



Interim Report

for the period ended 30 September 2009

Third Quarter

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This document has been translated into English for the convenience of readers outside Italy.
The original Italian document should be considered the authoritative version.

This Report is available at www.fiatgroup.com

FIAT S.P.A.

Registered Office: 250 Via Nizza, Turin, ITALY

Share Capital: €6,377,262,975

Turin Companies Register/Tax Code: 00469580013

Board of Directors and Auditors

Board of Directors

Chairman

Luca Cordero di Montezemolo

Vice Chairman

John Elkann (1)

Chief Executive Officer

Sergio Marchionne

Directors

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Ratan Tata

Mario Zibetti (2) (3)

Secretary

Franzo Grande Stevens

Board of Statutory Auditors

Regular Auditors

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Giuseppe Camosci

Piero Locatelli

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Lucio Pasquini

Fabrizio Mosca

Stefano Orlando

Independent Auditors

Deloitte & Touche S.p.A.

(1) Member of the Nominating, Corporate Governance and Sustainability Committee

(2) Member of the Internal Control Committee

(3) Member of the Compensation Committee

Fiat Group Interim Report

The Interim Report for the period ended 30 September 2009 has been prepared in accordance with Legislative Decree 58/1998, as amended, and the “Regolamento Emittenti” issued by Consob.

This Report also conforms with the requirements of the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) adopted by the European Union and has been prepared in accordance with IAS 34 - *Interim Financial Reporting*. The accounting principles applied are consistent with those used for preparation of the Consolidated Financial Statements at 31 December 2008, except as otherwise stated under “Accounting principles, amendments and interpretations adopted from 1 January 2009” in the Notes to the Interim Consolidated Financial Statements.

The Report is unaudited.

Operating Performance

Group Highlights

01.01 – 30.09			3 rd Quarter	
2009	2008	(€ million)	2009	2008
36,501	46,431	Net revenues	12,049	14,331
570	2,699	Trading profit/(loss)	308	802
296	2,716	Operating profit/(loss)	267	802
(248)	2,266	Profit/(loss) before taxes	128	675
(565)	1,541	Profit/(loss) for the period	25	468
(557)	1,449	Profit/(loss) attributable to owners of the parent	21	440
(per share data in €)				
(0.450)	1.158	Basic earnings per ordinary and preference share	0.017	0.356
(0.450)	1.313	Basic earnings per savings share	0.017	0.356
(0.450)	1.152	Diluted earnings per ordinary and privileged share	0.017	0.353
(0.450)	1.307	Diluted earnings per savings share	0.017	0.353

(1) Note 12 to the Consolidated Financial Statements provides additional information on the calculation of basic and diluted earnings per share.

(€ million)	30.09.2009	31.12.2008
Total Assets	64,426	61,772
Net (debt)/cash	(17,423)	(17,954)
- of which: Net industrial (debt)/cash	(5,832)	(5,949)
Total Equity	11,064	11,101
Equity attributable to owners of the parent	10,310	10,354
No. of employees at period end	189,105	198,348

Disclaimer

This Report, and in particular the section entitled “Subsequent Events and 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.

Group Results

01.1-30.09			3 rd Quarter	
2009	2008	(€ million)	2009	2008
36,501	46,431	Net revenues	12,049	14,331
570	2,699	Trading profit/(loss)	308	802
296	2,716	Operating profit/(loss)	267	802
(248)	2,266	Profit/(loss) before taxes	128	675
(565)	1,541	Profit/(loss) for the period	25	468

Group results for the third quarter of 2009

Net revenues

(€ million)	3 rd Quarter		
	2009	2008	% change
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	6,996	7,212	-3.0
Agricultural and Construction Equipment (CNH - Case New Holland)	2,268	3,122	-27.4
Trucks and Commercial Vehicles (Iveco)	1,715	2,441	-29.7
Components and Production Systems (FPT, Magneti Marelli, Teksid, Comau)	2,577	3,367	-23.5
Other Businesses	250	336	-25.6
Eliminations	(1,757)	(2,147)	-
Total	12,049	14,331	-15.9

Group **revenues** were €12.0 billion, down 15.9% over Q3 2008. Several businesses, however, experienced slowing in year-on-year declines compared with H1 levels.

Fiat Group Automobiles (FGA) achieved €6.5 billion in revenues (-1.4%) on delivery of 538,900 cars and light commercial vehicles (up 4.3% over Q3 2008). FGA continued to increase market share in Western Europe (+0.4 p.p. to 8.3%) with its product strength in eco-friendly vehicles contributing to share gains in most major markets. In Brazil, where the overall market experienced 7.8% growth, Fiat maintained leadership (24.5% share).

Agricultural and Construction Equipment (CNH) revenues were €2.3 billion, down 27.4%, due to persisting significant declines in the global construction equipment industry and weaker market conditions for the agricultural business compared with strong Q3 2008 levels. CNH achieved market share gains for tractors in North America and for combines in Latin America.

Trucks and Commercial Vehicles (Iveco) reported €1.7 billion in revenues, a 29.7% decrease reflecting continued market weakness, which was most pronounced in the heavy segment. Total deliveries were down 35.2% to 25,880 units.

Components and Production Systems reported revenues of €2.6 billion, representing a 23.5% decrease over the third quarter of 2008. The economic crisis continued to have an impact on all Sectors, however, the levels of decline experienced were in most cases more contained than for the first half of the year.

Trading profit/(loss)

(€ million)	3 rd Quarter		
	2009	2008	change
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	208	278	-70
Agricultural and Construction Equipment (CNH - Case New Holland)	66	284	-218
Trucks and Commercial Vehicles (Iveco)	22	181	-159
Components and Production Systems (FPT, Magneti Marelli, Teksid, Comau)	37	89	-52
Other Businesses and Eliminations	(25)	(30)	5
Total	308	802	-494
Trading margin (%)	2.6	5.6	

Group **trading profit** came in at €308 million, notwithstanding continued severe pressure on volumes and an overall highly-competitive environment in most businesses. Targeted realignment of production levels and rigorous cost management delivered the best quarterly margin performance year-to-date (2.6%).

FGA reported a trading profit of €155 million (€190 million for Q3 2008), representing a 2.4% margin. Solid volume performance for passenger cars and cost containment actions narrowed the revenue gap which was primarily attributable to a less favourable product mix.

CNH posted a trading profit of €66 million (€284 million in Q3 2008). Cost savings, aggressive management of production levels and net pricing only partially offset volume declines.

Iveco achieved €22 million in trading profit (€181 million in Q3 2008). Decisive cost reduction measures delivered a positive result, despite persisting volume declines. After sales activities, Latin America and the special vehicles business continued to provide positive margin contributions.

Trading profit for the **Components and Production Systems** businesses totalled €37 million, compared with €89 million for the third quarter of 2008. The difference, driven by a decrease in volumes, was partially offset by the significant cost containment measures taken.

Operating profit/(loss)

The third quarter closed with an **operating profit** of €267 million (€802 million for Q3 2008), including net unusual expenses of €41 million, of which €31 million related to restructuring costs (primarily Fiat Group Automobiles, Iveco and FPT).

Profit/(loss) for the period

Net financial expense for the third quarter totalled €164 million (€161 million for Q3 2008) and included a €34 million gain from the marking-to-market of two stock option-related equity swaps (€22 million loss for Q3 2008). Net of this item, financial expense was up €59 million over the prior year, principally due to a higher level of debt.

Investment income totalled €25 million for the third quarter of 2009, compared with €34 million for the same period in 2008.

Profit before taxes was €128 million, compared with €675 million for Q3 2008, reflecting a significantly lower operating result.

Income taxes totalled €103 million (€207 million for the third quarter of 2008) and related mainly to taxation of operations outside Italy.

Net profit came in at €25 million (€66 million excluding unusual items), compared with €468 million for Q3 2008.

The **net profit attributable to owners of the parent** totalled €21 million, compared with a profit of €440 million for the same period in 2008.

Group results for the first nine months of 2009

Net revenues

	01.01 - 30.09		
(€ million)	2009	2008	% change
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	20,536	23,047	-10.9
Agricultural and Construction Equipment (CNH - Case New Holland)	7,726	9,730	-20.6
Trucks and Commercial Vehicles (Iveco)	5,011	8,533	-41.3
Components and Production Systems (FPT, Magneti Marelli, Teksid, Comau)	7,455	11,039	-32.5
Other Businesses	800	1,037	-22.9
Eliminations	(5,027)	(6,955)	-
Total	36,501	46,431	-21.4

For the **first nine months** of 2009, Fiat Group **revenues** totalled €36.5 billion, a decrease of 21.4% over the prior year.

Fiat Group Automobiles had revenues of €19 billion, down 10.3% over the first nine months of 2008 due to the significant contraction in demand, particularly in the first part of the year, and unfavourable currency impacts.

CNH had revenues of €7.7 billion for the first nine months of 2009, down 20.6% over the same period in 2008. In US dollar terms, revenues declined 28.7%, reflecting the drop in the construction equipment industry and weaker demand in the agricultural business in almost all regions with the main exception of North America for combines.

Iveco posted revenues of €5 billion for the first nine months of 2009, down 41.3% over the same period for the prior year.

Revenues for the **Components and Production Systems** businesses totalled €7.5 billion, decreasing 32.5% over the first nine months of 2008 as a result of lower volumes for all Sectors.

Trading profit/(loss)

	01.01 - 30.09		
(€ million)	2009	2008	change
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	462	900	-438
Agricultural and Construction Equipment (CNH - Case New Holland)	238	881	-643
Trucks and Commercial Vehicles (Iveco)	28	651	-623
Components and Production Systems (FPT, Magneti Marelli, Teksid, Comau)	(117)	370	-487
Other Businesses and Eliminations	(41)	(103)	62
Total	570	2,699	-2,129
Trading margin (%)	1.6	5.8	

Group **trading profit** for the period was €570 million, down from €2,699 million for the first nine months of 2008. Aggressive cost containment measures limited the impact of declines in demand.

For the first nine months of 2009, **Fiat Group Automobiles** reported a €280 million trading profit. The decrease over the €626 million figure for the first nine months of 2008 was attributable to a fall in volumes, a less favourable product mix (with demand for light commercial vehicles weaker) and pricing pressure in Brazil. These effects were partially offset by cost containment measures.

CNH closed the first nine months of 2009 with a **trading profit** of €238 million, down €643 million from the first nine months of 2008 (€881 million). Weakness in construction equipment markets and lower volumes for agricultural equipment were only partially offset by cost containment measures and pricing actions.

For the first nine months of 2009, **Iveco** had a trading profit of €28 million, compared to a €651 million profit for the same period in 2008, with the decrease reflecting the sharp contraction in sales volumes which was partially offset by cost containment measures.

Trading loss for the **Components and Production Systems** businesses totalled €117 million, compared with a trading profit of €370 million for the first nine months of 2008. Significant cost containment measures only partially offset the negative impact of the fall in volumes.

Operating profit/(loss)

Operating profit for the first nine months was €296 million, compared to €2,716 million for the same period in 2008. This decrease reflects the decline in trading profit (down €2,129 million) and the €291 million year-on-year difference in one-offs (net unusual income of €17 million for the first nine months of 2008 compared with net unusual expense of €274 million for 2009).

For the first nine months of 2009, **restructuring costs** totalled €165 million. No restructuring costs were recognised for the first nine months of 2008.

For the first nine months of 2009, there was **other unusual expense** of €111 million which principally related to provisions for residual value risk on leased vehicles and vehicles in inventory for both FGA and Iveco. For the first nine months of 2008, there was other unusual income of €14 million.

Profit/(loss) for the period

Net financial expense for the first nine months totalled €535 million (€602 million for the same period in 2008) and included a positive €87 million effect from the marking-to-market of two stock option-related equity swaps. A €164 million loss was recorded for the same item for the first nine months of 2008. Net of the effect of the equity swaps, financial expense for the first nine months increased €184 million, substantially due to the higher level of debt.

For the first nine months, the **result from investments** reflected a loss of €9 million, compared to a profit of €152 million for the first nine months of 2008, principally due to the decrease in results reported by certain joint venture companies.

The **loss before taxes** for the period was €248 million (profit before tax of €2,266 million for the same period in 2008), reflecting a significantly lower operating result and a decrease in investment income (down €161 million), partially offset by lower net financial expense.

Income taxes totalled €317 million (€725 million for the first nine months of 2008) and related to taxable income of companies operating outside Italy and IRAP in Italy.

There was a **net loss** of €565 million for the first nine months of 2009, compared with a profit of €1,541 million for the same period in 2008.

There was a **net loss attributable to owners of the parent** of €557 million for the first nine months of 2009, compared with a net profit of €1,449 million for the same period in 2008.

Operating Performance by Business

Automobiles

Net revenues

01.01 - 30.09				3 rd Quarter		
2009	2008	% change	(€ million)	2009	2008	% change
19,046	21,235	-10.3	Fiat Group Automobiles	6,541	6,636	-1.4
319	596	-46.5	Maserati	93	198	-53.0
1,287	1,419	-9.3	Ferrari	396	450	-12.0
(116)	(203)	-	Eliminations	(34)	(72)	-
20,536	23,047	-10.9	Total	6,996	7,212	-3.0

Trading profit/(loss)

01.01 - 30.09				3 rd Quarter		
2009	2008	change	(€ million)	2009	2008	change
280	626	-346	Fiat Group Automobiles	155	190	-35
6	31	-25	Maserati	1	9	-8
176	243	-67	Ferrari	52	79	-27
462	900	-438	Total	208	278	-70
2.2	3.9		Trading margin (%)	3.0	3.9	

Fiat Group Automobiles

For **Q3 2009**, Fiat Group Automobiles posted **revenues** of €6.5 billion, representing a slight decrease (-1.4%) over the same period in 2008 (+1.6% on a constant currency basis).

During the quarter, the Sector delivered a total of 538,900 cars and light commercial vehicles, up 4.3% over Q3 2008. In Western Europe, deliveries increased 7.0% to 287,100 units, with strong volume growth in Italy (+13.1%), Germany (+20.5%) and the UK (+26.9%), partially offset by declines in Spain (-25.3%) and France (-8.6%).

For passenger cars only, Fiat Group Automobiles delivered a total of 464,300 units during the quarter, 10.0% higher than Q3 2008. Against an overall market increase of 7.5%, deliveries in Western Europe rose 16.5% to 252,800 units.

Passenger car deliveries increased 20.4% in Italy, 42.4% in the UK and 48.8% in Germany - with increases significantly outpacing market growth in those markets - but decreased in France (-4.6%) and Spain (-19.6%).

FGA's strong offering of environmentally-friendly cars enabled the Sector to fully benefit from eco-based government incentives. Performance for the Fiat brand, in particular, was extremely positive. In Europe, the Fiat Panda and Fiat 500 continued to be the most sold A-segment cars and the Punto was one of the most sold cars in the B-segment.

During the third quarter, the Western European passenger vehicle market increased 7.5% year-on-year driven by scrapping incentives introduced by governments in several major markets. Incentives were particularly effective in Germany, where demand increased 26.1%. The French market also benefited from such schemes, with the market expanding 7.9% over Q3 2008. In Italy, scrapping incentives drove a 7.2% increase in demand for the period. Incentives introduced in May 2009 generated an increase in demand in the UK (+8.3%) and underpinned the stable year-over-year performance in Spain (-0.1%). In Brazil, demand was up 9.2%, aided by the extension of government incentives on new car purchases and a generally favourable macro-economic environment.

Fiat Group Automobiles achieved a 32.8% market share in Italy (+1.1 percentage points over Q3 2008) and an 8.3% share in Western Europe (+0.4 percentage points). Relative performance was particularly strong in Germany (+1.1 percentage points to 4.3%) and share gains were also achieved in the UK (+0.7 percentage points to 3.9%). The Fiat

brand increased its market share to 6.6% in Western Europe (+0.3 percentage points over Q3 2008) and 25.2% in Italy (+0.8 percentage points).

A total of 74,500 light commercial vehicles were delivered in Q3 2009, down 21.1% over Q3 2008. For Western Europe, deliveries were down 33.1% to 34,300 units. Fiat Professional's share in Italy was 39.9%, down 2.6 percentage points, whereas for Western Europe overall, where the market contracted 25.2%, share was substantially stable at 12%. In Italy the commercial strategy for the compact van segment was oriented toward defending margins in anticipation of the launch of the bi-fuel CNG/gasoline Fiorino (exclusive to Fiat in this category) in the second half of September.

In Brazil, deliveries for cars and light commercial vehicles increased 13.4% over Q3 2008. FGA maintained market leadership with a 24.5% market share (+0.1 percentage points) in an overall market which grew 7.8%.

Fiat Group Automobiles recorded a €155 million **trading profit** for Q3 2009, compared to the €190 million figure for the same period in 2008. Solid volume performance for passenger cars and cost containment measures partially offset a less favourable product mix, pricing pressure in Brazil and adverse currency movements.

In September, Fiat broadened its B-segment offering with the launch of the Punto Evo, a companion to the highly successful Grande Punto, which sets a new standard in innovation, safety and style. The "Evo" in the name highlights the technological progress and excellence represented by this model, not least with its extensive range of Euro 5 engines including the second-generation 1.3 MultiJet and the revolutionary new 1.4 MultiAir. The addition of a series of bi-fuel CNG engines gives the Punto Evo one of the most ecological and complete ranges offered in the segment. The Fiat Punto Evo is also equipped with advanced features such as the Start&Stop, the new "Blue&Me-TomTom" portable navigator, the "cornering" feature on the front fog lights and seven airbags.

The recently launched Trekking version of the Qubo offers excellent handling on all types of terrain and, at the same time, low level of emission and fuel consumption.

There were also several new developments for Alfa Romeo during the quarter. These included the 105 hp and 135 hp versions of the MiTo 1.4 MultiAir, the first application of this revolutionary technology developed for gasoline engines. Also of note is the 170 hp "Quadrifoglio Verde", a pure-bred sports car with the highest specific output ever recorded by an Alfa Romeo yet offering the fuel consumption and CO₂ emission performance of an economy car.

Abarth also presented two brand new designs: the Abarth 695 Tributo Ferrari and the Abarth 500 R3T, which will be used in the next promotional street racing trophy.

Fiat Professional launched the Fiorino Metano, a new bi-fuel (CNG-gasoline) vehicle which is the only one of its type in the segment.

Finally, already leader two years in a row, Fiat was once again confirmed as having the lowest average CO₂ emissions amongst the top 25 selling brands in Europe for the first half of 2009. The data published by the research company JATO also shows that Fiat, with 129.1 g/km, is the only full-range brand to have already reached the average European target for 2015 of 130 g/km.

Fiat Group Automobiles had **revenues** of €19 billion, down 10.3% over the **first nine months** of 2008 due to the significant contraction in demand, particularly in the first part of the year, and unfavourable currency impacts.

