% change	-26.7	
Metallurgical Products (Teksid)	118	223
% change	-47.1	
Production Systems (Comau)	186	252
% change	-26.2	
Eliminations	(106)	(161)
Total	2,281	3,634
% change	-37.2	

Components and Production Systems

FPT Powertrain Technologies

FPT Powertrain Technologies reported €1.1 billion in **revenues** for Q1 2009, representing a 44.3% year-over-year decrease. Sales to external customers and joint ventures accounted for 18% of the total (23% in Q1 2008).

The Passenger & Commercial Vehicles product line closed the quarter with revenues of €711 million (-28.8%), 90% of which was from sales to Group companies. A total of 491,000 engines (-28.7%) and 469,000 transmissions (-18.4%) were sold during the quarter.

Industrial & Marine reported revenues of €392 million, down 60.5% over the first quarter of 2008 due to the sharp decline in sales volumes. A total of 65,000 engines were sold (down 59.5%), primarily to Iveco (34%), CNH (30%) and Sevel (25%), the JV in light commercial vehicles. In addition, 12,000 transmissions (-67.7%) and 26,000 axles (-71.4%) were sold.

COMPONENTS AND PRODUCTION SYSTEMS
1st Quarter – Trading profit/(loss)

(€ million)	2009	2008
FPT Powertrain Technologies	(58)	47
Change	-105	
Components (Magnet Marelli)	(40)	45
Change	-85	
Metallurgical Products (Teksid)	(8)	15
Change	-23	
Production Systems (Comau)	(7)	1
Change	-8	
Total	(113)	108
Change	-221	
Trading margin %	(5.0)	3.0

FPT reported a **trading loss** of €58 million for the first quarter, compared to a trading

profit of €47 million for the same period in 2008. A sharp contraction in volumes and a worsening of the sales mix were only partially offset by measures taken to reduce manufacturing and central costs.

FPT began the year with the presentation of the MultiAir system, an electro-hydraulic valve management mechanism, which allows direct control of the air intake and combustion for gasoline engines. The result is an engine which produces 10% more power and 15% more torque at low revolution than a traditional engine having an

equivalent cubic capacity, while at the same time delivering a reduction in fuel consumption and CO₂ emissions of 10%.

FPT Powertrain Technologies also released the 3-litre, 136 hp engine for the Fiat Ducato 140 Natural Power. This bi-fuel engine is powered by natural gas and gasoline.

FPT also supplied Fiat Group Automobiles with the new engines for the Alfa MiTo (the 1.4-litre, 120 hp Turbo gasoline and the 1.3-litre, 90 hp JTDM diesel).

Magneti Marelli

Magneti Marelli reported €1 billion in **revenues** for Q1 2009, down 26.7% over the first three months of 2008. Assuming a constant scope of operations, there was a 31% decline in revenues.

All business lines reported lower revenues for the quarter, especially in Europe and Brazil. Some businesses saw positive performance, such as the Powertrain operations in China and India, sales of Suspension Systems to external customers in Poland and telematics for the Fiat 500.

Magneti Marelli closed Q1 2009 with a **trading loss** of €40 million compared to a trading profit of €45 million for the corresponding period in 2008. This decrease reflects a continuation of the drop in sales volumes experienced in Q4 2008 and was partially offset by measures to reduce overhead and improve production efficiencies.

Magneti Marelli produced many components for the Fiat 500C, most notable of which was the Stop&Start system, and shock absorbers for the Punto and Linea produced in Brazil. Numerous other components for engines, lighting and electronic systems were also designed and produced for several major European automakers.

Teksid

Teksid reported **revenues** of €118 million for Q1 2009, a decrease of 47.1% over the first quarter of 2008 attributable to the major market crisis. Volumes decreased 45.7% for the Cast Iron business and 38.6% for the Aluminium business unit.

Teksid closed the quarter with a **trading loss** of €8 million compared to a €15 million trading profit for the first quarter of 2008, reflecting a significant drop in volumes.

Comau

Comau reported **revenues** of €186 million for Q1 2009, down 26.2% year-over-year. Assuming a constant scope of operations, there was a 19% decrease mainly attributable to the Body Welding business.

