Press Release

2010 SECOND QUARTER RESULTS

FIAT GROUP

FIAT GROUP RECORDED A STRONG TOP AND BOTTOM-LINE PERFORMANCE IN THE SECOND QUARTER WITH REVENUES AT €14.8 BILLION (+12.5% VS 2009), TRADING PROFIT MORE THAN DOUBLE AT €651 MILLION AND NET PROFIT OF €113 MILLION.

CASH FLOW GENERATION WAS STRONG AT €1 BILLION LEADING TO NET INDUSTRIAL DEBT OF €3.7 BILLION AND LIQUIDITY OF €13.5 BILLION.

- **Revenues of €14.8 billion were up 12.5% over the prior year on the back of stronger trading across all businesses.**
- **Trading profit came in at €651 million (Q2 2009: €310 million), with all businesses contributing positively, notably at CNH and FGA.**
- **Trading margin increased to 4.4% (Q2 2009: 2.4%), driven primarily by volume increases and continued cost discipline.**
- **The Group achieved a return to bottom-line profitability, recording a net profit of €113 million for the quarter (€179 million loss for Q2 2009).**
- **Net industrial debt decreased to €3.7 billion (€4.7 billion at the end of Q1), on the back of positive cash flow from operations.**
- **Liquidity was further strengthened to €13.5 billion (€11.2 billion at the end of Q1).**
- **2010 guidance remains unchanged, but will probably be revised upwards on the basis of Q3 2010 results.**

Q2 2010

FIAT GROUP
Income Statement – 2nd Quarter

(€ million)	*2010*	*2009*
Net Revenues	**14,836**	13,184
% change	*12.5*	
Trading profit/(loss)	**651**	310
Change	*341*	
Trading margin (%)	**4.4**	2.4
Operating profit/(loss)	**628**	158
Change	*470*	
Profit/(loss) before taxes	**374**	(16)
Change	*390*	
Profit/(loss)	**113**	(179)
Change	*292*	
EPS (€)		
ordinary shares	**0.032**	(0.136)
preference shares	**0.310**	(0.136)
savings shares	**0.310**	(0.136)

FIAT GROUP
Income Statement – 1st Half

(€ million)	*2010*	*2009*
Net Revenues	**27,762**	24,452
% change	*13.5*	
Trading profit/(loss)	**1,003**	262
Change	*741*	
Trading margin (%)	**3.6**	1.1
Operating profit/(loss)	**980**	29
Change	*951*	
Profit/(loss) before taxes	**531**	(376)
Change	*907*	
Profit/(loss)	**92**	(590)
Change	*682*	
EPS (€)		
ordinary shares	**0.008**	(0.467)
preference shares	**0.310**	(0.467)
savings shares	**0.310**	(0.467)

- Group revenues were up 12.5% to €14.8 billion, reflecting better trading conditions, albeit against weak 2009 levels, in particular for CNH and Iveco:
  - Fiat Group Automobiles (FGA) reported revenues of €7.4 billion (+6.4%) on deliveries of 554,300 cars and light commercial vehicles (-6.2% vs. Q2 2009). A recovery in demand in the LCV segment and favorable currency movements more than compensated for the decline in passenger car volumes following the phase-out of eco-incentives in most key European markets. FGA achieved a 30.3% share in Italy (-4.1 p.p.) and a 7.5% share for Europe overall (-1.5 p.p.), reflecting the fall in demand in the smaller car segments. In Brazil, Fiat maintained leadership with an overall share of 23.3%.
  - Agricultural and Construction Equipment (CNH) revenues were up 16.0% to €3.3 billion, with positive performances in the Americas and Rest-of-World markets more than offsetting weak market conditions for agricultural equipment in Europe, CIS states and Australia.
  - Trucks and Commercial Vehicles (Iveco) reported an 18.3% increase in revenues to €2.1 billion. Demand increased in all markets and segments, but remains significantly below the average 2007/2008 level. Total deliveries were up 32.4% to 34,318 vehicles.
  - The Components and Productions Systems business grew substantially (+35.2% vs. Q2 2009) on the back of increased production activity in the global automotive sector.
- Trading profit was €651 million, up €341 million, with a significant year-on-year improvement in trading margin to 4.4% (2009: 2.4%) attributable to higher volumes, improving sales mix and continued benefits from cost containment measures:
  - FGA delivered a trading profit of €185 million (+19.4% vs. Q2 2009). An improved sales mix, linked primarily to demand in the LCV segment, and purchasing savings were major contributors to margin growth (2.5% vs. 2.2% for Q2 2009).
  - CNH posted a trading profit of €263 million (€123 million for Q2 2009); trading margin at 7.9% (4.3% for Q2 2009). Both agricultural and construction equipment delivered stronger performance. The significant improvement was driven by higher volumes, better pricing and lower industrial costs.
  - Iveco achieved €50 million in trading profit (€18 million for Q2 2009), with increases in sales volumes supported by production efficiencies.
  - Components and Productions Systems recovered from a negative operating performance in Q2 2009 to an €86 million trading profit.
- Net industrial debt decreased by €1 billion in the quarter to €3.7 billion, reflecting primarily the positive operating performance.
- Liquidity was further strengthened to €13.5 billion (€11.2 billion at end of Q1), due to cash flow from operations and proceeds from a USD 1.5 billion bond issued by CNH in June.
- Activities relating to the demerger presented on April 21st are proceeding as planned.