For the first nine months of 2009, Fiat Group Automobiles delivered a total of 1,594,600 passenger cars and light commercial vehicles, down 7.6% over the same period in 2008 (-1.7% for passenger cars only). In Western Europe, deliveries were down 6.8% to 919,200 units, while for passenger cars only deliveries were up 2.6%. Fiat Group Automobiles achieved a significant increase in volumes in Germany (+51.2%), but experienced declines in Italy (-5.9%), the UK (-11.5%), France (-14.1%) and Spain (-61.8%).

The Western European passenger car market contracted 4.8% over the first nine months of 2008, with the most significant declines recorded in the first half of the year. Demand was down in Italy (-5.9%), Spain (-28.6%) and the UK (-15.5%). The market expanded, however, in both Germany (+26.1%) and France (+2.4%).

Fiat Group Automobiles achieved a 33.2% share of the Italian market (+1.3 percentage points over the first nine months of 2008), continuing a positive trend. In Western Europe, market share increased to 8.9% (+0.7 percentage points).

Light commercial vehicle deliveries totalled 216,900 units for the first nine months of 2009, a decrease of 32.9% over the same period in 2008. In Western Europe, where overall market demand fell 31.6%, total deliveries decreased 45.5% to 105,500 units. Market share for Fiat Professional decreased to 40% in Italy (-3.2 percentage points) and rose to 12.8% in Western Europe (+0.5 percentage points).

In Brazil, deliveries increased 2.7% for passenger cars and light commercial vehicles and the Sector maintained its market leadership with a share of 24.5%.

For the first nine months of 2009, Fiat Group Automobiles reported a €280 million **trading profit**. The decrease over the €626 million figure for the first nine months of 2008 was attributable to a fall in volumes, a less favourable product mix (with demand for light commercial vehicles weaker) and pricing pressure in Brazil. These effects were partially offset by cost containment measures.

Maserati

For **Q3 2009**, Maserati reported €93 million in **revenues**, down 53% over the same period in 2008. A total of 920 cars were delivered to the network during the quarter, a 53.3% year-on-year decrease.

With the significant cost containment measures taken, Maserati achieved a €1 million **trading profit** for the period (€9 million for Q3 2008), despite the large decline in revenues.

Product developments included the presentation of Maserati's first ever 4-seater convertible at the Frankfurt Motor Show. The new GranCabrio is a versatile and exclusive vehicle. The GranCabrio is the result of in-depth aerodynamic research and is a true 4-seater soft top. The interior is significantly more spacious than the segment standard, providing the maximum comfort even for rear passengers. It is powered by a 440 hp, 4.7-litre V8 engine and has a six-speed transmission with torque converter. The GranCabrio completes the current Maserati line-up which also includes the Quattroporte and GranTurismo.

Maserati reported €319 million in **revenues** for the **first nine months** of 2009, down 46.5% over the same period for the prior year. Sales to the network totalled 3,246 units, a drop of 49.8% which was in line with the decline in the company's reference markets.

Trading profit was €6 million for the first nine months of 2009, compared with a trading profit of €31 million for the same period in 2008.

Ferrari

For **Q3 2009**, Ferrari reported **revenues** of €396 million, down 12% over the same period in 2008. The fall was attributable to lower sales volumes and a less favourable sales mix. Deliveries to the network declined 3.9% to 1,345 vehicles: deliveries of 8-cylinder vehicles rose, driven by the addition of the California to the product range, while sales of the 12-cylinder 599 GTB Fiorano and 612 Scaglietti decreased. Sales to end customers totalled 1,454 units (-4.3%).

Ferrari closed the third quarter of 2009 with a **trading profit** of €52 million, compared to a trading profit of €79 million for the same period in 2008. The year-on-year decrease reflects the negative impact of volumes and product mix (both particularly favourable in Q3 2008), in addition to unfavourable currency movements. The decline was partially offset by increased efficiencies in production and overhead costs.

The company presented the new Ferrari 458 Italia at the Frankfurt Motor Show. The vehicle represents Italy in both name and spirit: from its creativity to its capacity to innovate (the very latest chassis technology combined with sophisticated electronic traction control systems). Powered by a centre-mounted 4.5-litre 8-cylinder engine capable of delivering 570 hp, the Ferrari 458 Italia is a vehicle with exceptional performance: a top speed of more than 300 kilometres per hour and an extraordinary power to weight ratio. In addition, with Ferrari's extensive competition experience, this extraordinary concentration of innovation boasts outstanding fuel performance for a supercar consuming just 13.3 l per 100 km.

For the **first nine months** of 2009, Ferrari recorded **revenues** of €1,287 million, down 9.3% over the same period for the prior year. A total of 4,490 vehicles (-6.9%) were delivered to dealers and 4,680 units (-6.9%) sold to end customers.

Trading profit was €176 million for the first nine months of 2009, compared to €243 million for the same period in 2008. Lower volumes and a less favourable mix were partially offset by improved efficiencies, including costs related to Formula 1 activities.

Agricultural and Construction Equipment

01.01 - 30.09			3 rd Quarter	
2009	2008	(€ million)	2009	2008
7,726	9,730	Net revenues	2,268	3,122
-20.6		% change	-27.4	
238	881	Trading profit	66	284
-643		change	-218	
3.1	9.1	Trading margin (%)	2.9	9.1

CNH – Case New Holland had **revenues** of €2.3 billion for **Q3 2009**, a decrease of 27.4% over Q3 2008 (-30.0% in US dollar terms) reflecting the global construction equipment industry decline, weaker market conditions in the agricultural business (compared to strong Q3 2008 performance, especially for combines), as well as destocking actions in construction equipment distribution network.

In Q3 2009, the global market for agricultural equipment decreased by 18%, with a decline in retail unit volumes for tractors and combines of 18% and 23%, respectively. Industry demand for tractors was down in all regions, with the exception of some key markets such as China and Brazil. Demand for combine harvesters declined globally from the record levels registered in Q3 2008, except for North America where it increased by 10%.

In the tractor market, CNH gained share in North America due to the strong performance in higher powered models. Share in Latin America and Western Europe remained flat. Market share declined in the Rest of World, where demand in developing countries such as China is mainly satisfied by local, low-range products. In the global market for combine harvesters, CNH share increased in Latin America, was stable in Western Europe, and declined in Rest of World (where share was flat for the first nine months). In North America share declined following an increased competitive pressure for smaller models, but share gains were achieved in the higher-end segment.

Overall construction equipment industry unit retail sales dropped 42% in Q3 2009, less than the rate of decline through the last two quarters (-57% in Q1 and -47% in Q2 2009). Industry sales of heavy construction equipment were down 37% and light construction equipment fell 45%, with Rest of World and Western Europe declining less than the Americas in both segments.

For the quarter, CNH market share for both light and heavy equipment was up in Latin America and declined in Rest of World (where CNH market position is not particularly strong). In North America, share was unchanged for light equipment and down for heavy models. Market share in Western Europe was flat for heavy equipment and down for light equipment.

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 construction equipment brands, and implemented a series of actions to reduce operating costs and strengthen the competitiveness of its product portfolio. Reorganization of the internal management structure has been completed and workforce has been reduced to reflect current trading conditions.

CNH closed the third quarter of 2009 with a **trading profit** of €66 million (€284 million in Q3 2008). Cost containment measures and pricing actions did not fully offset the significant drop in volumes in the construction equipment market and lower volumes for agricultural equipment.

In Q3 2009, Case IH Agriculture launched the Austoft 8000 series sugar cane harvester, with a 35% increase in chopper power and electronic ground drive with cruise control and prepared for its fourth quarter launch of updated Maxxum, Puma and Magnum tractors covering the entire 100 to 225 hp range.

New Holland Agriculture launched its new flagship T7000 series tractors (167 to 225 hp) with continuously variable “Auto Command” transmissions and new armrest control console in North America and Western Europe.

Case Construction added the high performance 650L to its crawler dozer line. The 650L delivers more performance, a lower overall operating height and weight and productivity boosting maintenance features. It delivers 74 net horsepower through a Tier 3 turbo-charged engine with electronic fuel injection.

CNH had **revenues** of €7.7 billion for the first **nine months** of 2009, down 20.6% over the same period in 2008. In US dollar terms, revenues declined 28.7%, reflecting the drop in the construction equipment industry and weaker demand in the agricultural business in almost all regions with the main exception of North America for combines.

Trading profit was €238 million, down €643 million from the first nine months of 2008 (€881 million). Weakness in construction equipment markets and lower volumes for agricultural equipment were only partially offset by cost containment measures and pricing actions.

Trucks and Commercial Vehicles

01.01 - 30.09			3 rd Quarter	
2009	2008	(€ million)	2009	2008
5,011	8,533	Net revenues	1,715	2,441
-41.3		% change	-29.7	
28	651	Trading profit	22	181
-623		change	-159	
0.6	7.6	Trading margin (%)	1.3	7.4

For **Q3 2009**, Iveco reported **revenues** of €1.7 billion, down 29.7% year-over-year, with lower sales volumes reflecting the continued market decline. In percentage terms, the year-over-year decline was lower than for the first and second quarters of 2009.

Iveco delivered 25,880 vehicles, down 35.2% over the same period in 2008. A total of 16,188 vehicles were delivered in Western Europe (-32.4%), with declines in all markets except Italy, where deliveries were substantially stable, albeit in comparison with very low Q3 2008 levels. Volumes declined 42.5% in Germany, 27.8% in France, 24.9% in Spain and 77.2% in the UK. Deliveries were also down for Iveco’s other markets, declining 69.8% in Eastern Europe and 33.5% in Latin America.

In Western Europe, the market for ≥2.8 ton trucks and commercial vehicles contracted 34.4% over Q3 2008. There were declines in the light and medium segments of 30.1% and 34.0%, respectively, while the heavy segment experienced an even more marked decline of 47.0%. Registrations fell sharply in all major European markets: France (-34.0%), Germany (-32.2%), UK (-30.3%), Italy (-37.4%) and Spain (-43.6%), which had already experienced severe contractions in 2008.

Iveco’s market share (≥2.8 tons) in Western Europe was 8.9% for the quarter, down 0.9 percentage points over the same period in 2008. Share in the light segment was down 0.6 percentage points, reflecting the continued competition from car-based “van” models. Share in the heavy segment (down 1.3 percentage points) was impacted by the significant drop in the Spanish market, but is recovering versus previous quarters. Share in the medium segment was down 2.6 percentage points, with the share decline in Germany not being fully compensated by the positive results achieved in Italy (+2.8% percentage points) and France (+7.9 percentage points).

Notwithstanding the significant decline in volumes, Iveco delivered a **trading profit** of €22 million in Q3 2009 (€181 million in 2008), thanks to realignment of production levels, rigorous cost containment measures, as well as margin support provided by after-sales activities, Latin America and the special vehicles business.

The EcoDaily was well received by the market (12,000 orders have been received in Western Europe since its launch in June) and Iveco presented two new products during the quarter. In Europe, Iveco Irisbus unveiled the Magelys HDH, a coach that belongs to an elite class of sophisticated vehicles designed for the long-distance tourist market in

Europe. With three-axles, it is 14 metres long and powered by a six-cylinder Cursor 10 engine. In Brazil, a prototype of the Daily Electric was presented. Developed jointly by Iveco and Itaipu Binacional, which manages the world's largest hydro-electric powerplant located near the Brazil/Paraguay border, the Daily Electric is the first zero-emission light commercial vehicle produced in Latin America.

The Daily CNG was named 'Green Van of the Year 2009' by a prestigious UK trade magazine and Iveco won the 'Transport Innovation of the Year' award for Blue&Me Fleet, an advanced telematic fleet management system.

Iveco posted **revenues** of €5 billion for the first **nine months** of 2009, down 41.3% over the same period for the prior year.

Iveco delivered 73,286 vehicles, down 53.3% over the same period in 2008. A total of 47,711 vehicles were delivered in Western Europe (-53.2%), with sharp declines in all markets including France (-52.4%), Germany (-52.1%) and Italy (-38.6%). The drop was even more severe in the UK (-75.8%) and Spain (-67.1%). Deliveries were also down in the other regions, falling 77.1% in Eastern Europe and 32.2% in Latin America.

In Western Europe, the market for ≥2.8 ton trucks and commercial vehicles contracted sharply (-36.8%) over the first nine months of 2008. Iveco had an overall market share of 9.1%, down 0.8 percentage points over the same period in 2008. In particular, Iveco's share declined 0.6 percentage points in the light segment and 0.8 percentage points in the medium segment: gains recorded in Italy (+4.6 percentage points) and France (+5.4 percentage points) only partially offset the decline in Germany. Market share in the heavy segment was down 1.6 percentage points. This decrease reflects the significant contraction of the Spanish market during the period, where Iveco nevertheless posted a positive relative performance (+3.5 percentage points).

For the first nine months of 2009, Iveco had a **trading profit** of €28 million, compared to a €651 million profit for the same period in 2008. The decrease reflected the sharp contraction in sales volumes which was partially offset by cost containment measures.

Components and Production Systems

Net revenues

01.01 - 30.09			3 rd Quarter			
2009	2008	% change	(€ million)	2009	2008	% change
3,610	5,705	-36.7	FPT Powertrain Technologies	1,250	1,612	-22.5
3,248	4,301	-24.5	Components (Magneti Marelli)	1,120	1,353	-17.2
406	682	-40.5	Metallurgical Products (Teksid)	147	220	-33.2
523	820	-36.2	Production Systems (Comau)	168	309	-45.6
(332)	(469)	-	Eliminations	(108)	(127)	-
7,455	11,039	-32.5	Total	2,577	3,367	-23.5

Trading profit/(loss)

01.01 - 30.09			3 rd Quarter			
2009	2008	change	(€ million)	2009	2008	change
(65)	155	-220	FPT Powertrain Technologies	19	21	-2
(18)	165	-183	Components (Magneti Marelli)	21	48	-27
(10)	38	-48	Metallurgical Products (Teksid)	2	10	-8
(24)	12	-36	Production Systems (Comau)	(5)	10	-15
(117)	370	-487	Total	37	89	-52
(1.6)	3.4		Trading margin (%)	1.4	2.6	

FPT Powertrain Technologies

FPT Powertrain Technologies reported €1,250 million in **revenues** for **Q3 2009**, down 22.5% year-on-year. Sales to external customers and joint ventures accounted for 15% of the total (20% for Q3 2008).

The Passenger & Commercial Vehicles product line closed the quarter with revenues of €860 million (-1.5%), 92% of which was from sales to Fiat Group companies. A total of 571,000 engines (+3.2%) and 565,000 transmissions (+13.8%) were sold during the quarter.

Industrial & Marine reported revenues of €389 million, down 47.2% over the third quarter of 2008 due to sharp volume declines. A total of 67,000 engines were sold (down 45.3%) primarily to Iveco (43%), CNH (23%) and Sevel (24%), the JV for light commercial vehicles. In addition, 15,000 transmissions (-30.6%) and 27,000 axles (-48.2%) were delivered.

FPT closed the third quarter of 2009 with a **trading profit** of €19 million, compared to a profit of €21 million for the same period in 2008. Measures to reduce overhead, purchasing and manufacturing costs compensated for the drop in volumes and less favourable sales mix.

Developments in the area of diesel engines included launch of production of a Euro 5 compliant 1.3-litre Small Diesel Engine (in both 75 hp and 95 hp versions), equipped with the innovative Common Rail MultiJet II injection system, for application on passenger vehicles. The engine's commercial launch was on the Fiat Punto Evo at the end of September.

Industrial & Marine launched production on the 3-litre F1C light diesel engine, with twin-stage turbo, which provides 170 hp of output and complies with the EEV (Enhanced Environmentally-friendly Vehicle) emissions standards, currently the strictest emissions standard in Europe.

The first Fire MultiAir family gasoline engines were launched on the Alfa MiTo and Fiat Punto Evo, in both naturally-aspirated and turbo versions.

During the quarter, in fact, FPT Powertrain Technologies received the 'Technobest 2009' award for the MultiAir's innovative technology.

Finally, at the Genoa International Boat Show, FPT presented 620 hp and 380 hp versions of the new C90 engine. This propulsion system demonstrates FPT's capacity to develop new technologies and apply them to different engine types.

FPT reported €3,610 million in **revenues** for the **first nine months** of 2009, a 36.7% year-on-year decrease. Sales to external customers and joint ventures accounted for 16% of the total (22% for 2008). During the first nine months, Passenger & Commercial Vehicles reported revenues of €2,461 million (-17.6%) selling 1,693,000 engines (-13.6%) and 1,613,000 transmissions (-2.9%). Industrial & Marine had revenues of €1,141 million (-58.1%) delivering a total of 194,000 engines (-55.9%).

FPT reported a **trading loss** of €65 million for the first nine months of 2009, compared to a trading profit of €155 million for the same period in 2008. The result was heavily influenced by the sharp decline in volumes and a less favourable mix, partially compensated for through increased efficiencies.

Magneti Marelli

Magneti Marelli reported €1,120 million in **revenues** for **Q3 2009**, a decrease of 17.2% over the same period in 2008 (-12.6% on a comparable scope of operations), mainly due to the overall decline in volumes experienced across business lines, with the exception of positive sales performance in Poland and China and level performance in Brazil.

Market conditions continued to be difficult in the third quarter, but the level of revenue decline recorded by the Sector was less severe than for the first six months of the year, benefiting from improved demand from automakers driven in part by government incentives introduced in several markets.

The Lighting business continued to be impacted by volume declines, especially in Germany and the Czech Republic, albeit at a slower rate than previous quarters. Engine Control partially offset the decreases recorded in Europe and the US with improvements in China and India. There was an increase in sales of Suspension Systems and Shock Absorbers in Poland and Exhaust Systems to external customers in Brazil.

For Q3 2009, Magneti Marelli posted a **trading profit** of €21 million, compared to a profit of €48 million for Q3 2008. Trading performance was impacted by lower sales volumes and a less favourable product mix, partly offset by improved production and purchasing efficiencies and measures to reduce overhead costs.

Product launches during the period included, above all, those linked to the Group's vehicles. LED taillights for the Grande Punto, an exhaust system for the Alfa MiTo with 1.4 MultiAir, shock absorbers for the Fiat Punto Evo and for the Fiat 500 sold in Brazil, and an injector developed for Fiasa. Magneti Marelli also released several new engine control and lighting system components which have been developed and produced for other major automakers.

For the first **nine months** of 2009, Magneti Marelli reported **revenues** of €3,248 million (-24.5%).

Magneti Marelli reported a **trading loss** of €18 million for the first nine months of 2009 compared to a trading profit of €165 million for the corresponding period in 2008. This decrease, which was particularly significant in the first quarter, is attributable to the sharp decline in volumes, offset in part by cost containment measures implemented.