Order intake for the period totalled €225 million, down 35% year-over-year on a comparable scope of operations. At 31 March 2009, the order backlog totalled €426 million, representing a 10% decrease, on a comparable scope of operations, over the figure reported at year-end 2008.

For Q1 2009, Comau reported a trading loss of €7 million, compared with a trading profit of €1 million for the corresponding period in 2008. This decrease was primarily attributable to the Body Welding and Die-cutting operations.

Other Businesses

Other Businesses includes the contribution from the Group's publishing businesses, service companies and holding companies. In Q1 2009, Other Businesses had **revenues** of €266 million, down 18.2% year-over-year.

For Q1 2009, Other Businesses reported **trading profit**, including the impact of eliminations and consolidation adjustments, of €1 million compared to a loss of €24 million for the same period in 2008.

Significant events for the first quarter of 2009

On January 20th, Fiat S.p.A., Chrysler LLC (Chrysler) and Cerberus Capital Management L.P., the majority shareholder of Chrysler LLC, signed a non-binding term sheet for the establishment of a global strategic alliance. Under the agreement, Fiat will contribute strategic assets to the alliance including products and platforms (city and compact segment vehicles) to expand Chrysler's current portfolio, technology (fuel-efficient and environmentally friendly power-train technologies), and access to international markets. As consideration, Fiat will receive an equity interest in Chrysler. The alliance does not contemplate Fiat making a cash investment in Chrysler or committing to funding Chrysler in the future. The proposed alliance will be consistent with the terms and conditions of the U.S. Treasury financing to Chrysler. Final terms for this transactions continue to be negotiated with the U.S. Treasury and other relevant stakeholders and are subject to customary regulatory approvals. If negotiations are concluded successfully, final terms will be set on or before April 30, 2009.

At the end of January, Magneti Marelli and SAIC Motor Corporation Ltd., through its subsidiary Shanghai Automobile Gear Works (SAGW), signed a joint venture agreement in China aimed at the production of hydraulic components for the Automated Manual Transmission (AMT) produced by Magneti Marelli (Freechoice). Under the agreement, the new company would be equally owned by the two companies. The company will be located in the Shanghai area and becomes operational in the second half of 2009. Once fully operational, it will be capable of producing components for 350,000 transmissions a year.

During the Annual General Meeting held on 27 March, in which the 2008 Financial Statements were approved, shareholders elected the Boards of Directors and Statutory Auditors for the 2009-2011 financial years. The shareholders renewed also the authorisation for the purchase and sale of own shares. Under the new authorisation, an aggregate total of shares, for all three classes combined, representing a maximum of 10% of share capital or a purchase value of €1.8 billion – including the €656 million in Fiat shares already held by the Company – may be purchased. The share buyback program is currently on hold. Finally, shareholders, approved amendments to the 2004 stock option plan and adopted the 2009-2011 incentive plan as announced publicly on 22 January 2009 and 23 February 2009, respectively.

2009 Outlook

As indicated at the close of 2008, the first semester of 2009 was expected to be characterized by erratic market demand, and the first quarter has seen evidence of demand volatility, but has also allowed us to deliver a trading performance in excess of our own internal expectations.

We expect an improvement in the remainder of the year, as trading conditions stabilize and improve for most of our businesses. As an exception, we believe that the truck market and the construction equipment business will continue to suffer depressed demand for the major portion of the year, with signs of recovery only visible in the 4th quarter.

On the basis of performance to-date and barring unforeseen systemic shifts in demand, the Group reaffirms its view that the following conditions will materialize for the whole of 2009.

- Global demand for our products will decline ~20% compared to 2008.
- Group trading profit will be in excess of €1 billion (or a minimum margin of ~2%).
- Restructuring charges of ~€300 million and other unusual costs ~€200 million.
- The net result for the Group will be in excess of €100 million.
- Group net industrial cash flow will be in excess of €1 billion, with net industrial debt levels below the €5 billion mark.

While working on the achievement of our objectives, the Fiat Group will continue to implement its strategy of targeted alliances, in order to optimize capital commitments and reduce risks.