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Group Results - Second Quarter

Group **revenues** for the second quarter totaled €14.8 billion, a 12.5% increase (+6.7% at constant exchange rates) over the same period in 2009, when all Group businesses were suffering the effects of weak trading conditions. All Sectors contributed to the recovery in the quarter, with particularly positive top line performance at CNH, Iveco and all Components and Production Systems Sectors. The Automobiles business continued to improve, despite the phase-out of eco-incentives in Italy and Germany.

FIAT GROUP
Revenues by business – 2nd Quarter

(€ million)	*2010*	*2009*
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	**7,927**	7,429
% change	*6.7*	
Agricultural and Construction Equipment (CNH)	**3,317**	2,860
% change	*16.0*	
Trucks and Commercial Vehicles (Iveco)	**2,097**	1,773
% change	*18.3*	
Components & Production Systems (FPT, Magneti Marelli, Teksid, Comau)	**3,511**	2,597
% change	*35.2*	
Other Businesses	**280**	284
% change	*-1.4*	
Eliminations	**(2,296)**	(1,759)
Total	**14,836**	13,184
% change	*12.5*	

The Group reported **trading profit** of €651 million for the quarter (trading margin: 4.4%), compared with €310 million (trading margin: 2.4%) for the same period in 2009. The improvement in trading performance was driven by higher volumes, a better sales mix and the continuing positive effect of cost containment actions.

FIAT GROUP
Trading profit/(loss) – 2nd Quarter

(€ million)	*2010*	*2009*
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	**270**	227
Change	*43*	
Agricultural and Construction Equipment (CNH)	**263**	123
Change	*140*	
Trucks and Commercial Vehicles (Iveco)	**50**	18
Change	*32*	
Components & Production Systems (FPT, Magneti Marelli, Teksid, Comau)	**86**	(41)
Change	*127*	
Other Businesses and **Eliminations**	**(18)**	(17)
Change	*-1*	
Total	**651**	310
Change	*341*	

Q2 2010 closed with an **operating profit** of €628 million (€158 million for the second quarter of 2009). The €470 million increase reflects the significant improvement in trading profit (+€341 million) and lower net unusual expense (€23 million for Q2 2010 vs. €152 million for Q2 2009, both primarily attributable to restructuring costs).

Net financial expense totaled €301 million (€161 million for Q2 2009) and included a €19 million loss on the marking-to-market of two stock option-related equity swaps (€39 million gain for Q2 2009). The figure also included a €17 million one-off charge for the early repayment of a CNH bond (original maturity in 2014). Net of these items, financial expense increased €65 million over the prior year, reflecting the cost associated with maintaining liquidity in excess of €10 billion.

Profit before taxes was €374 million (€16 million loss in Q2 2009), due to the significant improvement in operating result (up €470 million) and an increase in investment income (up €60 million), partially offset by higher net financial expense.

Income taxes totaled €261 million (€163 million for the second quarter of 2009) and mainly related to taxable income of companies operating outside Italy and employment-related taxes in Italy (€22 million).

Net profit for the period was €113 million, up €292 million over Q2 2009.

During the quarter, Group **net industrial debt** decreased by €1 billion, reflecting the strong trading performance and a reduction in working capital attributable to higher activity levels.

At 30 June 2010, Group **liquidity** was €13.5 billion, up €2.3 billion over the first quarter due to a USD 1.5 billion bond issued by CNH in June coupled with positive operating performance.

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Q2 2010

FIAT GROUP
Key Balance Sheet Data

(€ million)	*At 30.06.2010*	*At 31.03.2010*	*At 31.12.2009*
Total assets	**73,475**	68,027	67,235
Total equity	**12,073**	11,457	11,115

FIAT GROUP
Net Debt

(€ million)	*At 30.06.2010*	*At 31.03.2010*	*At 31.12.2009*
Financial debt	**(30,774)**	(28,300)	(28,527)
- Asset-backed financing	***(8,179)***	*(7,482)*	*(7,086)*
- Other debt	***(22,595)***	*(20,818)*	*(21,441)*
Current financial receivables from financial services companies under joint control (1)	**24**	12	14
Financial payables, net of intersegment balances and current financial receivables from jointly-controlled financial services entities	**(30,750)**	(28,288)	(28,513)
Other financial assets/(liabilities) (2)	**(206)**	241	172
Liquidity	**13,548**	11,201	12,443
Net Debt	**(17,408)**	(16,846)	(15,898)
Industrial Activities	**(3,706)**	(4,707)	(4,418)
Financial Services	**(13,702)**	(12,139)	(11,480)

(1) This includes current financial receivables from the JV FGA Capital
(2) This includes the positive and negative fair value of derivative financial instruments

FIAT GROUP
Change in Net Industrial Debt

(€ million)	*2nd Quarter 2010*	*2nd Quarter 2009*	*1st Half 2010*	*1st Half 2009*
Cash from Operating Activities before change in working capital	**1,214**	568	**1,724**	531
Cash from Operating Activities	**2,302**	1,320	**2,564**	1,547
Net Industrial Cash Flow (1)	**1,138**	950	**803**	305
Change in Net Industrial Debt	**1,001**	833	**712**	207

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

Group results - First Half

For the **first half** of 2010, Fiat Group **revenues** totaled €27.8 billion, an increase of 13.5% over the prior year (+9.0% at constant exchange rates).