Teksid

For **Q3 2009**, Teksid reported **revenues** of €147 million, down 33.2% over the third quarter of 2008. Volumes decreased 23.6% for the Cast Iron business unit and increased 2% for the Aluminium business unit.

Teksid closed the quarter with a **trading profit** of €2 million compared to a €10 million trading profit for the third quarter of 2008, reflecting a sharp drop in volumes.

Teksid had **revenues** of €406 million for the **first nine months** of 2009, down 40.5% over the same period in 2008, reflecting lower volumes for the Cast Iron business unit (-36.1%) and the Aluminium business unit (-20.3%).

Teksid closed the first nine months of 2009 with a €10 million **trading loss**, compared to a €38 million trading profit for the same period in 2008.

Comau

Comau reported €168 million in **revenues** for **Q3 2009**, down 45.6% over the third quarter in 2008. Assuming a constant scope of operations, the decrease in revenues was 41%, mainly attributable to the Body Welding operations.

Order intake was €238 million, up 39.1% over the third quarter of 2008 on a comparable scope of operations driven by the increase for the Body Welding operations in North America.

Comau reported a €5 million **trading loss** for Q3 2009, compared to a €10 million trading profit for Q3 2008. The decrease was primarily attributable to the Body Welding and Die-cutting operations.

For the **first nine months** of 2009, Comau had **revenues** of €523 million, down 36.2% over the same period in 2008 (-30% on a comparable scope of operations) primarily due to lower revenues for the Body Welding operations.

Order intake for the period was €602 million, down 23.6% over the first nine months of 2008. The order backlog at the end of September was €483 million, up 4% over year-end 2008 on a comparable scope of operations.

Comau reported a €24 million **trading loss** for the first nine months of 2009, compared to a €12 million trading profit for the same period in 2008. The 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 **Q3 2009**, Other Businesses had **revenues** of €250 million, down 25.6% year-over-year.

For Q3 2009, Other Businesses reported a **trading loss** of €25 million, including eliminations and consolidation adjustments, compared to a €30 million loss for the same period in 2008.

Other Businesses had **revenues** of €800 million for the **first nine months** of 2009, down 22.9% over the same period for the prior year.

For the first nine months of 2009, there was a **trading loss** of €41 million compared to a loss of €103 million for the first nine months of 2008.

Consolidated Statement of Cash Flows

Following is a summary statement of cash flows and related comments. A complete statement of cash flows is provided in the section 'Interim Consolidated Financial Statements'.

(€ million)	01.01 – 30.09.2009	01.01 – 30.09.2008 (*)
A) Cash and cash equivalents at beginning of period (as reported)	3,683	6,639
Cash and cash equivalents included under Assets held for sale	-	2
B) Cash and cash equivalents at beginning of period	3,683	6,641
C) Cash from/(used in) operating activities	1,976	201
D) Cash from/(used in) investing activities	(1,649)	(4,013)
E) Cash from/(used in) financing activities	3,999	145
Currency translation differences	107	(2)
F) Net change in cash and cash equivalents	4,433	(3,669)
G) Cash and cash equivalents at end of period	8,116	2,972
of which: Cash and cash equivalents included under Assets held for sale	-	-
H) Cash and cash equivalents at end of period (as reported)	8,116	2,972

(*) Following adoption of the improvement to IAS 16 in 2009, as described in the Notes which follow, the item "Cash from operating activities" published in the quarterly report for the period ended 30 September 2008 was reduced by €139 million, with "Cash used in investing activities" reduced by the same amount.

During the first nine months of 2009, **operating activities** generated €1,976 million in cash, which consisted of an €888 million decrease in working capital (calculated on a comparable scope of operations and at constant exchange rates) and €1,088 million in income-related cash inflows (calculated as net profit plus amortisation and depreciation, dividends, changes in provisions and various items related to sales with buy-back commitments and operating leases, net of "Gains/losses on disposal and Other non-cash items").

Cash used in **investing activities** totalled €1,649 million.

Expenditure for tangible and intangible assets (including €717 million in capitalised development costs) totalled €2,149 million.

Investments in subsidiaries and associates totalled €46 million and consisted principally of a €31 million recapitalisation of the 50/50 joint venture Fiat India Automobiles Private Limited.

For the first nine months of 2009, proceeds from the sale of non-current assets totalled €73 million and related to both tangible and intangible assets.

The €586 million decrease in receivables from financing activities was primarily attributable to lower financing provided by the financial services companies of CNH-Case New Holland (mainly to end customers) as a result of lower business volumes.

Approximately €4 billion was generated by **financing activities**, primarily from bonds issued during the third quarter by Fiat Finance and Trade Ltd SA (€2.5 billion) and Case New Holland Inc. (\$1 billion, equivalent to approximately €0.7 billion), in addition to net new medium-term financing – including utilisation of a new €1 billion, 3-year syndicated credit facility and a €400 million term loan provided by the European Investment Bank – totalling €1.4 billion. During the first nine months of 2009, a \$500 million (approximately €0.4 billion) bond issued by Case New Holland Inc. was repaid at maturity.

Consolidated Statement of Financial Position at 30 September 2009

At 30 September 2009, **total assets** amounted to €64,426 million, increasing €2,654 million from the €61,772 million figure at 31 December 2008.

Non-current assets totalled €25,109 million, an increase of €358 million over 31 December 2008.

The increase in deferred tax assets (+€274 million), intangible assets (+€79 million) and property, plant and equipment (+€46 million) was partially offset by the decrease in leased assets (-€69 million).

Receivables from financing activities totalled €12,734 million at 30 September 2009, a decrease of €402 million over 31 December 2008. Net of currency translation differences and write-downs, the decrease was €586 million.

Working capital (net of items related to vehicles sold under buy-back commitments and vehicles no longer subject to lease agreements which are included in inventory) was a negative €78 million, a €773 million decrease over the beginning of the period.

(€ million)		30.09.2009	31.12.2008	change
Inventory	(1)	8,746	10,453	-1,707
Trade receivables		4,068	4,390	-322
Trade payables		(11,660)	(13,258)	1,598
Net Current Taxes Receivable/(Payable) & Other Current Receivables/(Payables)	(2)	(1,232)	(890)	-342
Working capital		(78)	695	-773

(1) Inventory is reported net of the value of vehicles sold under buy-back commitments by Fiat Group Automobiles and, following adoption of the improvement to IAS 16 in 2009, includes vehicles which are no longer subject to buy-back commitments or lease agreements of other Sectors and are held for sale. The value of these ex-lease vehicles at 31 December 2008 (€48 million) was deducted from inventory and, therefore, is reflected in the calculation of working capital.

(2) Other current payables included under the item Net Current Taxes Receivable/(Payable) & Other Current Receivables/(Payables) excludes the buy-back price payable to customers upon expiration of lease contracts and advanced payments from customers for vehicles sold under buy-back commitments, which is equal to the difference, at the contract date, between the initial sale price and the buy-back price. Recognition of such amounts is apportioned over the entire term of the contract.

At 30 September 2009, trade receivables, other receivables and receivables from financing activities falling due after that date and sold without recourse – and, therefore, eliminated from the balance sheet pursuant to the derecognition requirements of IAS 39 - totalled €4,233 million (€5,825 million at 31 December 2008). This amount includes financial receivables, mostly from the sales network, of €2,371 million (€3,181 million at 31 December 2008) sold to jointly-controlled financial services companies (FGA Capital group) and of €406 million (€752 million at 31 December 2008) sold to associate financial services companies (Iveco Finance Holdings Limited).

For the first nine months of 2009, working capital (calculated on a comparable scope of operations and at constant exchange rates) decreased €388 million, principally due to the significant reduction of inventories and trade receivables, net of the decrease in trade payables (especially at Iveco and CNH) resulting from lower production levels.

At 30 September 2009, consolidated **net debt** totalled €17,423 million, down €531 million over the €17,954 million figure at 31 December 2008. Positive cash flow from operating activities and portfolio decreases for the financial services companies during the first nine months of 2009 more than offset capital expenditure and currency translation differences.

(€ million)		30.09.2009	31.12.2008
Financial payables		(25,936)	(21,379)
- Asset-backed financing		(6,454)	(6,663)
- Other		(19,482)	(14,716)
Current financial receivables from jointly-controlled financial services entities	(a)	10	3
Financial payables, net of intersegment balances and current financial receivables from jointly-controlled financial services entities		(25,926)	(21,376)
Other financial assets	(b)	690	764
Other financial liabilities	(b)	(595)	(1,202)
Other current securities		292	177
Cash and cash equivalents		8,116	3,683
Net (Debt)/Cash		(17,423)	(17,954)
- Industrial Activities		(5,832)	(5,949)
- Financial Services		(11,591)	(12,005)

(a) Includes current financial receivables from FGA Capital.

(b) Includes assets and liabilities arising from the fair value recognition of derivative financial instruments.

Financial payables were €4,557 million higher for the period due to an increase in other financial payables (+€4.8 billion, approximately +€4.2 billion net of currency translation differences), net of the decrease in asset-backed financing (-€0.2 billion, approximately -€0.1 billion net of currency translation differences).

During the third quarter, the Group completed three bond issues which generated approximately €3.2 billion in cash. In particular:

- two bonds were issued by the subsidiary Fiat Finance and Trade Ltd SA under the Global Medium Term Note programme, each in the amount of €1,250 million: the first was issued in July, due in 2012, and priced at 99.367% of par (fixed coupon of 9%). The second was issued in September, due in 2014, and priced at 99.498% of par (fixed coupon of 7.625%);
- in August, CNH, through its subsidiary Case New Holland Inc., completed a \$1 billion senior note issue, due in 2013, at an issue price of 97.062% (7.75% coupon payable semi-annually).

In addition to these issues completed in the third quarter, the Group raised new medium-term financing of €2.5 billion and repaid a bond issued by Case New Holland Inc. (approximately €0.4 billion) and other financial payables (€1.1 billion).

At 30 September 2009, **Liquidity** (cash, cash equivalents and other current securities) totalled €8,408 million, a €4,548 million increase over the €3,860 million figure at year-end 2008.

Cash and cash equivalents included €472 million (€473 million at 31 December 2008) specifically allocated to debt servicing for securitisation vehicles and recognised under Asset-backed financing.

Industrial Activities and Financial Services

The following tables provide a breakdown of the consolidated income statement, statement of financial position and statement of cash flows between “Industrial Activities” and “Financial Services”. The latter includes the retail financing, leasing and rental companies of CNH–Case New Holland, Iveco, Fiat Group Automobiles and Ferrari.

Financial Services activities also include FGA Capital (the joint venture between Fiat Group Automobiles and Crédit Agricole) and Iveco Finance Holdings Limited (the joint venture between Iveco and Barclays), which are accounted for under the equity method.

Basis of analysis

The segmentation between Industrial Activities and Financial Services represents a sub-consolidation prepared on the basis of the core business activities carried out by each Group company.

Investments held by companies belonging to one activity segment in companies included in another segment are accounted for using the equity method. To avoid a misleading presentation of net profit, the results of investments accounted for in this manner are classified in the income statement under Result from Intersegment Investments.

The holding companies (Fiat S.p.A., FGI – Fiat Group International S.A., Fiat Partecipazioni S.p.A., Fiat Netherlands Holding N.V.) are classified under Industrial Activities.

The sub-consolidation of Industrial Activities also includes companies that perform centralised treasury activities (i.e., raising funding in the market and financing Group companies). These activities do not, however, include granting of financing to third parties.

Operating Performance by Activity

Third Quarter

(€ million)	3 rd Quarter 2009			3 rd Quarter 2008 (*)		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Net revenues	12,049	11,760	357	14,331	14,034	392
Cost of sales	10,367	10,153	282	11,933	11,763	265
Selling, general and administrative	1,039	999	40	1,278	1,237	41
Research and development	308	308	-	348	348	-
Other income/(expense)	(27)	(25)	(2)	30	26	4
Trading profit/(loss)	308	275	33	802	712	90
Gains/(losses) on disposal of investments	2	2	-	1	1	-
Restructuring costs	31	31	-	3	3	-
Other unusual income/(expense)	(12)	(12)	-	2	2	-
Operating profit/(loss)	267	234	33	802	712	90
Financial income/(expense)	(164)	(164)	-	(161)	(161)	-
Result from investments (**)	25	17	8	34	14	20
Profit/(loss) before taxes	128	87	41	675	565	110
Income taxes	103	90	13	207	167	40
Profit/(loss) for the period	25	(3)	28	468	398	70
Result from intersegment investments	-	28	(2)	-	70	1
Profit/(loss) for the period	25	25	26	468	468	71

(*) Following adoption of the improvement to IAS 16 in 2009, as described in the Notes which follow, amounts for Q3 2008 published in the quarterly report for the period ended 30 September 2008 have been adjusted as follows: a €35 million increase in net revenues (of which €22 million relates to industrial activities), a €36 million increase in the cost of sales (of which €24 million relates to industrial activities) and an increase in other income (net of other expenses) of €1 million (€2 million for industrial activities).

(**) This item includes income from investments as well as impairment (losses)/reversals on non-intersegment investments accounted for under the equity method.

First 9 months

(€ million)	01.01 – 30.09.2009			01.01 – 30.09.2008 (*)		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Net revenues	36,501	35,594	1,098	46,431	45,616	1,125
Cost of sales	31,651	30,994	848	38,621	38,171	760
Selling, general and administrative	3,230	3,108	122	3,985	3,854	131
Research and development	969	969	-	1,147	1,147	-
Other income/(expense)	(81)	(78)	(3)	21	8	13
Trading profit/(loss)	570	445	125	2,699	2,452	247
Gains/(losses) on disposal of investments	2	2	-	3	3	-
Restructuring costs	165	163	2	-	-	-
Other unusual income/(expense)	(111)	(111)	-	14	14	-
Operating profit/(loss)	296	173	123	2,716	2,469	247
Financial income/(expense)	(535)	(535)	-	(602)	(602)	-
Result from investments (**)	(9)	(30)	21	152	93	59
Profit/(loss) before taxes	(248)	(392)	144	2,266	1,960	306
Income taxes	317	274	43	725	645	80
Profit/(loss) for the period	(565)	(666)	101	1,541	1,315	226
Result from intersegment investments	-	101	(7)	-	226	6
Profit/(loss) for the period	(565)	(565)	94	1,541	1,541	232

(*) Following adoption of the improvement to IAS 16 in 2009, as described in the Notes which follow, amounts for the first nine months of 2008 published in the quarterly report for the period ended 30 September 2008 have been adjusted as follows: a €143 million increase in net revenues (of which €99 million relates to industrial activities) and a €143 million increase in the cost of sales (of which €100 million relates to industrial activities). Other income (net of other expenses) for industrial activities increased by €1 million.

(**) This item includes income from investments as well as impairment (losses)/reversals on non-intersegment investments accounted for under the equity method.

Industrial Activities

Net revenues for Industrial Activities for the third quarter of 2009 totalled €11,760 million, down 16.2% over the same period in 2008. The global economic slowdown continued to have a significant impact on demand for all Group businesses. However, the level of decline in some markets was more contained than for the first half of 2009.

For the first nine months of 2009, net revenues decreased 22% to €35,594 million.

Industrial Activities reported a **trading profit** of €275 million for the third quarter, compared to a trading profit of €712 million for the third quarter of 2008. The decrease was principally attributable to the drop in volumes. The impact was partially limited through effective cost containment measures and actions to realign production levels.

Trading profit for the first nine months of 2009 was €445 million, compared with €2,452 million for the same period in 2008.

Industrial Activities reported an **operating profit** of €234 million (€712 million for the third quarter of 2008), including €41 million in net unusual expense, primarily consisting of restructuring charges.

Operating profit for the first nine months was €173 million, down €2,296 million over the €2,469 million profit for the same period in 2008. This decrease reflects the decline in trading profit and higher net unusual expense (+€289 million), attributable primarily to restructuring costs and provisions for residual values on leased vehicles and vehicles in inventory at FGA and Iveco.

Financial Services

For the third quarter of 2009, **net revenues** for Financial Services totalled €357 million, down 8.9% over the same period in 2008.

01.01 – 30.09				3 rd Quarter		
2009	2008 (*)	% change	(€million)	2009	2008 (*)	% change
125	108	15.7	Fiat Group Automobiles	41	44	-6.8
16	8	100.0	Ferrari	5	3	66.7
862	911	-5.4	Agricultural and Construction Equipment (CNH)	276	310	-11.0
98	99	-1.0	Trucks and Commercial Vehicles (Iveco)	35	35	-
(3)	(1)	n.a.	Eliminations	-	-	-
1,098	1,125	-2.4	Total	357	392	-8.9

(*) Following adoption of the improvement to IAS 16 in 2009, as described in the Notes which follow, amounts for Q3 and the first nine months of 2008 for CNH - Case New Holland published in the quarterly report for the period ended 30 September 2008 increased by €13 million and €44 million, respectively.

For the third quarter of 2009, the Financial Services businesses of Fiat Group Automobiles reported €41 million in revenues, a €3 million decrease (-6.8%) primarily attributable to lower business volumes.

Financial Services for the Agricultural and Construction Equipment Sector reported revenues of €276 million, down 11% over the third quarter of 2008 (down 14.8% in US dollar terms) due to lower business volumes.

Iveco Financial Services had revenues of €35 million, in line with the third quarter of 2008. Lower business volumes in Eastern Europe and a decrease in rental activities were offset by an increase in interest income on the lease portfolio, which had grown over the Q3 2008 level.

In the first nine months of 2009, net revenues for Financial Services totalled €1,098 million, a slight decrease (-2.4%) over the €1,125 million figure for the first nine months of 2008.

For the third quarter of 2009, **trading profit** totalled €33 million, down €57 million over the prior year.

01.01 – 30.09				3 rd Quarter		
2009	2008	change	(€ million)	2009	2008	change
25	32	-7	Fiat Group Automobiles	7	11	-4
4	-	4	Ferrari	2	-	2
114	207	-93	Agricultural and Construction Equipment (CNH)	33	78	-45
(17)	8	-25	Trucks and Commercial Vehicles (Iveco)	(9)	1	-10
(1)	-	-1	Eliminations	-	-	-
125	247	-122	Total	33	90	-57

Trading profit for the Financial Services businesses of Fiat Group Automobiles totalled €7 million, a decrease of €4 million over the same period in 2008 which was principally attributable to lower volumes for companies operating in Brazil.

Trading profit for the Financial Services activities of CNH - Case New Holland was €33 million, down €45 million over the €78 million figure for the third quarter of 2008 mainly due to lower business volumes and an increase in provisions for South American operations.

Iveco reported a trading loss of €9 million (€1 million trading profit for the third quarter of 2008) principally due to increased provisions.

For the first nine months of 2009, trading profit for the Financial Services companies totalled €125 million, down €122 million from the €247 million figure for the same period in 2008.