The managers responsible for preparing the Company's financial reports, Alessandro Baldi and Maurizio Francescatti, declare, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the results documented in the books, accounting and other records of the company.



This press release, and in particular the section entitled "2009 Outlook", contains forward-looking statements. These statements are based on the Group's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: continued volatility and further deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in government regulation (in each case, in Italy or abroad), and many other factors, most of which are outside of the Group's control

Turin, 23 April 2009

Today, at 4:00 p.m. CET, Group management will hold a conference call to present the 2009 first quarter results to financial analysts and institutional investors. The call can be followed live and a recording will be available later on the Group's website: www.fiatgroup.com

Consolidated Income Statement

Unaudited

(€ millions)	1 st Quarter 2009	1 st Quarter 2008 (*)
Net revenues	11,268	15,078
Cost of sales	9,879	12,669
Selling, general and administrative costs	1,079	1,300
Research and development costs	340	383
Other income (expenses)	(18)	40
Trading profit/(loss)	(48)	766
Gains (losses) on the disposal of investments	(2)	2
Restructuring costs	2	(4)
Other unusual income (expenses)	(77)	11
Operating profit/(loss)	(129)	783
Financial income (expenses)	(210)	(210)
Result from investments:	(21)	63
- Share of the profit/(loss) of investees accounted for using the equity method	(24)	52
- Other income (expenses) from investments	3	11
Profit/(loss) before taxes	(360)	636
Income taxes	51	209
Profit/(loss) from continuing operations	(411)	427
Profit/(loss) from discontinued operations	-	-
Profit/(loss) for the period	(411)	427
Profit/(loss) for the period attributable to:		
Owners of the parent	(410)	405
Non-controlling interests	(1)	22

(in €)

Basic earnings per ordinary and preference share	(0.331)	0.316
Basic earnings per savings share	(0.331)	0.471
Diluted earnings per ordinary and preference share	(0.331)	0.314
Diluted earnings per savings share	(0.331)	0.469

(*) Following adoption of the improvement to IAS 16 in 2009, previously published, amounts for Q1 2008 have been adjusted as follows: a €53 million increase in net revenues, a €52 million increase in the cost of sales, and a reduction in other income (net of other expenses) of €1 million.

Statement of comprehensive income

Unaudited

(€ millions)	1 st Quarter 2009	1 st Quarter 2008
Profit/(loss) for the period (A)	(411)	427
Gains/(Losses) on cash flow hedges	(234)	(23)
Gains/(Losses) on fair value of available-for-sale financial assets	(3)	(3)
Gains/(Losses) on exchange differences on translating foreign operations	175	(298)
Share of other comprehensive income of entities consolidated by using the equity method	(17)	(102)
Income tax relating to components of Other comprehensive income	(5)	21
Total Other comprehensive income, net of tax (B)	(84)	(405)
Total Comprehensive income (A)+(B)	(495)	22
Total Comprehensive income attributable to		
Owners of the parent	(512)	23
Non-controlling interests	17	(1)

Consolidated statement of financial position

Unaudited

(€ millions)	At 31 March 2009	At 31 December 2008 (*)
ASSETS		
Intangible assets	7,150	7,048
Property, plant and equipment	12,367	12,515
Investment property	-	-
Investments and other financial assets:	2,156	2,177
- Investments accounted for using the equity method	1,878	1,899
- Other investments and financial assets	278	278
Leased assets	457	505
Defined benefit plan assets	115	120
Deferred tax assets	2,519	2,386
Total Non-current assets	24,764	24,751
Inventories	11,477	11,438
Trade receivables	4,181	4,390
Receivables from financing activities	13,336	13,136
Current tax receivables	745	770
Other current assets	2,458	2,600
Current financial assets:	859	967
- Current investments	26	26
- Other current securities	189	177
- Other financial assets	644	764
Cash and cash equivalents	4,941	3,683
Total Current assets	37,997	36,984
Assets held for sale	27	37
TOTAL ASSETS	62,788	61,772
Total assets adjusted for asset-backed financing transactions	55,445	55,109
EQUITY AND LIABILITIES		
Equity:	10,589	11,101
- Issued capital and reserves attributable to owners of the parent	9,820	10,354
- Non-controlling interests	769	747
Provisions:	8,101	8,144
- Employee benefits	3,377	3,366
- Other provisions	4,724	4,778
Debt:	23,372	21,379
- Asset-backed financing	7,343	6,663
- Other debt	16,029	14,716
Other financial liabilities	1,187	1,202
Trade payables	12,938	13,258
Current tax payables	415	331
Deferred tax liabilities	136	170
Other current liabilities	6,050	6,185
Liabilities held for sale	-	2
TOTAL EQUITY AND LIABILITIES	62,788	61,772
Total equity and liabilities adjusted for asset-backed financing transactions	55,445	55,109

