



Addendum to Disclosure Document relating to the 2008 Incentive Plan published on 13 March 2008

Issued on 23 July 2008

Fiat S.p.A.
Registered Office: 250 via Nizza, Turin, ITALY
Share Capital: €6,377,262,975 (*fully paid in*)
Turin Companies Register/Tax Code: 00469580013

Foreword

This document has been prepared pursuant to Article 84-*bis* of the Issuer Regulations and contains information relating to the granting, by the Board of Directors of Fiat S.p.A. in the meeting held on 23 July 2008, of the first tranche of stock options under the 2008 Incentive Plan to be awarded on a periodic basis as approved by Shareholders Meeting held on 31 March 2008.

Pursuant to regulatory and legal requirements, general information relating to the 2008 Incentive Plan was publicly disclosed on 13 March 2008 and this document, therefore, only provides information specific to this tranche which was not available on that date. The Disclosure Document referred to above is available on the Company's website, under Investor Relations/Financial Reports/Other Documents.

Grantees

The grantees are 180 executives of the Company and its subsidiaries who hold key positions with a significant impact on business results and who have been hired or promoted since the stock option plan established on 3 November 2006, or have taken on increased responsibilities since that date and others who warrant a higher award. Members of the Board of Directors are excluded from the Plan.

Approval process and timing of grants

On July 23rd, at the recommendation of the Compensation Committee which met the previous day, the Board of Directors resolved to grant 1.418.500 stock options under the Incentive Plan approved by Shareholders Meeting held on 31 March 2008 and whose purpose is to attract and retain talented executives. The official price posted on the Italian Stock Exchange for Fiat ordinary shares on 22 and 23 July 2008 was €10.432 and €11.429, respectively.

The stock option grants which are the subject of this Addendum are the first made under the approval given by Shareholders Meeting, which authorised the periodic granting of an aggregate total of 4 million financial instruments prior to the end of 2010 in the form of stock options and/or stock appreciation rights.

Terms and conditions of the financial instruments granted

The stock options have been granted at a strike price of €10.24, equivalent to the arithmetic average of the daily official price of Fiat ordinary shares posted on Italian Stock Exchange in the month prior to today's date.

Exercise is subject to annual performance objectives being met during the 2008-2010 period and the grantee remaining an employee of the Group. Vesting shall consist of an initial portion *pro rata* (given that the grant have been made during the year), equivalent to 18% of the total, and two subsequent annual portions, each equivalent to 41% of the total.

The options will be exercisable starting from 2011, on the date of approval of the Group consolidated financial statements for fiscal 2010, and will expire in November 2014. The Plan is to be serviced with treasury shares without the issuance of new shares and, therefore, there will be no dilutive effect on share capital.

As of today's date, the expected total cost of the tranche is estimated at €5.7 million.

A table providing additional information on the stock options granted, as required under Annex 3A, Schedule 7 of the Issuer Regulations, is attached.

SHARE-BASED PAYMENT PLANS

Table 1 of Schedule 7, Annex 3A of Regulation no. 11971/1999

Date: 23/07/2008

| Name or class (1) | Title (to be indicated only for individuals named) | BOX 2 | | | | | | | |
|-----------------------------|--|--|---|---|--|--|-------------------|--|-----------------------|
| | | Options (option grant) | | | | | | | |
| | | <u>Section 1</u> Options granted under current plans that were approved on the basis of previous resolutions (8) | | | | | | | |
| | | Date of Shareholder resolution | Description of instrument (13) | Number of financial instruments underlying options granted but not exercisable (10) (12) | Number of financial instruments underlying the options exercisable but not exercised (10) | Date of grant by Board of Directors or other competent body (11) | Exercise price | Market price of underlying instrument on grant date | Option expiry date |
| (2) Sergio Marchionne | Chief Executive Officer Fiat S.p.A. | 5 April 2007 | options on ordinary Fiat shares with physical delivery | 5,000,000 | - | 3 November 2006 | 13.37 | 14.349 | 3 November 2014 |
| | | 5 April 2007 | options on ordinary Fiat shares with physical delivery | 5,000,000 | - | 3 November 2006 | 13.37 | 14.349 | 3 November 2014 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 10,670,000 | 26 July 2004 | 6.583 | 6.441 | 1 January 2011 |
| Paolo Fresco | Former Chairman Fiat S.p.A. | - | options on ordinary Fiat shares with physical delivery | - | 500,000 | 14 May 2002 | 12.699 | 12.3512 | 1 January 2010 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 1,000,000 | 29 March 2001 | 23.708 | 22.4254 | 30 October 2008 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 250,000 | 25 July 2000 | 25.459 | 26.3477 | 25 July 2008 |

Source: Borsa Italiana

Note:

| | | | | | | | | | |
|----------------------------|--|--------------|--|-----------|--------|-------------------|--------|---------|-------------------|
| (5) Relevant Executives | | 5 April 2007 | options on ordinary Fiat shares with physical delivery | 2,620,000 | - | 3 November 2006 | 13.37 | 14.349 | 3 November 2014 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 69,000 | 12 September 2002 | 10.397 | 10.6481 | 12 September 2010 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 24,000 | 31 October 2001 | 16.526 | 16.7822 | 31 October 2009 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 50,000 | 27 February 2001 | 24.853 | 24.9688 | 27 February 2009 |

Note:

| | | | | | | | | | |
|-------------------|--|--------------|--|-----------|-----------|-------------------|--------|---------|-------------------|
| (7) Executives | | 5 April 2007 | options on ordinary Fiat shares with physical delivery | 7,065,000 | - | 3 November 2006 | 13.37 | 14.349 | 3 November 2014 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 883,500 | 12 September 2002 | 10.397 | 10.6481 | 12 September 2010 |
| | | - | options on ordinary Fiat shares with physical delivery | - | 1,041,000 | 31 October 2001 | 16.526 | 16.7822 | 31 October 2009 |
| | | - | options on ordinary Fiat shares with physical delivery | - | - | 27 February 2001 | 24.853 | 24.9688 | 27 February 2009 |

Note:

Date 23/07/2008

| Name or class (1) | Title (to be provided only for individuals named) | BOX 2 | | | | | | |
|-----------------------------|--|---|---|---|--|-------------------|--|--------------------------|
| | | Options (option grant) | | | | | | |
| | | <u>Section 2</u> Newly granted options based on decision of: ♦ Board of Directors for proposal to Shareholders X ♦ competent body in implementation of Shareholder resolution (9) | | | | | | |
| | | Date of Shareholder resolution | Description of instrument (13) | Number of financial instruments underlying options granted for each individual or class | Date of grant by Board of Directors or other body (11) | Exercise price | Market price of underlying instrument on grant date | Option expiry date |
| (7) Executives | | 31 March 2008 | options on ordinary Fiat shares with physical delivery | 1,418,500 | BoD 23.07.08 Comp Com. 22.07.08 | 10.24 | 11.429 | 3 November 2014 |
| Note: | | | | | | | | |