Statement of Financial Position by Activity

(€ million)	30.09.2009			31.12.2008 (*)		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Intangible assets	7,127	7,032	95	7,048	6,950	98
Property, plant and equipment	12,561	12,556	5	12,515	12,509	6
Investment property	-	-	-	-	-	-
Investments and other financial assets	2,179	3,830	989	2,177	3,756	987
Leased assets	436	8	428	505	11	494
Defined benefit plan assets	146	143	3	120	116	4
Deferred tax assets	2,660	2,508	152	2,386	2,225	161
Total Non-current assets	25,109	26,077	1,672	24,751	25,567	1,750
Inventory	9,862	9,739	123	11,438	11,341	97
Trade receivables	4,068	3,998	157	4,390	4,301	235
Receivables from financing activities	12,734	5,713	13,015	13,136	6,448	13,420
Current taxes receivable	1,316	1,302	19	770	761	15
Other current assets	2,178	1,945	273	2,600	2,443	188
Current financial assets:	1,020	874	151	967	908	62
- Current investments	38	38	-	26	26	-
- Other current securities	292	164	128	177	134	43
- Other financial assets	690	672	23	764	748	19
Cash and cash equivalents	8,116	7,109	1,007	3,683	2,604	1,079
Total Current Assets	39,294	30,680	14,745	36,984	28,806	15,096
Assets held for sale	23	20	3	37	30	7
TOTAL ASSETS	64,426	56,777	16,420	61,772	54,403	16,853
Total Assets adjusted for asset-backed financing transactions	57,972	56,066	10,634	55,109	53,734	10,839
Equity	11,064	11,064	2,639	11,101	11,101	2,565
Provisions:	8,090	7,930	160	8,144	7,989	155
- Employee benefits	3,326	3,311	15	3,366	3,351	15
- Other provisions	4,764	4,619	145	4,778	4,638	140
Financial payables:	25,936	18,758	13,172	21,379	14,522	13,590
- Asset-backed financing	6,454	711	5,786	6,663	669	6,014
- Other	19,482	18,047	7,386	14,716	13,853	7,576
Other financial liabilities	595	536	64	1,202	1,078	127
Trade payables	11,660	11,644	108	13,258	13,216	189
Current taxes payable	605	542	68	331	276	55
Deferred tax liabilities	150	144	6	170	169	1
Other current liabilities	6,326	6,159	203	6,185	6,052	169
Liabilities held for sale	-	-	-	2	-	2
TOTAL EQUITY AND LIABILITIES	64,426	56,777	16,420	61,772	54,403	16,853
Total Equity and Liabilities adjusted for asset-backed financing transactions	57,972	56,066	10,634	55,109	53,734	10,839

(*) Following adoption of the improvement to IAS 16 in 2009, as described in the Notes which follow, the amount originally reported for property, plant and equipment at 31 December 2008 was reduced by €92 million (entirely relating to industrial activities) and inventory was increased by the same amount.

Net Debt by Activity

(€ million)	30.09.2009			31.12.2008		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Financial payables	(25,936)	(18,758)	(13,172)	(21,379)	(14,522)	(13,590)
- Asset-backed financing	(6,454)	(711)	(5,786)	(6,663)	(669)	(6,014)
- Other	(19,482)	(18,047)	(7,386)	(14,716)	(13,853)	(7,576)
Current financial receivables from jointly-controlled financial services entities	(a) 10	10	-	3	3	-
Intersegment financial receivables	-	5,507	487	-	6,162	570
Intersegment financial receivables included under Assets held for sale	-	-	-	-	-	1
Financial payables, net of intersegment balances and current financial receivables from jointly controlled financial services entities	(25,926)	(13,241)	(12,685)	(21,376)	(8,357)	(13,019)
Other financial assets	(b) 690	672	23	764	748	19
Other financial liabilities	(b) (595)	(536)	(64)	(1,202)	(1,078)	(127)
Other current securities	292	164	128	177	134	43
Cash and cash equivalents	8,116	7,109	1,007	3,683	2,604	1,079
Net (Debt)/Cash	(17,423)	(5,832)	(11,591)	(17,954)	(5,949)	(12,005)

(a) This item includes current financial amounts receivable from FGA Capital by other companies in the Fiat Group.

(b) Includes assets and liabilities deriving from the fair value recognition of derivative financial instruments.

Financial payables for Industrial Activities consist partially of funding raised by the central treasury to support the activities of the financial services companies (shown under intersegment financial receivables).

Intersegment financial receivables for Financial Services companies, however, represent loans or advances to industrial companies - in relation to receivables sold to financial services companies which do not meet the derecognition requirements of IAS 39 – as well as liquidity temporarily deposited with the central treasury.

At 30 September 2009, Cash and cash equivalents included €472 million relating to Financial Services (€473 million at 31 December 2008) and allocated to debt servicing for securitisation vehicles (included under asset-backed financing).

Net debt for the **Financial Services companies** at 30 September 2009 reflected a decrease of €414 million over 31 December 2008. Cash from operating activities (€229 million) and a decrease in the loan portfolio (€540 million) were partly offset by dividends paid to industrial companies (€136 million) and currency translation differences (€264 million).

Change in Net Industrial Debt

(€ million)	01.01 – 30.09 2009	01.01 – 30.09 2008 (*)
Net industrial debt at beginning of period	(5,949)	355
- Net profit/(loss)	(565)	1,541
- Amortisation and depreciation (net of vehicles sold under buy-back commitments or leased)	2,060	2,100
- Change in provisions for risks and charges and similar	(470)	(449)
Cash from/(used in) operating activities during the period before change in working capital	1,025	3,192
- Change in working capital	864	(2,933)
Cash from/(used in) operating activities	1,889	259
- Investments in property, plant and equipment (net of vehicles sold under buy-back commitments) and intangible assets	(2,147)	(2,728)
Net cash from/(used in) operating activities, net of capital expenditures	(258)	(2,469)
- Change in consolidation scope and similar	479	(448)
Net industrial cash flow	221	(2,917)
- Capital increases, (purchase)/disposal of own shares and dividends	(20)	(770)
- Currency translation differences	(84)	54
Change in net industrial debt	117	(3,633)
Net industrial debt at end of period	(5,832)	(3,278)

(*) Following adoption of the improvement to IAS 16 in 2009, as described in the Notes which follow, the items "Cash used in operating activities" and "Investments in property, plant and equipment (net of vehicles sold under buy-back commitments) and intangible assets" published in the quarterly report for the period ended 30 September 2008 were reduced by €3 million and €4 million, respectively, and "Changes in consolidation scope and similar" was increased by €1 million.

During the first nine months, **net industrial debt** decreased €117 million to €5,832 million.

Operating activities generated €1,889 million in cash for the period, of which €864 million related to working capital released primarily by reductions in inventory levels, while "Change in consolidation scope and similar" was positive (€479 million) and mainly included the impacts from fair value measurement of derivative financial instruments. These positive items more than offset the total absorbed by capital expenditure (€2,147 million), dividend payments and currency translation differences.

Statement of Cash Flows by Activity

(€million)	01.01 – 30.09.2009			01.01 – 30.09.2008 (*)		
	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
A) Cash and cash equivalents at beginning of period (as reported)	3,683	2,604	1,079	6,639	5,546	1,093
Cash and cash equivalents included under Assets held for sale	-	-	-	2	2	-
B) Cash and cash equivalents at beginning of period	3,683	2,604	1,079	6,641	5,548	1,093
C) Net cash from/(used in) operating activities:						
Profit/(loss) for the period	(565)	(565)	94	1,541	1,541	232
Amortisation and depreciation (net of vehicles sold under buy-back commitments or leased)	2,064	2,060	4	2,104	2,100	4
(Gains)/losses on disposal of non-current assets and other non-cash items (a)	88	(138)	132	83	(146)	(3)
Dividends received	26	154	14	77	103	9
Change in provisions	(182)	(165)	(17)	(192)	(179)	(13)
Change in deferred income taxes	(282)	(289)	7	(201)	(238)	37
Changes relating to buy-back commitments (b)	(43)	(34)	(9)	8	12	(4)
Changes relating to operating leases	(18)	2	(20)	(85)	(1)	(84)
Change in working capital	888	864	24	(3,134)	(2,933)	(201)
Total	1,976	1,889	229	201	259	(23)
D) Net cash from/(used in) investing activities:						
Investments in:						
Property, plant and equipment (net of vehicles sold - with buy-back commitments or leased) and intangible assets	(2,149)	(2,147)	(2)	(2,735)	(2,728)	(7)
- Unconsolidated subsidiaries and other investments	(46)	(46)	-	(142)	(147)	-
Proceeds from the sale of non-current assets (net of vehicles sold under buy-back commitments or leased)	73	71	2	176	155	21
Net change in receivables from financing activities	586	46	540	(1,453)	18	(1,471)
Change in other current securities	(100)	(32)	(68)	95	24	71
Other changes	(13)	698	(711)	46	(1,941)	1,987
Total	(1,649)	(1,410)	(239)	(4,013)	(4,619)	601
E) Net cash from/(used in) financing activities:						
Net change in financial payables and other financial assets/liabilities	4,013	4,015	(2)	915	1,806	(891)
Increase in share capital	12	12	-	13	13	5
(Purchase)/disposal of own shares	-	-	-	(238)	(238)	-
Dividends paid	(26)	(32)	(136)	(545)	(545)	(35)
Total	3,999	3,995	(138)	145	1,036	(921)
Currency translation differences	107	31	76	(2)	(6)	4
F) Net change in cash and cash equivalents	4,433	4,505	(72)	(3,669)	(3,330)	(339)
G) Cash and cash equivalents at end of period	8,116	7,109	1,007	2,972	2,218	754
of which: Cash and cash equivalents included under Assets held for sale	-	-	-	-	-	-
H) Cash and cash equivalents at end of period (as reported)	8,116	7,109	1,007	2,972	2,218	754

(*) Some figures for the first nine months of 2008 differ marginally from those published in the quarterly report for the period ended 30 September 2008 as they have been restated to reflect the improvement to IAS 16, as described in the Notes which follow and notes to preceding tables.

(a) For the first nine months of 2009, this item included the reversal of a €87 million gain (€164 million loss for the first nine months of 2008) in the fair value of two stock option-related swaps on Fiat S.p.A. shares.

(b) Cash from vehicles sold under buy-back commitments for the periods shown, net of amounts already recognised through the income statement, is included in a single line item under operating activities which also includes the change in working capital, capital expenditures and depreciation.

Industrial Activities

For the first nine months of 2009, Industrial Activities generated cash and cash equivalents totalling €4,505 million. In particular:

- **Operating activities** generated cash of €1,889 million, due to the €864 million decrease in working capital (on a comparable scope of operations and at constant exchange rates) and €1,025 million in income-related cash inflows (net profit plus amortisation and depreciation), net of gains/losses on disposal and other non-cash items, changes in provisions, deferred taxes and items relating to vehicles sold under buy-back commitments or leased, and dividends received.
- **Investing activities** absorbed a total of €1,410 million in cash primarily related to investments made during the period (€2,193 million, including equity investments) which was partly offset by the sale of non-current assets, for a total of €71 million, and the decrease in funding provided to the Group's financial services companies by central treasury companies (included under other changes).
- **Financing activities** generated €3,995 million in cash, primarily from bonds issued during the third quarter (€3.2 billion), higher net bank loans (which include drawdown on the new 3-year, €1 billion syndicated loan facility and €0.4 billion in financing from the European Investment Bank), net of dividend payments, primarily to holders of Fiat S.p.A. savings shares.

Financial Services

Cash and cash equivalents for Financial Services activities totalled €1,007 million at 30 September 2009, down €72 million over 31 December 2008.

Changes in cash during the first nine months of 2009 were attributable to:

- **Operating activities**, which generated €229 million in cash, principally from income-related cash inflows (net profit plus amortisation and depreciation).
- **Investing activities** (including changes in financial receivables from/payables to industrial companies), which absorbed €239 million in cash. Cash generated from the decrease in the lending portfolio was more than offset by a decrease in funding received from treasury companies (included under other changes).
- **Financing activities**, which absorbed €138 million in cash, almost entirely relating to dividends paid to industrial companies.

* * * * *

Employees

At 30 September 2009, the Group had 189,105 employees, an increase of 181 over the 188,924 figure at 30 June 2009. The change was principally due to an increase in the workforce in Latin America (resulting from an increase in production levels), which was almost entirely offset by decreases in the workforce in most other countries.

The 9,243 unit decrease over year-end (198,348 employees) was attributable to reductions in the workforce in almost all countries where the Group operates due to lower production levels and, therefore, principally affected blue-collar workers.

Significant Events in the Third Quarter

After a two-year absence, Fiat Group reaccessed the debt capital markets. In July and September, Fiat Finance and Trade Ltd. SA issued two bonds under the Global Medium Term Note programme. The first issue of €1,250 million, due in 2012 and paying a fixed coupon of 9%, was priced at 99.367%, with more than €10 billion in demand. The second issue of €1,250 million, due in 2014 and paying a fixed coupon of 7.625%, was priced at 99.498%, with demand at €8 billion.

In August, CNH also completed the issue of \$1 billion in senior notes, due in 2013 with a 7.75% coupon payable semi-annually, at an issue price of 97.062%.

In September, Fiat was included in the Dow Jones Sustainability World and Dow Jones Sustainability STOXX Indexes, in recognition of the fact that sustainability forms an integral, daily part of the Group's way of doing business. The Company received a score of 90/100 compared with an average of 72/100 for all companies in the sector. The DJSI World and DJSI STOXX are two of the most prestigious stock market indexes which only admit companies that are leaders in terms of economic as well as social and environmental performance.

Subsequent Events and Outlook

At the beginning of October, FPT Powertrain Technologies began production of the C635, a new family of transmissions for medium-sized passenger vehicles, at the plant in Verrone, Biella. Once fully operational, the plant will have a production capacity of approximately 800,000 transmissions per year and a total workforce of approximately 1,100 people. This expansion resulted from the letter of understanding signed in 2008 between FPT, the Region of Piedmont, the Province of Biella and the City of Verrone. FPT Powertrain Technologies' investment to set up the new production line, including machinery and R&D costs, will total €500 million.

At the beginning of October, CNH and KAMAZ, a leading global heavy truck manufacturer, signed a heads of agreement in Moscow and announced an industrial and commercial alliance to further strengthen CNH's leading position in Russia's agricultural and construction equipment sector. Under the agreement, the two companies will set up an industrial joint venture whose initial objective will be to locally produce and distribute CNH agricultural and construction equipment in the Russian market. Production is planned to commence in 2010. The two companies will also integrate their respective networks to distribute CNH's entire product range (both locally produced and imported agricultural and construction equipment) in the Russian Federation.

* * * * *

The Group delivered results in the first nine months of 2009 in line with its internal expectations, with the first quarter being characterized by erratic declines in demand, and the second and third showing the full effect of the restructuring and cost containment efforts started in the latter part of 2008.

We expect an improvement in the remainder of the year, as trading conditions stabilize for most of our businesses. We confirm our view that the truck market and the construction equipment business will continue to suffer depressed demand for the whole year.

On the basis of year-to-date results and barring unforeseen systemic shifts in demand, the Group reaffirms the following objectives for 2009 performance:

- Global demand for our products will decline ~20% compared to 2008.
- Group trading profit will be in excess of €1 billion.
- Group net industrial cash flow will be in excess of €1 billion, with net industrial debt below the €5 billion mark.

The Group has undertaken a thorough review of the carrying value of some of its investments in platforms and architectures, especially as they relate to the automobiles business. The strategic alignment of this business with Chrysler Group LLC will undoubtedly offer the opportunity for a significant realignment of the responsibilities for development of segment architectures between the two organizations. As a result of this exercise, the Group may revisit the future viability of some of its past investments, necessitating the write-off, as unusual items, of these legacy investments. These charges, if any, will be determined after the presentation by Chrysler Group LLC of its 5-year plan on November 4th, 2009. They will not have a cash impact.

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.

Interim Consolidated Financial Statements and Notes at 30 September 2009

Consolidated Income Statement

(€ millions)	Note	3 rd Quarter 2009	3 rd Quarter 2008	1/1-30/9 2009	1/1-30/9 2008
Net revenues	(1)	12,049	14,331	36,501	46,431
Cost of sales	(2)	10,367	11,933	31,651	38,621
Selling, general and administrative costs	(3)	1,039	1,278	3,230	3,985
Research and development costs	(4)	308	348	969	1,147
Other income (expenses)	(5)	(27)	30	(81)	21
Trading profit/(loss)		308	802	570	2,699
Gains (losses) on the disposal of investments	(6)	2	1	2	3
Restructuring costs	(7)	31	3	165	-
Other unusual income (expenses)	(8)	(12)	2	(111)	14
Operating profit/(loss)		267	802	296	2,716
Financial income (expenses)	(9)	(164)	(161)	(535)	(602)
Result from investments:	(10)	25	34	(9)	152
- Share of the profit/(loss) of investees accounted for using the equity method		15	35	(22)	138
- Other income (expenses) from investments		10	(1)	13	14
Profit/(loss) before taxes		128	675	(248)	2,266
Income taxes	(11)	103	207	317	725
Profit/(loss) from continuing operations		25	468	(565)	1,541
Profit/(loss) from discontinued operations		-	-	-	-
Profit/(loss) for the period		25	468	(565)	1,541
Profit/(loss) for the period attributable to:					
Owners of the parent		21	440	(557)	1,449
Non-controlling interests		4	28	(8)	92
(in €)					
Basic earnings per ordinary and preference share	(12)	0.017	0.356	(0.450)	1.158
Basic earnings per savings share	(12)	0.017	0.356	(0.450)	1.313
Diluted earnings per ordinary and preference share	(12)	0.017	0.353	(0.450)	1.152
Diluted earnings per savings share	(12)	0.017	0.353	(0.450)	1.307

Statement of Comprehensive Income

(€ millions)	Note	3 rd Quarter 2009	3 rd Quarter 2008	1/1-30/9 2009	1/1-30/9 2008
Profit/(loss) for the period (A)		25	468	(565)	1,541
Gains/(Losses) on cash flow hedges	(23)	221	(228)	327	(208)
Gains/(Losses) on fair value of available-for-sale financial assets	(23)	2	(2)	4	(11)
Gains/(Losses) on exchange differences on translating foreign operations	(23)	63	100	291	102
Share of other comprehensive income of entities consolidated by using the equity method	(23)	(16)	64	(40)	(7)
Income tax relating to components of Other comprehensive income	(23)	(7)	44	(52)	57
Total Other comprehensive income, net of tax (B)		263	(22)	530	(67)
Total Comprehensive income (A)+(B)		288	446	(35)	1,474
Total Comprehensive income attributable to:					
Owners of the parent		287	398	(34)	1,376
Non-controlling interests		1	48	(1)	98