(*) Following the adoption of the improvement to IAS 16 in 2009, the previously published figure for Property, plant and equipment at 31 December 2008 was reduced by €92 million and Inventory was increased by the same amount.

Consolidated Statement of cash flows

Unaudited

(€ millions)	1 st Quarter 2009	1st Quarter 2008
A) Cash and cash equivalents at beginning of period as reported	3,683	6,639
Cash and cash equivalents included as Assets held for sale	-	2
B) Cash and cash equivalents at beginning of period	3,683	6,641
C) Cash flows from (used in) operating activities during the period:		
Profit/(loss) for the period	(411)	427
Amortisation and depreciation (net of vehicles sold under buy-back commitments and operating lease)	679	686
(Gains) losses from disposal of non-current assets	(3)	(8)
Other non-cash items (a)	69	23
Dividends received	5	3
Change in provisions	(124)	(236)
Change in deferred income taxes	(144)	(69)
Change in items due to buy-back commitments (b)	(44)	(16)
Change in operating lease items	21	(20)
Change in working capital	158	(1,320)
Total	206	(530)
D) Cash flows from (used in) investment activities:		
Investments in:		
- Property, plant and equipments (net of vehicles sold under buy-back commitment) and intangible assets	(664)	(616)
- Investments in consolidated subsidiaries and other investments	(26)	(177)
Proceeds from the sale of non-current assets (net of vehicles sold under buy-back commitments and operating lease)	41	52
Net change in receivables from financing activities	184	(596)
Change in other current securities	(13)	42
Other changes	32	(36)
Total	(446)	(1,331)
E) Cash flows from (used in) financing activities:		
Issuance of other medium-term borrowings	1,191	231
Repayment of other medium-term borrowings	(241)	(82)
Net change in other financial payables and other financial assets/liabilities	487	(66)
Capital increase	8	-
(Buy-back) sale of treasury shares	-	(177)
Dividends paid	-	(9)
Total	1,445	(103)
Translation exchange differences	53	(146)
F) Total change in cash and cash equivalents	1,258	(2,110)
G) Cash and cash equivalents at end of period	4,941	4,531
of which: Cash and cash equivalents included as Assets held for sale	-	1
H) Cash and cash equivalents at end of period as reported	4,941	4,530

(*) Some figures for Q1 2008 differ marginally from those published previously as a result of the application of IAS 16.

(a) In the first quarter 2009, this item includes the reversal of the positive €14 million arising from the fair value measurement of the equity swaps on Fiat shares (negative for an amount of €63 million in the first quarter of 2008).

(b) The cash flows for the two periods generated by the sale of vehicles with a buy-back commitment net of the amount already included in the Profit/(loss) for the period, are included in operating activities for the period, in a single item which includes the change in working capital, capital expenditures and depreciation.

Translation of financial statements denominated in a currency other than the euros

The principal exchange rates used to translate into Euros the financial statements prepared in currencies other than the Euro were as follows:

	1 st Quarter 2009		At 31 December 200	1st Quarter 2008	
	Average	At 31 March		Average	At 31 March
US dollar	1.303	1.331	1.392	1.498	1.581
Pound sterling	0.909	0.931	0.953	0.757	0.796
Swiss franc	1.498	1.515	1.485	1.601	1.574
Polish zloty	4.499	4.689	4.154	3.576	3.522
Brazilian real	3.017	3.077	3.244	2.601	2.755
Argentine peso	4.616	4.945	4.800	4.755	5.032