Consolidated Statement of Financial Position

(€ millions)	Note	At 30 September 2009	At 31 December 2008	At 1 January 2008
ASSETS				
Intangible assets	(13)	7,127	7,048	6,523
Property, plant and equipment	(14)	12,561	12,515	11,212
Investment property		-	-	10
Investments and other financial assets:	(15)	2,179	2,177	2,214
- Investments accounted for using the equity method		1,849	1,899	1,930
- Other investments and financial assets		330	278	284
Leased assets	(16)	436	505	396
Defined benefit plan assets		146	120	31
Deferred tax assets	(11)	2,660	2,386	1,892
Total Non-current assets		25,109	24,751	22,278
Inventories	(17)	9,862	11,438	10,024
Trade receivables	(18)	4,068	4,390	4,384
Receivables from financing activities	(18)	12,734	13,136	12,268
Current tax receivables	(18)	1,316	770	1,153
Other current assets	(18)	2,178	2,600	2,291
Current financial assets:		1,020	967	1,016
- Current investments		38	26	22
- Other current securities	(19)	292	177	291
- Other financial assets	(20)	690	764	703
Cash and cash equivalents	(21)	8,116	3,683	6,639
Total Current assets		39,294	36,984	37,775
Assets held for sale	(22)	23	37	83
TOTAL ASSETS		64,426	61,772	60,136
Total assets adjusted for asset-backed financing transactions		57,972	55,109	53,316
EQUITY AND LIABILITIES				
Equity:	(23)	11,064	11,101	11,279
- Issued capital and reserves attributable to owners of the parent		10,310	10,354	10,606
- Non-controlling interests		754	747	673
Provisions:	(24)	8,090	8,144	8,562
- Employee benefits		3,326	3,366	3,597
- Other provisions		4,764	4,778	4,965
Debt:	(25)	25,936	21,379	17,951
- Asset-backed financing		6,454	6,663	6,820
- Other debt		19,482	14,716	11,131
Other financial liabilities	(20)	595	1,202	188
Trade payables	(26)	11,660	13,258	14,725
Current tax payables		605	331	631
Deferred tax liabilities	(11)	150	170	193
Other current liabilities	(27)	6,326	6,185	6,572
Liabilities held for sale	(22)	-	2	35
TOTAL EQUITY AND LIABILITIES		64,426	61,772	60,136
Total equity and liabilities adjusted for asset-backed financing transactions		57,972	55,109	53,316

Consolidated Statement of Cash Flows

(€ millions)	1/1-30/9 2009	1/1-30/9 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	(565)	1,541
Amortisation and depreciation (net of vehicles sold under buy-back commitments and operating lease)	2,064	2,104
(Gains) losses from disposal of non-current assets	(15)	(27)
Other non-cash items (a)	103	110
Dividends received	26	77
Change in provisions	(182)	(192)
Change in deferred income taxes	(282)	(201)
Change in items due to buy-back commitments (b)	(43)	8
Change in operating lease items	(18)	(85)
Change in working capital	888	(3,134)
Total	1,976	201
D) Cash flows from (used in) investment activities:		
Investments in:		
- Property, plant and equipment (net of vehicles sold under buy-back commitment and operating lease) and intangible assets	(2,149)	(2,735)
- Investments in consolidated subsidiaries and other investments	(46)	(142)
Proceeds from the sale of non-current assets (net of vehicles sold under buy-back commitments and operating lease)	73	176
Net change in receivables from financing activities	586	(1,453)
Change in other current securities	(100)	95
Other changes	(13)	46
Total	(1,649)	(4,013)
E) Cash flows from (used in) financing activities:		
Bonds issued	3,232	50
Repayment of bonds	(366)	(83)
Issuance of other medium-term borrowings	2,478	1,242
Repayment of other medium-term borrowings	(1,070)	(876)
Net change in other financial payables and other financial assets/liabilities	(261)	582
Capital increase	12	13
(Buy-back) sale of treasury shares	-	(238)
Dividends paid	(26)	(545)
Total	3,999	145
Translation exchange differences	107	(2)
F) Total change in cash and cash equivalents	4,433	(3,669)
G) Cash and cash equivalents at end of period	8,116	2,972
of which: Cash and cash equivalents included as Assets held for sale	-	-
H) Cash and cash equivalents at end of period as reported	8,116	2,972

(a) In the first nine months of 2009, this item includes the reversal of the positive €87 million arising from the fair value measurement of the equity swaps on Fiat shares (negative for an amount of €164 million in the first nine months 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.

Statement of Changes in Equity

(€ millions)	Share capital	Treasury shares	Capital reserves	Earning reserves	Cash flow hedge reserve	Cumulative translation adjustment reserve	Available for sale financial assets reserve	Cumulative share of OCI of entities consolidated under the equity method	Non-controlling interests	Total
At 1 January 2008	6,377	(419)	682	3,585	125	207	15	34	673	11,279
Changes in equity for 1/1-30/9/2008										
Capital increase	-	-	-	-	-	-	-	-	13	13
Dividends accrued or distributed	-	-	-	(509)	-	-	-	-	(36)	(545)
Buy-back of treasury shares	-	(238)	-	-	-	-	-	-	-	(238)
Increase in the reserve for share based payments	-	-	-	28	-	-	-	-	-	28
Total comprehensive income for the period	-	-	-	1,449	(142)	88	(11)	(8)	98	1,474
Other changes	-	-	-	(1)	-	-	-	-	(9)	(10)
At 30 September 2008	6,377	(657)	682	4,552	(17)	295	4	26	739	12,001

(€ millions)	Share capital	Treasury shares	Capital reserves	Earning reserves	Cash flow hedge reserve	Cumulative translation adjustment reserve	Available for sale financial assets reserve	Cumulative share of OCI of entities consolidated under the equity method	Non-controlling interests	Total
At 1 January 2009	6,377	(657)	682	4,661	(568)	(103)	(1)	(37)	747	11,101
Changes in equity 1/1-30/9/2009										
Dividends distributed	-	-	-	(25)	-	-	-	-	(1)	(26)
Capital increase	-	-	-	-	-	-	-	-	12	12
Increase in the reserve for share based payments	-	-	-	12	-	-	-	-	-	12
Total comprehensive income for the period	-	-	-	(557)	265	291	4	(37)	(1)	(35)
Other changes	-	-	-	3	-	-	-	-	(3)	-
At 30 September 2009	6,377	(657)	682	4,094	(303)	188	3	(74)	754	11,064

Notes

Significant accounting policies

Accounting policies

This Quarterly report have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) endorsed by the European Union. The designation “IFRS” also includes all valid International Accounting Standards (“IAS”), as well as all interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), formerly the Standing Interpretations Committee (“SIC”).

In particular, this Quarterly report have been prepared in accordance with IAS 34 - *Interim Financial Reporting* applying the same accounting principles and policies used in the preparation of the Consolidated financial statements at 31 December 2008, other than those discussed in the following paragraph Accounting principles, amendments and interpretations adopted from 1 January 2009.

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on management’s best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. Reference should be made to the section “Use of estimates” in the consolidated financial statements for the year ended 31 December 2008 for a detailed description of the more significant valuation procedures used by the Group.

Moreover, these valuation procedures, in particular those of a more complex nature regarding matters such as any impairment of non-current assets, are only carried out in full during the preparation of the annual financial statements, when all the information required is available, other than in the event that there are indications of impairment, when an immediate assessment is necessary. In the same way the actuarial valuations that are required for the determination of employee benefit provisions are also usually only carried out during the preparation of the annual financial statements.

Income taxes are recognised based upon the best estimate of the weighted average income tax rate expected for the full financial year.

Accounting principles, amendments and interpretations adopted from 1 January 2009

The Group has applied the following Standards, amendments and interpretations, which include those revised in conjunction with the IASB’s 2008 annual improvements project, since 1 January 2009.

IAS 1 Revised – *Presentation of Financial Statements*

The revised version of IAS 1 - *Presentation of Financial Statements* does not permit the presentation of components of comprehensive income (that is “non-owner changes in equity”) in the statement of changes in equity, requiring these to be presented separately from owner changes in equity. Under the revised standard, all non-owner changes in equity are required to be shown in one statement showing performance for the period (a statement of comprehensive income) or in two statements (an income statement and a statement of comprehensive income). These changes are also required to be shown separately in the Statement of changes in equity.

The Group has adopted the revised standard retrospectively from 1 January 2009, electing to present both the Income statement and the Statement of comprehensive income and has consequently amended the presentation of the Statement of changes in equity.

In addition, as part of its 2008 annual improvements project, the IASB published an amendment to the revised version of IAS 1 which requires an entity to classify hedging derivative financial instruments between current and non-current assets

and liabilities in the Statement of financial position. Adopting this amendment did not lead to any effect on the presentation of derivative financial instruments in the Statement of financial position as the Group uses the mixed current/non-current distinction format for presentation that is permitted by IAS 1.

IAS 23 Revised – Borrowing Costs

The revised version of the standard removes the option previously available, and selected by the Group until 31 December 2008, of immediately recognising as an expense borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale (*qualifying assets*). As part of its 2008 annual improvements project the IASB also published an amendment to IAS 23 (Revised) in order to revise the definition of the borrowing costs to be capitalised.

In accordance with the transition rules, the Group adopted the revised standard prospectively from 1 January 2009, capitalising borrowing costs directly attributable to the acquisition, construction or production of qualifying assets for which it incurs expenditures, incurs borrowing costs or undertakes activities that are necessary to prepare the asset for its intended use or sale from 1 January 2009. No significant accounting effects arose in the third quarter of 2009 and in the first nine months of 2009 from adopting the revised standard.

Amendment to IFRS 2 - Share-based Payment: Vesting Conditions and Cancellations

The amendment to IFRS 2 - *Share-based Payment: Vesting Conditions and Cancellations* clarifies that for the purpose of measuring share-based payments, only service conditions and performance conditions may be considered vesting conditions. Any other clauses shall be considered non-vesting conditions and included in the determination of fair value at the grant date. The amendment also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment.

The Group retrospectively adopted the amendment from 1 January 2009; no effects arose from first-time adoption because the share-based payments outstanding within the Group and not fully vested do not provide for vesting conditions different from performance conditions and service conditions as defined by the amendment and because no awards were cancelled during the period.

Improvement to IAS 16 – Property, Plant and Equipment

The improvement to IAS 16 – *Property, Plant and Equipment* requires an entity that in the course of its ordinary activities routinely sells items of property, plant and equipment that it has held for rental to others, to transfer such assets to inventories when they cease to be rented and become held for sale. As a consequence, the proceeds from the sale of such assets shall be recognised as revenue. Payments made to manufacture or acquire assets held for rental to others or those received from the subsequent sale of such assets are considered to arise from operating activities for the purposes of the Statement of cash flows.

Until 31 December 2008 the Group classified as inventories leased assets that ceased to be rented under operating leases and were held for sale. When these assets were sold on a final basis, however, the Group recognised any gains or losses on disposal as other income (expenses). Additionally, in the cash flow statement the Group classified cash flows arising from the manufacture, acquisition or disposal of the assets held for rental under operating leases as cash flows from (used in) investment activities. The Group also followed the accounting treatment used for leased assets for assets of the Trucks and Commercial Vehicles sector sold under a buy-back agreement; at the end of the buy-back agreement term, however, these assets remained classified as property, plant and equipment and any gains or losses on disposal were recognised as other income (expenses). Cash flows arising from these assets were classified as cash flows from (used in) operating activities in the Statement of cash flows.

The Group adopted the amendment to IAS 16 retrospectively on 1 January 2009. As the method of measuring leased assets and assets sold under buy-back agreements was the same as that used for measuring inventory, the application of the new accounting treatment did not lead to any effect on equity at 1 January 2008 or 31 December 2008, and on the profit of 2008. Applying the amendment did however require certain items in the Statement of financial positions at 1 January 2008 and 31 December 2008 to be reclassified and certain items in the Income statement for the third quarter of 2008 and the first nine months of 2008 and the Statement of cash flows for the first nine months of 2008 presented as comparative to be recalculated.

In further detail, the effects arising on the Statement of financial position presented for comparative purposes are as follows:

(€ million)	At 1 January 2008	At 31 December 2008
Property, plant and equipment		
As previously reported	11,246	12,607
Reclassification to Inventory for assets sold under buy-back agreements and held for sale	(34)	(92)
Amount after the reclassification	11,212	12,515

(€ million)	At 1 January 2008	At 31 December 2008
Inventory		
As previously reported	9,990	11,346
Reclassification from property, plant and equipment for assets sold under buy-back agreements and held for sale	34	92
Amount after the reclassification	10,024	11,438

The effects on the Income statement presented for comparative purposes are as follows:

(€ million)	3 rd Quarter 2008	1/1-30/9 2008
Net revenues		
As previously reported	14,296	46,288
Recognition of the proceeds from the sale of assets under buy-back agreements and leased assets	35	143
Amount as restated	14,331	46,431

(€ million)	3 rd Quarter 2008	1/1-30/9 2008
Cost of sales		
As previously reported	11,897	38,478
Change in Inventory for assets sold under buy-back agreements and leased assets	36	143
Amount as restated	11,933	38,621

(€ million)	3 rd Quarter 2008	1/1-30/9 2008
Other income (expenses)		
As previously reported	29	21
Reversal of gains from the sale of assets under buy-back agreement and leased assets	(4)	(16)
Reversal of losses from the sale of assets under buy-back agreement and leased assets	5	16
Amount as restated	30	21

The effects on the Statement of cash flows presented as comparative figures are as follows:

(€ million)	1/1-30/9 2008
Cash flows from (used in) operating activities	
As previously reported	340
Reclassification from Cash flows from (used in) investment activities	(139)
Amount after the reclassification	201

(€ million)	1/1-30/9 2008
Cash flows from (used in) investment activities	
As previously reported	(4,152)
Reclassification to Cash flows from (used in) operating activities	139
Amount after the reclassification	(4,013)

Improvement to IAS 19 – Employee Benefits

The improvement to IAS 19 – *Employee Benefits* clarifies the definition of positive/negative past service costs and states that in the case of a curtailment, only the effect of the reduction for future service shall be recognised immediately in the income statement, while the effect arising from past service periods shall be considered a negative past service cost. This amendment is applicable prospectively to changes to plans occurring on or after 1 January 2009, but there was no significant accounting effect at 30 September 2009 for the Group following the adoption.

The amendment also revises the definition of the return on plan assets, stating that this amount should be stated net of any costs for administering the plan (other than those included in the measurement of the defined benefit obligation) and clarifies the definition of short-term employee benefits and other long-term employee benefits. The Group adopted this amendment retrospectively from 1 January 2009 for the definitions of return on plan assets and short-term and long-term employee benefits, although no effects arose as the Group's accounting treatment of these items was already consistent with the requirements of the amendment.

Improvement to IAS 20 – Government Grants and Disclosure of Government Assistance

The improvement to IAS 20 – *Government Grants and Disclosure of Government Assistance* requires the benefit of a government loan at a below-market rate of interest to be treated as a government grant and then accounted for in accordance with IAS 20. The previous version of IAS 20 required no benefits to be separately recognised in the case of a government loan received as a grant at a below-market rate of interest; the Group accordingly recognised loans at the amount of the proceeds received and recognised the lower interest expense on such loans directly in income statement as financial income (expenses).

In accordance with the transition rules, the Group adopted the improvement on 1 January 2009 to government loans obtained on or after that date at below-market rates. For such loans, on disbursement the Group recognises the loan at its fair value and deferred income for the amount corresponding to the benefit yet to be received of obtaining the loan at a below-market interest rate (namely the grant, the difference between the fair value of the loan and the amount received). This benefit is then recognised in income when and only when all conditions for the grant to be recognised are satisfied, on a systematic basis over the periods necessary to match the income with the costs which it is intended to offset. No significant accounting effects arose at 30 September 2009 from adopting the improvement.

Improvement to IAS 28 – Investments in Associates

The improvement to IAS 28 – *Investments in Associates* requires that for investments accounted for using the equity method a recognised impairment loss should not be allocated to any asset (and in particular goodwill) that forms part of the carrying amount of the investment in the associate, but to the carrying amount of the investment overall. Accordingly any reversal of that impairment loss is recognised in full.

In accordance with the transition rules, the Group elected to apply the amendment prospectively to reversals recognised from 1 January 2009, although no effects arose from its adoption as the Group did not recognise any reversal of impairment losses on goodwill that formed part of the carrying amount of the investment during the period.

This amendment also leads to changes in certain disclosures relating to investments in associates and joint ventures measured at fair value in accordance with IAS 39, at the same time amending also IAS 31 - *Interests in Joint Ventures*, IFRS 7 - *Financial Instruments - Disclosures* and IAS 32 - *Financial Instruments - Presentation*. These changes regard circumstances that were not present in the Group at the date of this Quarterly report.

Improvement to IAS 38 – Intangible Assets

The improvement to IAS 38 – *Intangible Assets* requires expenditure on advertising and promotional activities to be recognised as an expense. Further, in the case expenditure is incurred to provide future economic benefits to an entity but no intangible asset is recognised, an entity shall recognise the expenditure as an expense when it has the right to access the goods in the case of the supply of goods or when it receives the services in the case of the supply of services. The standard has also been amended in order to allow entities to use the unit of production method for determining the amortisation charge for an intangible asset with a finite useful life.

The Group adopted the amendment to IAS retrospectively on 1 January 2009, although adoption had no effect on the Group's financial statements as the Group already recognised such expenditure as an expense. In connection with the

possibility of using the unit of production method for determining the amortisation charge for an intangible asset with a finite useful life, the Group amortises these assets on the straight-line-basis.

Amendments and interpretations effective from 1 January 2009 but not applicable to the Group

The following amendments, improvements and interpretations have also been issued and are effective from 1 January 2009, relating to matters that were not applicable to the Group at the date of this Quarterly report:

- Amendments to IAS 32 – *Financial Instruments: Presentation* and IAS 1 – *Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation*.
- Improvement to IAS 29 – *Financial Reporting in Hyperinflationary Economies*.
- Improvement to IAS 36 – *Impairment of Assets*.
- Improvement to IAS 39 – *Financial Instruments: Recognition and Measurement*.
- Improvement to IAS 40 – *Investment Property*.
- IFRIC 13 – *Customer Loyalty Programmes*.
- IFRIC 15 – *Agreements for the Construction of Real Estate*.
- IFRIC 16 – *Hedges of a Net Investment in a Foreign Operation*.

Accounting principles, amendments and interpretations not yet applicable and not early adopted by the Group

On 10 January 2008 the IASB issued a revised version of IFRS 3 – *Business Combinations* and an amended version of IAS 27 - *Consolidated and Separate Financial Statements*. The main changes that revised IFRS 3 makes to existing requirements are the elimination of the need to measure every asset and liability at fair value at each stage in a step acquisition of subsidiaries. Goodwill is only to be measured on acquiring control, as the difference at acquisition date between the value of any investment in the business held before the acquisition, the consideration transferred and the net assets acquired. Moreover, for a business combination in which the acquirer achieves control without purchasing all of the acquiree, the remaining (non-controlling) equity interests are measured either at fair value or by using the method already provided previously in IFRS 3. The revised IFRS 3 also requires acquisition-related costs to be recognised as expenses and the acquirer to recognise the obligation to make an additional payment as part of the business combination (contingent consideration). In the amended version of IAS 27, the IASB has added a requirement specifying that changes in a parent's interest in a subsidiary that do not result in the loss of control must be accounted for as equity transactions and recognised within equity. Moreover, when a parent loses control of a subsidiary but retains an ownership interest it must initially measure any retained investment at fair value. At the date when control is lost, the difference between the fair value and the carrying amount of the retained interest must be recognised in income statement. Finally, the amendment to IAS 27 requires losses pertaining to non-controlling interests to be allocated to non-controlling interest equity, even if this results in the non-controlling interest having a deficit balance. The new rules will apply prospectively from 1 January 2010.

As part of its 2008 annual improvements project, the IASB issued an amendment to IFRS 5 – *Non-Current Assets Held for Sale and Discontinued Operations*. This amendment, to be applied prospectively from 1 January 2010, requires an entity that is committed to a sale plan involving loss of control of a subsidiary to classify all the assets and liabilities of that subsidiary as held for sale, regardless of whether the entity will retain a non-controlling interest in its former subsidiary after the sale.

On 31 July 2008 the IASB issued an amendment to IAS 39 – *Financial Instruments: Recognition and Measurement* which is to be applied retrospectively from 1 January 2010. The amendment clarifies how existing principles determining whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. When applied this amendment will not lead to significant effects on the Group's financial statements.

On 27 November 2008 the IFRIC issued interpretation IFRIC 17 – *Distributions of Non-cash Assets to Owners* that will standardise practice in the accounting treatment of the distribution of non-cash assets to owners. In particular, the interpretation clarifies that a dividend payable should be recognised when the dividend is appropriately authorised and that an entity should measure this dividend payable at the fair value of the net assets to be distributed. Finally, an entity should recognise the difference between the dividend paid and the carrying amount of the net assets used for payment in income statement. The interpretation is effective prospectively from 1 January 2010; the European Union had not yet endorsed the interpretation at the date of this Quarterly report.

On 29 January 2009 the IFRIC issued the interpretation IFRIC 18 – *Transfers of Assets from Customers* that clarifies the accounting treatment to be followed for agreements in which an entity receives from a customer an item of property, plant and equipment that the entity must then use either to connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services (such as a supply of electricity, gas or water). In some cases, the entity receives cash from a customer which will then be used to acquire or construct the item of property, plant and equipment to be used to fulfil the requirements of the contract. The interpretation is effective prospectively from 1 January 2010; the European Union had not yet endorsed the interpretation at the date of this Quarterly report.

On 5 March 2009 the IASB issued an amendment to IFRS 7 - *Improving Disclosures about Financial Instruments* to improve the disclosure requirements for fair value measurements and reinforce existing principles for disclosures concerning the liquidity risk associated with financial instruments. The amendment is effective from 1 January 2009; the European Union had not yet endorsed the amendment at the date of this Quarterly report.

On 12 March 2009 the IASB issued amendments to IFRIC 9 – *Reassessment of Embedded Derivatives* and to IAS 39 – *Financial Instruments: Recognition and Measurement* that allow entities to reclassify certain financial instruments out of the 'fair value through profit or loss' category in specific circumstances. The amendments clarify that on the reclassification of a financial asset out of the 'fair value through profit or loss' category all embedded derivatives have to be assessed and, if necessary, separately accounted for in the financial statements. The amendments are effective retrospectively from 31 December 2009; at the date of this Quarterly report the European Union had yet to complete the endorsement process required for the amendments to be applicable.

On 16 April 2009 the IASB issued a series of amendments to IFRS (Improvements to IFRSs). Details are provided in the following paragraphs of those identified by the IASB as resulting in accounting changes for presentation, recognition and measurement purposes, leaving out any amendments regarding changes in terminology or editorial changes which are likely to have minimal effects on accounting and amended standards or interpretations not applicable to the Fiat Group:

- IFRS 2 – *Share-based Payment*: this amendment, applicable from 1 January 2010 (with early application permitted), clarifies that following the change made by IFRS 3 to the definition of a business combination, the contribution of a business on the formation of a joint venture and the combination of entities or businesses under common control do not fall within the scope of IFRS 2.
- IFRS 5 – *Non-current Assets held for sale and Discontinued Operations*: this amendment, which shall be applied prospectively from 1 January 2010, clarifies that IFRS 5 and other IFRSs that specifically refer to non-current assets (or disposal groups) classified as held for sale or discontinued operations set out all the disclosures required in respect of those assets or operations.
- IFRS 8 – *Operating Segments*: this amendment, effective from 1 January 2010 (with early application permitted), requires an entity to report a measure of total assets for each reportable segment if such amount is regularly provided to the chief operating decision maker. Before the amendment, disclosure of total assets for each segment was required even if that condition was not met.
- IAS 1 – *Presentation of Financial Statements*: this amendment, effective from 1 January 2010, amends the definition of a current liability contained in IAS 1. The previous definition required liabilities which could be extinguished at any time by issuing equity instruments to be classified as current. That led to liabilities relating to convertible bonds which could be converted at any time into the shares of the issuer to be classified as current. Following this amendment the existence of a currently exercisable option for conversion into equity instruments becomes irrelevant for the purposes of the current/non-current classification of a liability.
- IAS 7 – *Statement of Cash Flows*: this amendment, applicable from 1 January 2010 (with early application permitted), clarifies that only expenditures that result in a recognised asset in the statement of financial position are eligible for

classification as investing activities in the statement of cash flows; cash flows originating from expenditures that do not result in a recognised asset (as could be the case for advertising and promotional activities and staff training) must be classified as cash flows from operating activities.

■ IAS 17 – *Leases*: following the changes, the general conditions required by IAS 17 for classifying a lease as a finance lease or an operating lease will also be applicable to the leasing of land, independent of whether the lease transfers ownership by the end of the lease term. Before these changes the standard required the lease to be classified as an operating lease if ownership of the leased land was not transferred at the end of the lease term because land has an indefinite useful life. The amendment is applicable from 1 January 2010. At the date of adoption the classification of all land elements of unexpired leases must be reassessed, with any lease newly classified as a finance lease to be recognised retrospectively.

■ IAS 36 – *Impairment of Assets*: this amendment, applicable prospectively from 1 January 2010, states that each unit or group of units to which goodwill is allocated for the purpose of impairment testing shall not be larger than an operating segment as defined by paragraph 5 of IFRS 8 before any aggregation on the basis of similar economic characteristics and other similarities as permitted by paragraph 12 of IFRS 8.

■ IAS 38 – *Intangible Assets*: IFRS 3 (as revised in 2008) states that if an intangible asset acquired in a business combination is separable or arises from contractual or other legal rights, sufficient information exists to measure its fair value reliably; amendments are made to IAS 38 to reflect that revision of IFRS 3. Moreover these amendments clarify the valuation techniques commonly used to measure intangible assets at fair value when assets are not traded in an active market; in particular, such techniques include discounting the estimated future net cash flows from an asset, and estimating the costs the entity avoids by owning an intangible asset and not having to license it from another party in an arm's length transaction or the costs to recreate or replace it (as in the cost approach). The amendment is applicable prospectively from 1 January 2010; if an entity applies the revised IFRS 3 for an earlier period it shall also apply this amendment to IAS 38.

■ IAS 39 – *Financial Instruments: Recognition and Measurement*: this amendment restricts the non-applicability of IAS 39 under paragraph 2(g) of the standard to forward contracts between an acquirer and a selling shareholder to buy or sell an acquiree in a business combination at a future acquisition date when the completion of the business combination is not dependant on further actions of either party and only the passage of a normal period of time is required. Option contracts, whether or not currently exercisable, which allow one party to control the occurrence or non-occurrence of future events and on exercise will result in control of an entity are therefore included in the scope of IAS 39. The amendment also clarifies that embedded prepayment options whose exercise price compensates the lender for the loss of interest income resulting from the prepayment of the loan shall be considered closely related to the host debt contract and therefore not accounted for separately. Finally, the amendment clarifies that the gains or losses on a hedged instrument must be reclassified from equity to profit or loss during the period that the hedged forecast cash flows affect profit or loss. The amendment is applicable prospectively from 1 January 2010 although early application is permitted.

■ IFRIC 9 – *Reassessment of Embedded Derivatives*: this amendment excludes from the scope of IFRIC 9 embedded derivatives in contracts acquired in a business combination, a combination of entities or businesses under common control or the formation of a joint venture. The amendment is applicable prospectively from 1 January 2010.

These revised standards had not yet been endorsed by the European Union at the date of this Quarterly report.

In June 2009, the IASB issued an amendment to IFRS 2 – *Share based payment: Group Cash-settled Share-based Payment transactions*. The amendment clarifies the scope of IFRS 2 and the interactions of IFRS 2 and other standards. In particular, it clarifies that an entity that receives goods or services in a share-based payment arrangement must account for those goods or services no matter which entity in the group settles the transaction, and no matter whether the transaction is settled in shares or cash; moreover, it clarifies that a 'group' has the same meaning as in IAS 27 - *Consolidated and Separate Financial Statements*, that is, it includes only a parent and its subsidiaries. In addition, the amendment clarifies that an entity must measure the goods or services it received as either an equity-settled or a cash-settled share-based payment transaction assessed from its own perspective, which may not always be the same as the amount recognised by the consolidated group. The amendments also incorporate guidance previously included in IFRIC 8 - *Scope of IFRS 2* and IFRIC 11 - *IFRS 2 - Group and Treasury Share Transactions*. As a result, the IASB has withdrawn IFRIC 8 and IFRIC 11. The amendment is effective from 1 January 2010; the European Union had not yet endorsed the amendment at the date of this Quarterly report.

On 8 October 2009, the IASB amended the IAS 32 – *Financial Instruments: Presentation* in order to address the accounting for rights issues (rights, options or warrants) that are denominated in a currency other than the functional currency of the issuer. Previously such rights issues were accounted for as derivative liabilities. However, the amendment requires that, provided certain conditions are met, such rights issues are classified as equity regardless of the currency in which the exercise price is denominated. The amendment is effective from 1 February 2010; the European Union had not yet endorsed the amendment at the date of this Quarterly report.

For completeness, in 2009 the IASB has issued the following standards and amendments which do not apply to the Fiat Group:

- IFRS for SMEs – *International Financial Reporting Standards (IFRS) for Small and Medium-sized Entities (SMEs)*.
- Amendment to IFRS 1 – *First-time Adoption of International Financial Reporting Standards*.

Scope of consolidation

No significant changes in the scope of consolidation took place during the nine months of 2009 with respect to the consolidated financial statements at 31 December 2008

Chrysler transaction

As stated in the 2009 Half-yearly Financial Report, on 10 June 2009 Fiat Group acquired, without cash consideration, an initial 20% interest in Chrysler Group LLC which, in accordance with IAS 28 - *Investments in Associates*, will be accounted for using the equity method. Fiat is also entitled to receive a further 15% interest in Chrysler (both by value and voting rights), on a fully diluted basis. This further interest will be granted to Fiat (with no cash consideration required) in three tranches of 5% each, subject to certain pre-established industrial and commercial targets being achieved. Should one or more of those targets not be reached, Fiat shall, in any event, have the option to purchase, at a price determined using a pre-established market-based formula, the percentage interest corresponding to the objective(s) not reached.

As part of the transaction, the Fiat Group has transferred specific technologies to the new Chrysler Group in the form of licenses for the NAFTA area. An unusual gain arose in relation to the transfer, accounted for at fair value, with counter entries being made, of equal value, in part for the cost of the equity interest acquired and the initial value of the option for the further 15%, after offsetting the total portion of the gain (35%) not realised with third parties. Additionally, pursuant to IFRS the residual portion of that gain (65%) must be considered unrealised as it is not currently possible to estimate when the economic benefits of the transaction will flow to the Fiat Group. In fact, Chrysler may only distribute dividends after the loans from the US Treasury and the Canadian government have been fully repaid. This portion of the gain was, therefore, also written off immediately against the carrying amount of the initial interest acquired and the options referred to above and, as a result, are valued in the accounts at zero.

For completeness, it should also be noted that, pursuant to Paragraphs 29 and 30 of IAS 28, the Fiat Group is not required to recognise any portion of future losses which the associate may incur since, while the investee remains an associate carried at zero in the balance sheet, it has no obligation to cover such losses. For any profit subsequently reported by Chrysler, the Fiat Group may only recognise the portion of profit which is in excess of losses not recognised in prior periods.

Finally, Fiat Group has the option to purchase a further 16% (exercisable from 1 January 2013 to 30 June 2016). The purchase price is to be determined using a pre-established market-based formula. This option may not be exercised until total loans outstanding from the US Treasury and the Canadian government fall below USD 3 billion. In addition, Fiat's equity interest in Chrysler may in any case not exceed 49% until the loans from the US Treasury and Canadian government have been entirely repaid. This option, whose exercise price is not fixed but rather must be equivalent to the fair value of the underlying asset at exercise, is recognised in the balance sheet on a fair value basis at zero.

Other information

Other sections of this Report provide information on significant events occurring since the end of the first nine months of 2009 and business outlook.

Composition and principal changes

Income Statement

1. Net revenues

An analysis of Net revenues (net of intra-Group transactions) by business Sector is as follows:

(€ millions)	3 rd Quarter 2009	3 rd Quarter 2008	1/1-30/9/2009	1/1-30/9/2008
Fiat Group Automobiles	6,483	6,568	18,884	21,031
Maserati	86	169	290	522
Ferrari	387	428	1,254	1,351
Agricultural and Construction Equipment	2,267	3,122	7,718	9,724
Trucks and Commercial Vehicles	1,695	2,408	4,966	8,441
FPT Powertrain Technologies	188	328	575	1,230
Components	649	792	1,858	2,594
Metallurgical Products	91	152	246	446
Production Systems	101	212	347	540
Other operating Sectors	102	152	363	552
Total Net revenues	12,049	14,331	36,501	46,431

2. Cost of sales

Cost of sales comprises the following:

(€ millions)	3 rd Quarter 2009	3 rd Quarter 2008	1/1-30/9/2009	1/1-30/9/2008
Interest cost and other financial charges from financial services companies	202	196	609	571
Other cost of sales	10,165	11,737	31,042	38,050
Cost of sales	10,367	11,933	31,651	38,621

3. Selling, general and administrative costs

Selling costs amount to €580 million and €1,860 million in the third quarter of 2009 and in the first nine months of 2009, respectively (€703 million and €2,249 million in the third quarter of 2008 and in the first nine months of 2008, respectively) and comprise mainly marketing, advertising and sales personnel costs.

General and administrative costs amount to €459 million and €1,370 million in the third quarter of 2009 and in the first nine months of 2009, respectively (€575 million and €1,736 million in the third quarter of 2008 and in the first nine months of 2008, respectively) and comprise mainly expenses for administration which are not attributable to sales, production and research and development functions.

4. Research and development costs

In the third quarter of 2009, research and development costs of €308 million (€348 million in the third quarter of 2008) comprise all research and development costs not recognized as assets amounting to €129 million (€140 million in the third quarter of 2008), the write-downs of any costs previously capitalized (zero in the third quarter of 2009 and €6 million in the third quarter of 2008), and the amortization of capitalized development costs of €179 million (€202 million in the third quarter of 2008). During the period the Group incurred new expenditure for capitalized development costs of €238 million (€285 million in the third quarter of 2008).

In the first nine months of 2009, research and development costs of €969 million (€1,147 million in the first nine months of 2008) comprise all research and development costs not recognized as assets amounting to €422 million (€567 million in the first nine months of 2008), the write-downs of any costs previously capitalized for €3 million (€6 million in the first nine months of 2008) and the amortization of capitalized development costs of €544 million (€574 million in the first nine months of 2008). During the period the Group incurred new expenditure for capitalized development costs of €717 million (€767 million in the first nine months of 2008).

5. Other income (expenses)

Other expenses amounts to €27 million and €81 million in the third quarter of 2009 and in the first nine months of 2009, respectively (other income of €30 million and of €21 million in the third quarter 2008 and in the first nine months of 2008, respectively) and consists of trading income which is not attributable to the typical sales and services operations of the Group, such as income from the sale of licenses and know-how, net of miscellaneous operating costs not ascribable to specific functional areas, such as post employment benefits for retired former employees (health care costs), indirect taxes and duties, and accruals to miscellaneous provisions.

6. Gains (losses) on the disposal of investments

This item, amounting to €2 million euros in the third quarter of 2009 (€1 million in the third quarter of 2008) and €2 million in the first nine months of 2009 (a gain of €3 million in the first nine months of 2008), consists of the net gains or losses realised on the sale of certain minority holdings.

7. Restructuring costs

Restructuring costs amount to €31 million for the third quarter of 2009 (€3 million in the third quarter of 2008), mainly relating to Fiat Group Automobiles, Iveco and FPT Powertrain Technologies.

The net balance of this item for the first nine months of 2009 amounts to €165 million (zero in the first nine months of 2008).

8. Other unusual income (expenses)

In the third quarter of 2009 this item results in a net expense of €12 million (net gain of €2 million in the third quarter of 2008) mainly relating to further exceptional additional costs incurred by Iveco as a consequence of the sudden serious crisis in the world automotive market, to provide mainly against the risks of vehicles included in stocks.

In the first nine months of 2009 this item results in a net expense of €111 million, mainly from the above mentioned provisions against residual value made by FGA and Iveco. In the first nine months of 2008, this item resulted in a net gain of €14 million, mainly relating to the release to income of provisions no longer required.

9. Financial income (expenses)

In addition to the items included in the specific line of the income statement, Net financial income (expenses) also includes the income from financial services companies included in Net revenues for €221 million and €701 million in the third quarter of 2009 and in the first nine months of 2009, respectively (€244 million and €712 million in the third quarter of 2008 and in the first nine months of 2008, respectively) and the costs incurred by financial services companies included in Interest cost and other financial charges from financial services companies included in Cost of sales for €202 million and €609 million in the third quarter of 2009 and in the first nine months of 2009, respectively (€196 million and €571 million in the third quarter of 2008 and in the first nine months of 2008, respectively). Reconciliation to the income statement is provided at the foot of each column of the following table.

(€ millions)	3 rd Quarter 2009	3 rd Quarter 2008	1/1-30/9/2009	1/1-30/9/2008
Financial income				
Interest earned and other financial income	33	58	113	191
Interest income from customers and other financial income of financial services companies	221	244	701	712
Gains on disposal of securities	3	-	5	1
Total financial income	257	302	819	904
of which:				
Financial income, excluding financial services companies	36	58	118	192
Interest and other financial expenses				
Interest expense and other financial expenses	364	342	1,021	1,024
Write-downs of financial assets	46	22	147	71
Losses on disposal of securities	2	2	11	4
Interest costs on employee benefits	40	37	121	111
Total interest and other financial expenses	452	403	1,300	1,210
Net income (expenses) from derivative financial instruments and exchange losses	50	(12)	38	(155)
Interest and other financial expenses, effects resulting from derivative financial instruments and exchange differences, excluding financial services companies	200	219	653	794
Net financial income (expenses) excluding financial services companies	(164)	(161)	(535)	(602)

Net financial expenses for the third quarter of 2009 and the first nine months of 2009, excluding those of the financial services companies, amounted to €164 million and €535 million respectively and include financial income of €34 million in the third quarter of 2009 and of €87 million in the first nine months of 2009 arising from the fair value measurement of the equity swaps on Fiat S.p.A. ordinary shares, carried out to support certain stock options plans. Net financial expenses of €161 million for the third quarter of 2008 and of €602 million in the first nine months of 2008 included net financial expenses of €22 million and of €164 million, respectively, arising from these equity swaps.

10. Result from investments

The item includes the Group's interest in the net income or loss of the companies accounted for using the equity method for an amount equal to €15 million and €22 million in the third quarter of 2009 and in the first nine months of 2009, respectively (€35 million and €138 million in the corresponding periods of 2008); the item additionally includes the write-downs connected with the impairment loss of financial assets and any reversal, the write-downs of investments classified

as available-for-sale, accruals to provisions against investments, income and expense arising from the adjustment to fair value of investments in other entities held for trading and dividend income.

The Result from investments in the third quarter of 2009 is a profit amounting to €25 million (a profit of €34 million in the third quarter of 2008) and consists of (amounts € millions): Fiat Group Automobiles Sector entities 44 (22 in the third quarter of 2008); entities of Agricultural and Construction equipment Sector -1 (11 in the third quarter of 2008), Trucks and Commercial Vehicles Sector Companies -8 (4 in the third quarter of 2008) and other companies -10 (-3 in the third quarter of 2008).

The Result from investments in the first nine months of 2009 is a loss amounting to €9 million (a profit of €152 million in the first nine months of 2008) and consists of (amounts € millions): Fiat Group Automobiles Sector entities 49 (89 in the first nine months of 2008); entities of Agricultural and Construction equipment Sector -25 (38 in the first nine months of 2008), Trucks and Commercial Vehicles Sector Companies -19 (22 in the first nine months of 2008) and other companies -14 (3 in the first nine months of 2008). More specifically, in the first nine months of 2008 the amount relating to the Trucks and Commercial Vehicles Sector included €9 million arising from the partial release to income of a provision for risks no longer existing in connection with a Chinese investee.

11. Income taxes

Income taxes consist of the following:

(€ millions)	3 rd Quarter 2009	3 rd Quarter 2008	1/1-30/9/2009	1/1-30/9/2008
Current taxes:				
- IRAP	14	15	89	97
- Other taxes	179	267	513	815
Total current taxes	193	282	602	912
Deferred taxes for the period	(92)	(93)	(283)	(195)
Taxes relating to prior periods	2	18	(2)	8
Total Income taxes	103	207	317	725

The decrease in the charge for current taxes in the third quarter of 2009 and in first nine months of 2009 with respect to the same periods of 2008 is due mainly to the decrease in the results of foreign Group companies. Deferred tax income for the third quarter of 2009 is in line with that for the corresponding period of 2008; the increase in the first nine months of 2009 is mainly due to the rise in the release of deferred tax liabilities and the recognition of additional deferred tax assets.

Net deferred tax assets at 30 September 2009 consist of deferred tax assets, net of deferred tax liabilities that have been offset where permissible by the individual companies. The net balance of Deferred tax assets and Deferred tax liabilities may be analyzed as follows:

(€ millions)	At 30 September 2009	At 31 December 2008
Deferred tax assets	2,660	2,386
Deferred tax liabilities	(150)	(170)
Net deferred tax assets	2,510	2,216

12. Earnings per share

As explained in Note 24 to Consolidated Financial Statements at 31 December 2008, Fiat S.p.A. share capital is represented by three different classes of shares (ordinary shares, preference shares and saving shares) that participate in dividends with different rights. Profit(loss) for the period attributable to each class of share is determined in accordance with the share's dividend contractual right to receive dividends or obligation to share in the Group's losses. For this purpose, the Profit (loss) attributable to the owners of the parent of the first nine months of 2008 and the third quarter of 2008 has been adjusted by the amount of the dividends that would be contractually due to each class of shares in the theoretical event of a total distribution of profits. The total profit allocated to each class of share has then been divided by the weighted average number of outstanding shares in the period to determine earnings per share.

The following table shows for the first nine months of 2009 and the first nine months of 2008 the reconciliation between the net result attributable to equity holders of the parent and the profit attributable to each class of shares, as well as, the weighted number of shares outstanding during the period.

		1/1-30/9/2009				1/1-30/9/2008			
		Ordinary shares	Preference shares	Saving shares	Total	Ordinary shares	Preference shares	Saving shares	Total
Profit (loss) attributable to owners of the parent	€ millions				(557)				1,449
Theoretical preference right	€ millions	-	-	-	-	-	-	12	12
Result attributable to all classes of shares	€ millions	(474)	(47)	(36)	(557)	1,225	119	93	1,437
Result attributable to each class of shares	€ millions	(474)	(47)	(36)	(557)	1,225	119	105	1,449
Weighted average number of shares outstanding	thousands	1,053,679	103,292	79,913	1,236,884	1,057,682	103,292	79,913	1,240,887
Basic earning per share	euros	(0.450)	(0.450)	(0.450)		1.158	1.158	1.313	

The following table shows for the third quarter of 2009 and the third quarter of 2008 the reconciliation between the net result attributable to equity holders of the parent and the profit attributable to each class of shares, as well as, the average number of shares outstanding during the period.

		3 rd Quarter 2009				3 rd Quarter 2008			
		Ordinary shares	Preference shares	Saving shares	Total	Ordinary shares	Preference shares	Saving shares	Total
Profit (loss) attributable to equity holders of the parent	€ millions				21				440
Result attributable to each class of shares	€ millions	18	2	1	21	375	37	28	440
Weighted average number of shares outstanding	thousands	1,053,679	103,292	79,913	1,236,884	1,053,679	103,292	79,913	1,236,884
Basic earning per share	euros	0.017	0.017	0.017		0.356	0.356	0.356	

For the purpose of calculating diluted earnings per share for the third quarter of 2009 and the third quarter of 2008 and the first nine months of 2008, the average number of outstanding ordinary shares has been increased so as also to take into consideration the effect that would arise if the stock options on Fiat S.p.A. shares were to be exercised, while the result attributable to the Group has been adjusted to take into account the dilutive effects that would arise if the stock options granted by the Group's subsidiaries on their equity instruments were to be exercised.

The following table sets out for the first nine months of 2009 and the third quarter of 2009, together with the corresponding comparative periods in 2008, the weighted number of shares outstanding during the period used in the calculation of diluted earnings per share and diluted earnings per share by class of share.

		1/1-30/9/2009				1/1-30/9/2008			
		Ordinary shares	Preference shares	Saving shares	Total	Ordinary shares	Preference shares	Saving shares	Total
Result attributable to each class of shares	€ millions	(474)	(47)	(36)	(557)	1,225	119	105	1,449
Total number of shares considered in the diluted earning per share	thousands	1,053,679	103,292	79,913	1,236,884	1,063,211	103,292	79,913	1,246,416
Diluted earning per share	euros	(0.450)	(0.450)	(0.450)		1.152	1.152	1.307	

		3 rd Quarter 2008				3 rd Quarter 2007			
		Ordinary shares	Preference shares	Saving shares	Total	Ordinary shares	Preference shares	Saving shares	Total
Result attributable to each class of shares	€ millions	18	2	1	21	375	37	28	440
Total number of shares considered in the diluted earning per share	thousands	1,055,392	103,292	79,913	1,238,597	1,061,768	103,292	79,913	1,244,973
Diluted earning per share	euros	0.017	0.017	0.017		0.353	0.353	0.353	

Statement of financial position

13. Intangible assets

(€ millions)	Net of amortisation at 31 December 2008	Additions	Amortisation	Foreign exchange effects and other changes	Net of Amortisation at 30 September 2009
Goodwill	2,815	-	-	(70)	2,745
Development costs	3,329	717	(544)	18	3,520
Other	904	79	(144)	23	862
Total Intangible assets	7,048	796	(688)	(29)	7,127

Goodwill consists principally of net goodwill resulting from the purchase of the Case group and other companies of the Agricultural and Construction Equipment Sector for €1,633 million, the Ferrari Sector for €786 million, the Pico group and other companies in the Production Systems Sector for €123 million, companies in the Components Sector for €117 million, companies in the Trucks and Commercial Vehicles Sector for €56 million and companies in the Metallurgical Products Sector for €18 million.

The addition to Other intangible assets of €79 million in the first nine months of 2009 relates mainly to software.

Foreign exchange losses of €34 million in the first nine months of 2009 principally reflect the appreciation of the Real against the Euro, partially offset by the depreciation of the US Dollar and the Polish Zloty against the Euro.

14. Property, plant and equipment

(€ millions)	Net of depreciation at 31 December 2008	Additions	Depreciation	Foreign exchange effects	Disposals and other changes	Net of depreciation at 30 September 2008
Property, plant and equipment	11,453	1,353	(1,376)	274	(91)	11,613
Assets sold with a buy-back commitment	1,062	173	(97)	5	(195)	948
Total Property plant and equipment	12,515	1,526	(1,473)	279	(286)	12,561

Additions of €1,526 million in the first nine months of 2009 mainly refer to the Sectors Fiat Group Automobiles, Components, FPT Powertrain Technologies, Ferrari, CNH - Case New Holland and Trucks and Commercial Vehicles. Foreign exchange gains of €279 million in the first nine months of 2009 arise principally from the appreciation of the Brazilian Real against the Euro, partially offset by the depreciation of the US Dollar and the Polish Zloty against the Euro.

15. Investments and other financial assets

(€ millions)	At 30 September 2009	At 31 December 2008
Investments	1,946	1,984
Non-current financial receivables	187	127
Other securities	46	66
Total Investments and other financial assets	2,179	2,177

Changes in Investments are as follows:

(€ millions)	At 31 December 2008	Revaluations (write-downs)	Changes in the scope of consolidation	Other changes	At 30 September 2009
Investments	1,984	(19)	3	(22)	1,946

At 30 September 2009 the item Investments totals €1,946 million (€1,984 million at 31 December 2008) and includes, amongst others, the following investments (in € millions): FGA Capital S.p.A. 651 (617 at 31 December 2008), Tofas Turk Otomobil Fabrikasi A.S. 217 (190 at 31 December 2008), Iveco Finance Holdings Limited 130 (147 at 31 December 2008), Sevel S.p.A. 78 (98 at 31 December 2008), Naveco Ltd. 129 (128 at 31 December 2008), Kobelco Construction Machinery Co. Ltd. 93 (123 at 31 December 2008), Rizzoli Corriere della Sera MediaGroup S.p.A. 109 (117 at 31 December 2008).

Other negative changes of €22 million are made up as follows: foreign exchange losses of €30 million; purchases and capitalisations for €46 million (of which €31 million mainly related to the capital increase made by the 50/50 jointly controlled entity Fiat India Automobiles Private Limited); dividends of €26 million distributed by companies accounted for using the equity method, and other decreases of €12 million (including negative changes in the cash flow hedge reserve of FGA Capital S.p.A. for €5 million).

Revaluations and write-downs consist of adjustments for the result for the period to the carrying value of investments accounted for under the equity method. Write-downs also include any impairment loss in investments accounted for under the cost method.

16. Leased assets

(€ millions)	Net of depreciation at 31 December 2008	Additions	Depreciation	Foreign exchange effect	Disposals and other changes	Net of depreciation at 30 September 2009
Leased assets	505	154	(69)	(6)	(148)	436

17. Inventories

(€ millions)	At 30 September 2009	At 31 December 2008
Raw materials, supplies and finished goods	9,750	11,227
Gross amount due from customers for contract works	112	211
Total Inventories	9,862	11,438

Inventories at 30 September 2009 include assets sold with a buy-back commitment by Fiat Group Automobiles and assets in the Trucks and Commercial Vehicles and Agricultural and Construction Equipment Sectors which are no longer subject to operating lease arrangements or buy-back commitments and are held for sale, for a total amount of €1,116 million (€985 million at 31 December 2008). Excluding these amounts, Inventories decreased by €1,707 million during the first nine months of 2009 (€1,895 million net of exchange differences).

The majority of amount due from customers for contract work mainly relates to the Production Systems Sector and can be analysed as follows:

(€ millions)	At 30 September 2009	At 31 December 2008
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	1,326	1,462
Less: Progress billings	(1,289)	(1,332)
Construction contracts, net of advances on contract work	37	130
Gross amount due from customers for contract work as an asset	112	211
Less: Gross amount due to customers for contract work as a liability included in Other payables	(75)	(81)
Construction contracts, net of advances on contract work	37	130

At 30 September 2009 and at 31 December 2008 the amount of retentions by customers on contract work in progress was not significant.

18. Current receivables and Other current assets

(€ millions)	At 30 September 2009	At 31 December 2008
Trade receivables	4,068	4,390
Receivables from financing activities	12,734	13,136
Current tax receivables	1,316	770
Other current assets:		
- Other current receivables	1,902	2,373
- Accrued income and prepaid expenses	276	227
Total other current assets	2,178	2,600
Total Current receivables and Other current assets	20,296	20,896

Other receivables mainly include amounts due from the Tax Authorities, security deposits and miscellaneous receivables. Receivables from financing activities include the following:

(€ millions)	At 30 September 2009	At 31 December 2008
Retail financing	6,167	6,593
Finance leases	1,193	885
Dealer financing	5,207	5,343
Supplier financing	60	88
Current financial receivables from jointly controlled financial services entities	10	3
Financial receivables from companies under joint control, associates and unconsolidated subsidiaries	48	80
Other	49	144
Total Receivables from financing activities	12,734	13,136

Receivables from financing activities decreased by €402 million over the period. Excluding translation exchange gains of €386 million arising mainly from trends in the Euro/Real rate the item decreased by €788 million mainly due to the lower lending volumes of the CNH – Case New Holland financial service companies.

Current financial receivables from jointly controlled financial services entities includes financial receivables from the FGA Capital group.

19. Current securities

At 30 September 2009, Current securities include mainly short-term or marketable securities which represent temporary investments readily convertible into cash, but which do not satisfy the requirements for being classified as cash equivalents.

20. Other financial assets and Other financial liabilities

These items include, respectively, the positive and the negative measurement at fair value of derivative financial instruments at 30 September 2009.

In particular, the overall change in other financial assets (from €764 million at 31 December 2008 to €690 million at 30 September 2009), and the decrease in other financial liabilities (from €1,202 million at 31 December 2008 to €595 million at 30 September 2009), is mainly due to the changes in exchange rates and interest rates over the period, as well as to the change in the fair value (positive for €87 million in the first nine months of 2009) of the equity swaps on Fiat S.p.A. ordinary shares.

As this item consists principally of hedging instruments, the change in their value is compensated by the change in the value of the hedged item.

21. Cash and cash equivalents

Cash and cash equivalents include cash at bank, units in liquidity funds and other money market securities that are readily convertible into cash and are subject to an insignificant risk of changes in value.

At 30 September 2009, this item includes approximately €472 million (€473 million at 31 December 2008) of cash whose use is restricted to the repayment of the debt related to securitisations mainly classified in the item Asset-backed financing.

22. Assets and liabilities held for sale

At 30 September 2009 Assets and liabilities held for sale include certain properties and buildings held by Fiat Group Automobiles, CNH – Case New Holland and Comau Sectors.

At 31 December 2008 this item also included the book value of certain patents and the assets and liabilities of a minor subsidiary of the Fiat Group Automobiles Sector which was disposed of during the first nine months of 2009.

The items included in Assets held for sale and Liabilities held for sale may be summarised as follows:

(€ millions)	At 30 September 2009	At 31 December 2008
Other intangible assets	-	7
Property, plant and equipment	23	30
Total Assets	23	37
Trade payables	-	2
Total Liabilities	-	2

23. Stockholders' equity

Shareholders' equity at 30 September 2009 decreased by €37 million over that at 31 December 2008, mainly due to the loss for the period of €565 million and €26 million from the dividends distributed, partially offset by foreign exchange gains of €258 million arising from the translation into euros of the financial statements of subsidiaries denominated in currencies other than Euro and the positive changes of €268 million in the cash flow hedge reserve.

Share capital

Share capital, fully paid-in, amounts to €6,377 million at 30 September 2009 and consists of 1,275,452,595 shares as follows:

- 1,092,247,485 ordinary shares;
- 103,292,310 preference shares;
- 79,912,800 savings shares;

all with a par value of €5 each.

For more complete information on the share capital of Fiat S.p.A., reference should be made to Note 24 of the Consolidated Financial Statements at 31 December 2008.

Treasury shares

Treasury shares consists of 38,568,458 Fiat S.p.A. ordinary shares for an amount of €656.6 million (unchanged with respect of 31 December 2008).

These shares were purchased under an original share buy-back programme (the "Programme") approved by shareholders in general meeting on 31 March 2008 which provided for the purchase of treasury shares on regulated markets in accordance with the following conditions:

- the Programme was to end on 30 September 2009, or once the maximum purchase value of €1.8 billion (including the Fiat shares already held by the Company) or a number of shares equivalent to 10% of share capital was reached;
- the maximum purchase price could not exceed the stock market reference price on the day before the purchase by more than 10%;
- the maximum number of shares purchased on any one day could not exceed 20% of the total daily trading volume for each share class.

In order to maintain the necessary operating flexibility over an adequate time period, shareholders in general meeting on 27 March 2009 renewed their authorisation for the purchase and disposal of treasury shares, including transactions carried out through subsidiary companies, at the same time revoking the authorisation given by them in the general meeting of 31 March 2008 to the extent not exercised. The new authorisation is for the purchase of a maximum number of shares, for all three classes combined, not to exceed 10% of share capital or a purchase value of €1.8 billion, inclusive of the €656.6 million in Fiat shares already held by the company.

Purchases are currently on hold and there is no obligation to purchase under the authorisation, which allows for shares to be purchased over a period of 18 months from the date of the shareholders' resolution in the manner permitted by laws and regulations and at a price which cannot be more than 10% higher or lower than the stock market reference price on the preceding day.

Other comprehensive income

The amount of Other comprehensive income can be analysed as follows:

(€ millions)	3 rd Quarter 2009	3 rd Quarter 2008	1/1-30/9 2009	1/1-30/9 2008
Gains/(Losses) on cash flow hedges arising during the period	167	(123)	37	96
Reclassification adjustment for gains/(losses) on cash flow hedges included in income statement	54	(105)	290	(304)
Gains/(Losses) on cash flow hedges	221	(228)	327	(208)
Gains/(Losses) on fair value of available-for-sale financial assets arising during the period	2	(2)	4	(11)
Reclassification adjustment for gains/(losses) on fair value of available-for-sale financial assets included in income statement	-	-	-	-
Gains/(Losses) on fair value of available-for-sale financial assets	2	(2)	4	(11)
Gains/(Losses) on exchange differences on translating foreign operations arising during the period	63	100	292	102
Gains/(Losses) on exchange differences on translating foreign operations included in income statement	-	-	(1)	-
Gains/(Losses) on exchange differences on translating foreign operations	63	100	291	102
Share of Other comprehensive income of entities consolidated by using the equity method arising during the period	(15)	60	(60)	8
Reclassification adjustment for the share of Other comprehensive income of entities consolidated by using the equity method	(1)	4	20	(15)
Share of Other comprehensive income of entities consolidated by using the equity method	(16)	64	(40)	(7)
Income tax relating to components of Other comprehensive income	(7)	44	(52)	57
Total Other comprehensive income, net of tax	263	(22)	530	(67)

The income tax effect relating to Other comprehensive income can be analysed as follows:

(€ millions)	3 rd Quarter 2009			3 rd Quarter 2008			1/1-30/9 2009			1/1-30/9 2008		
	Before tax amount	Tax (expense) benefit	Net-of-tax amount	Before tax amount	Tax (expense) benefit	Net-of-tax amount	Before tax amount	Tax (expense) benefit	Net-of-tax amount	Before tax amount	Tax (expense) benefit	Net-of-tax amount
Gains/(Losses) on cash flow hedges	221	(7)	214	(228)	44	(184)	327	(52)	275	(208)	57	(151)
Gains/(Losses) on fair value of available-for-sale financial assets	2	-	2	(2)	-	(2)	4	-	4	(11)	-	(11)
Gains/(Losses) on exchange differences on translating foreign operations	63	-	63	100	-	100	291	-	291	102	-	102
Share of other comprehensive income of entities consolidated by using the equity method	(16)	-	(16)	64	-	64	(40)	-	(40)	(7)	-	(7)
Total Other comprehensive income	270	(7)	263	(66)	44	(22)	582	(52)	530	(124)	57	(67)

The increase in gains recognized directly in the financial assets available-for-sale fair value adjustment reserve is due to an increase in the fair value of the assets to which it relates.

24. Provisions

(€ millions)	At 30 September 2009	At 31 December 2008
Employee benefits	3,326	3,366
Other provisions:		
Warranty provision	1,449	1,498
Restructuring provision	303	279
Investment provision	46	48
Other risks	2,966	2,953
Total Other provisions	4,764	4,778
Total Provisions	8,090	8,144

Provisions for Employee benefits include provisions for both pension plans and other post employment benefits. The decrease of €40 million includes a foreign exchange loss of €28 million.

Reserves for risks and charges and other reserves amount to €2,966 million at 30 September 2009 (€2,953 million at 31 December 2008) and include provisions for contractual, commercial and legal risks.

25. Debt

(€ millions)	At 30 September 2009	At 31 December 2008
Asset-backed financing	6,454	6,663
Other debt:		
Bonds	9,758	7,036
Borrowings from banks	8,172	6,366
Payables represented by securities	206	110
Other	1,346	1,204
Total Other debt	19,482	14,716
Total Debt	25,936	21,379

At 30 September 2009 Debt had increased by €4,557 million mainly due to increases in Borrowings from banks and to the issue of bonds for a total of €3,232 million, partially offset by repayments of bonds for €366 million.

More specifically the following bonds were issued during the third quarter of 2009:

- A bond issued at a price of 99.367 by Fiat Finance and Trade Ltd. S.A. as part of the Global Medium Term Notes Programme, having a nominal value of €1,250 million, falling due in 2012 and bearing fixed interest at a rate of 9%.
- A bond issued at a price of 99.498 by Fiat Finance and Trade Ltd. S.A. as part of the Global Medium Term Notes Programme, having a nominal value of €1,250 million, falling due in 2014 and bearing fixed interest at a rate of 7.625%.
- A bond issued at a price of 97.062 by CNH, having a nominal value of US\$1 billion, falling due in 2013 and bearing fixed interest at a rate of 7.75%, payable semi-annually.

The principal bond issues outstanding at 30 September 2009 are as follows:

	Currency	Face value of outstanding bonds (in millions)	Coupon	Maturity	Outstanding amount (€ millions)
Global Medium Term Notes:					
Fiat Finance and Trade Ltd S.A.(1)	EUR	1,000	6.25%	24 February 2010	1,000
Fiat Finance and Trade Ltd S.A.(1)	EUR	1,300	6.75%	25 May 2011	1,300
Fiat Finance and Trade Ltd S.A.(1)	EUR	370	(2)	(2)	370
Fiat Finance and Trade Ltd S.A.(3)	EUR	1,000	5.625%	15 November 2011	1,000
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,250	9%	30 July 2012	1,250
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,250	7.625%	15 September 2014	1,250
Fiat Finance North America Inc. (3)	EUR	1,000	5.625%	12 June 2017	1,000
Others (4)					148
Total Global Medium Term Notes					7,318
Other bonds:					
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,000	6.625%	15 February 2013	1,000
Case New Holland Inc.	USD	1,000	7.750%	1 September 2013	683
Case New Holland Inc.	USD	500	7.125%	1 March 2014	341
CNH America LLC	USD	254	7.25%	15 January 2016	174
Total Other bonds					2,198
Hedging effect and amortised cost valuation					242
Total Bonds					9,758

- (1) Bonds listed on the Mercato Obbligazionario Telematico of the Italian stock exchange (EuroMot). In addition, the majority of the bonds issued by the Fiat Group are also listed on the Luxembourg stock exchange.
- (2) "Fiat Step-Up Amortizing 2001-2011" bonds repayable at face value in five equal annual instalments each for 20% of the total issued (€17 million) due beginning from the sixth year (7 November 2007) by reducing the face value of each bond outstanding by one-fifth. The last instalment will be repaid on 7 November 2011. The bonds pay coupon interest equal to: 4.40% in the first year (7 November 2002), 4.60% in the second year (7 November 2003), 4.80% in the third year (7 November 2004), 5.00% in the fourth year (7 November 2005), 5.20% in the fifth year (7 November 2006), 5.40% in the sixth year (7 November 2007), 5.90% in the seventh year (7 November 2008), 6.40% in the eighth year (7 November 2009), 6.90% in the ninth year (7 November 2010), 7.40% in the tenth year (7 November 2011).
- (3) Bond listed on the Irish Stock Exchange.
- (4) Bonds with amounts outstanding equal to or less than the equivalent of €50 million.

Further information about these bonds is included in Note 27 to the Consolidated Financial Statements at 31 December 2008. The prospectuses, the offering circulars or their abstracts relating to the aforementioned principal bond issues are available on the Group's website at www.fiatgroup.com under "Investor Relations – Financial Reports".

The Fiat Group intends to repay the issued bonds in cash at maturity by utilizing available liquid resources.

Committed credit lines expiring after twelve months amount to approximately €3 billion and were fully utilised at 30 September 2009.

In addition, the companies in the Fiat Group may from time to time buy back bonds on the market that have been issued by the Group, also for purposes of their cancellation. Such buybacks, if made, depend upon market conditions, the financial situation of the Group and other factors which could affect such decisions.

Finally, financial payables secured with mortgages and other liens on assets of the Group amount to €366 million at 30 September 2009 (€378 million at 31 December 2008); this amount includes balances of €273 million at 30 September 2009 (€276 million at 31 December 2008) due to creditors for assets acquired under finance leases.

26. Trade payables

Trade payables of €11,660 million at 30 September 2009, decreased by €1,598 million from the amount at 31 December 2008 as a result of the reduction in volumes.

27. Other current liabilities

Other current liabilities include €2,205 million of amounts payable to customers relating to buy-back agreements (€2,256 million at 31 December 2008) and accrued expenses and deferred income of €1,113 million (€1,024 million at 31 December 2008).

28. Guarantees granted, commitments and other contingent liabilities

Guarantees granted

At 30 September 2009 the Group had outstanding guarantees granted on the debt or commitments of third parties or unconsolidated subsidiaries jointly controlled and associated entities totalling €531 million, in line with the 31 December 2008 balance of €569 million.

Other commitments and important contractual rights

The Fiat Group has important commitments and rights deriving from outstanding agreements. These commitments and rights are described in Note 30 of the Consolidated Financial Statements at 31 December 2008, to which reference should be made, insofar as no changes occurred in the first nine months of 2009. In particular, these involve commitments and rights regarding:

- relations of Fiat with the Arab fund Mubadala Development Company concerning its holding in the subsidiary Ferrari S.p.A.;
- relations of Fiat with Renault concerning the subsidiary Teksid.

In addition, on the basis of the terms and conditions for the purchase of the investment in Chrysler Group LLC, the Fiat Group is entitled to certain rights relating to the acquisition of an additional investment in the company, as discussed in the section on the Scope of consolidation to which reference should be made.

Lawsuits and controversies

The Parent Company and certain subsidiaries are party to various lawsuits and controversies. Nevertheless, it is believed that the resolution of these controversies will not cause significant liabilities for which specific risk provisions have not already been set aside.

Sales of receivables

The Group has discounted receivables and bills without recourse having due dates beyond 30 September 2009 amounting to €4,233 million (€5,825 million at 31 December 2008, with due dates beyond that date), which refer to trade receivables and other receivables for €3,285 million (€4,054 million at 31 December 2008) and receivables from financing for €948 million (€1,771 million at 31 December 2008). The amount includes receivables, mostly due from the sales network, of €2,371 million (€3,181 million at 31 December 2008) sold to jointly controlled financial services companies (FGA Capital) and of €406 million (€752 million at 31 December 2008) sold to associate financial services companies (Iveco Finance Holdings Limited, controlled by Barclays).

29. Information by business sector

The Income statement by business sector for the third quarter of 2009 and 2008 is as follows:

(€ millions)	Fiat Group Automobiles	Maserati	Ferrari	CNH	Iveco	FPT	Magneti Marelli	Teksid	Comau	Other Operating Segments	Unallocated items & adjustments	FIAT Group
3rd Quarter 2009												
Segment revenues	6,541	93	396	2,268	1,715	1,250	1,120	147	168	250	(1,899)	12,049
Revenues from transactions with other operating segments (*)	(58)	(7)	(9)	(1)	(20)	(1,062)	(471)	(56)	(67)	(148)	1,899	-
Revenues from external customers	6,483	86	387	2,267	1,695	188	649	91	101	102	-	12,049
Trading profit/(loss)	155	1	52	66	22	19	21	2	(5)	(26)	1	308
Unusual income/(expense)	(20)	-	5	7	(25)	(6)	(4)	-	-	3	(1)	(41)
Operating profit/(loss)	135	1	57	73	(3)	13	17	2	(5)	(23)	-	267
Financial income/(expense)											(164)	(164)
Interest in profit/(loss) of joint ventures and associates accounted for by the equity method	34	-	-	(1)	(8)	(10)	-	1	-	(1)	-	15
Other profit/(loss) from investments	10	-	-	-	-	-	(1)	-	-	(1)	2	10
Result from investments	44	-	-	(1)	(8)	(10)	(1)	1	-	(2)	2	25
Profit/(loss) before taxes											128	128
Income taxes											103	103
Profit/(loss) from continuing operations											25	25

(€ millions)	Fiat Group Automobiles	Maserati	Ferrari	CNH	Iveco	FPT	Magneti Marelli	Teksid	Comau	Other Operating Segments	Unallocated items & adjustments	FIAT Group
3rd Quarter 2008												
Segment revenues	6,636	198	450	3,122	2,441	1,612	1,353	220	309	336	(2,346)	14,331
Revenues from transactions with other operating segments (*)	(68)	(29)	(22)	-	(33)	(1,284)	(561)	(68)	(97)	(184)	2,346	-
Revenues from external customers	6,568	169	428	3,122	2,408	328	792	152	212	152	-	14,331
Trading profit/(loss)	190	9	79	284	181	21	48	10	10	(21)	(9)	802
Unusual income/(expense)	-	-	2	4	(5)	-	(1)	-	-	(1)	1	-
Operating profit/(loss)	190	9	81	288	176	21	47	10	10	(22)	(8)	802
Financial income/(expense)											(161)	(161)
Interest in profit/(loss) of joint ventures and associates accounted for by the equity method	22	-	-	11	4	(11)	-	1	-	6	2	35
Other profit/(loss) from investments	-	-	-	-	-	-	-	-	-	1	(2)	(1)
Result from investments	22	-	-	11	4	(11)	-	1	-	7	-	34
Profit/(loss) before taxes											675	675
Income taxes											207	207
Profit/(loss) from continuing operations											468	468

(*) Revenues from transactions with other operating segments include revenues between consolidated Group companies relating to different Sectors. Intersegment sales are accounted for at transfer prices that are substantially in line with market.

The Income statement by business sector for the first nine months of 2009 and 2008 is as follows:

(€ millions)	Fiat Group Automobiles	Maserati	Ferrari	CNH	Iveco	FPT	Magneti Marelli	Teksid	Comau	Other Operating Segments	Unallocated items & adjustments	FIAT Group
1/1-30/09/2009												
Segment revenues	19,046	319	1,287	7,726	5,011	3,610	3,248	406	523	800	(5,475)	36,501
Revenues from transactions with other operating segments (*)	(162)	(29)	(33)	(8)	(45)	(3,035)	(1,390)	(160)	(176)	(437)	5,475	-
Revenues from external customers	18,884	290	1,254	7,718	4,966	575	1,858	246	347	363	-	36,501
Trading profit/(loss)	280	6	176	238	28	(65)	(18)	(10)	(24)	(57)	16	570
Unusual income/(expense)	(58)	-	5	(87)	(109)	(13)	(9)	-	(2)	(2)	1	(274)
Operating profit/(loss)	222	6	181	151	(81)	(78)	(27)	(10)	(26)	(59)	17	296
Financial income/(expense)											(535)	(535)
Interest in profit/(loss) of joint ventures and associates accounted for by the equity method	41	-	-	(25)	(19)	(21)	(1)	3	-	(3)	3	(22)
Other profit/(loss) from investments	8	-	-	-	-	-	(2)	-	-	5	2	13
Result from investments	49	-	-	(25)	(19)	(21)	(3)	3	-	2	5	(9)
Profit/(loss) before taxes											(248)	(248)
Income taxes											317	317
Profit/(loss) from continuing operations											(565)	(565)

(€ millions)	Fiat Group Automobiles	Maserati	Ferrari	CNH	Iveco	FPT	Magneti Marelli	Teksid	Comau	Other Operating Segments	Unallocated items & adjustments	FIAT Group
1/1-30/9/2008												
Segment revenues	21,235	596	1,419	9,730	8,533	5,705	4,301	682	820	1,037	(7,627)	46,431
Revenues from transactions with other operating segments (*)	(204)	(74)	(68)	(6)	(92)	(4,475)	(1,707)	(236)	(280)	(485)	7,627	-
Revenues from external customers	21,031	522	1,351	9,724	8,441	1,230	2,594	446	540	552	-	46,431
Trading profit/(loss)	626	31	243	881	651	155	165	38	12	(68)	(35)	2,699
Unusual income/(expense)	(6)	-	2	28	(4)	1	(1)	5	-	(4)	(4)	17
Operating profit/(loss)	620	31	245	909	647	156	164	43	12	(72)	(39)	2,716
Financial income/(expense)											(602)	(602)
Interest in profit/(loss) of joint ventures and associates accounted for by the equity method	90	-	-	38	13	(19)	1	2	-	11	2	138
Other profit/(loss) from investments	(1)	-	-	-	9	-	1	-	-	3	2	14
Result from investments	89	-	-	38	22	(19)	2	2	-	14	4	152
Profit/(loss) before taxes											2,266	2,266
Income taxes											725	725
Profit/(loss) from continuing operations											1,541	1,541

(*) Revenues from transactions with other operating segments include revenues between consolidated Group companies relating to different Sectors. Intersegment sales are accounted for at transfer prices that are substantially in line with market.

The Total Assets by business sector at 30 September 2009 and at 31 December 2008 is as follows:

(€ millions)	Fiat Group Automobiles	Maserati	Ferrari	CNH	Iveco	FPT	Magneti Marelli	Teksid	Comau	Other Operating Segments	Unallocated items & adjustments	FIAT Group
At 30 September 2009												
Segment assets	15,473	348	1,671	18,595	7,580	4,743	3,184	509	573	14,969	(15,480)	52,165
Tax assets											3,976	3,976
Receivables from financing activities, Non- current Other receivables and Securities of industrial companies											331	331
Cash and cash equivalents, Current securities and Other financial assets of industrial companies											7,954	7,954
Total Treasury assets											8,285	8,285
Total unallocated assets											12,261	12,261
Total Assets												64,426

(€ millions)	Fiat Group Automobiles	Maserati	Ferrari	CNH	Iveco	FPT	Magneti Marelli	Teksid	Comau	Other Operating Segments	Unallocated items & adjustments	FIAT Group
At 31 December 2008												
Segment assets	15,958	437	1,542	19,958	8,097	4,953	3,123	497	751	14,898	(15,473)	54,741
Tax assets											3,156	3,156
Receivables from financing activities, Non- current Other receivables and Securities of industrial companies											386	386
Cash and cash equivalents, Current securities and Other financial assets of industrial companies											3,489	3,489
Total Treasury assets											3,875	3,875
Total unallocated assets											7,031	7,031
Total Assets												61,772

30. 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 euros were as follows:

	1/1-30/9/2009		At 31 December 2008	1/1-30/9/2008	
	Average	At September 30		Average	At September 30
US dollar	1.366	1.464	1.392	1.522	1.430
Pound sterling	0.886	0.909	0.953	0.782	0.790
Swiss franc	1.510	1.508	1.485	1.608	1.577
Polish zloty	4.380	4.230	4.154	3.428	3.397
Brazilian real	2.834	2.605	3.244	2.562	2.753
Argentine peso	5.057	5.626	4.800	4.770	4.460

31. Other information

During the first nine months of 2009, the Group had an average number of employees of 190,886, compared to an average of 197,303 during the first nine months of 2008.

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 document corresponds to the results documented in the books, accounting and other records of the company.