FIAT GROUP
Revenues by business – 1st Half

(€ million)	2010	2009
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	**15,261**	13,540
% change	*12.7*	
Agricultural and Construction Equipment (CNH)	**5,892**	5,458
% change	*8.0*	
Trucks and Commercial Vehicles (Iveco)	**3,791**	3,296
% change	*15.0*	
Components & Production Systems (FPT, Magneti Marelli, Teksid, Comau)	**6,424**	4,878
% change	*31.7*	
Other Businesses	**542**	550
% change	*-1.5*	
Eliminations	**(4,148)**	(3,270)
Total	**27,762**	24,452
% change	*13.5*	

The Group reported **trading profit** of €1,003 million (trading margin: 3.6%), up from €262 million for the first half of 2009 (trading margin: 1.1%). The improvement in trading performance was mainly driven by higher volumes and the continuing emphasis on cost containment actions.

FIAT GROUP
Trading profit/(loss) – 1st Half

(€ million)	2010	2009
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	**466**	254
Change	*212*	
Agricultural and Construction Equipment (CNH)	**390**	*172*
Change	*218*	
Trucks and Commercial Vehicles (Iveco)	**53**	6
Change	*47*	
Components & Production Systems (FPT, Magneti Marelli, Teksid, Comau)	**118**	(154)
Change	*272*	
Other Businesses and **Eliminations**	**(24)**	(16)
Change	*-8*	
Total	**1,003**	262
Change	*741*	

Operating profit for H1 2010 was €980 million, compared to €29 million for the first six months of 2009, due to the significant increase in trading profit (+€741 million) and a €210 million decrease in net unusual expense.

Net financial expense totaled €551 million (€371 million for H1 2009) and included a €32 million loss on the mark-to-market value of two stock option-related equity swaps (versus a €53 million gain in the first half of 2009). The figure also included a €17 million one-off charge for the announced early repayment of a CNH bond (original maturity in 2014). Net of these items, financial expense for the period was up €78 million, primarily due to the cost of maintaining a higher level of liquidity.

Profit before taxes was €531 million for the first half (€376 million loss in H1 2009), reflecting a significant improvement in the operating result (up €951 million) and an increase in investment income (up €136 million), partially offset by the €180 million increase in net financial expense.

Income taxes totaled €439 million (€214 million for the first half of 2009) and related to taxable income of companies operating outside Italy and employment-related taxes (IRAP) in Italy (€44 million).

Net profit for the first half totaled €92 million, compared with a loss of €590 million for the same period in 2009.

Group **net industrial debt** decreased by €0.7 billion in the semester, reflecting the positive operating performance for all businesses.

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AUTOMOBILES Net revenues – 2nd Quarter		
(€ million)	*2010*	*2009*
Fiat Group Automobiles	**7,350**	6,905
% change	*6.4*	
Maserati	**174**	111
% change	*56.8*	
Ferrari	**489**	450
% change	*8.7*	
Eliminations	**(86)**	(37)
Total	**7,927**	7,429
% change	*6.7*	

AUTOMOBILES Trading profit/(loss) – 2nd Quarter		
(€ million)	*2010*	*2009*
Fiat Group Automobiles	**185**	155
Change	*30*	
Maserati	**8**	2
Change	*6*	
Ferrari	**77**	70
Change	*7*	
Total	**270**	227
Change	*43*	
Trading margin (%)	**3.4**	3.1

AUTOMOBILES Net revenues – 1st Half		
(€ million)	*2010*	*2009*
Fiat Group Automobiles	**14,190**	12,505
% change	*13.5*	
Maserati	**301**	226
% change	*33.2*	
Ferrari	**903**	891
% change	*1.3*	
Eliminations	**(133)**	(82)
Total	**15,261**	13,540
% change	*12.7*	

AUTOMOBILES Trading profit/(loss) – 1st Half		
(€ million)	*2010*	*2009*
Fiat Group Automobiles	**338**	125
Change	*213*	
Maserati	**12**	5
Change	*7*	
Ferrari	**116**	124
Change	*-8*	
Total	**466**	254
Change	*212*	
Trading margin (%)	**3.1**	1.9

Automobiles

Fiat Group Automobiles

Second Quarter

Fiat Group Automobiles closed the quarter with **revenues** of €7.4 billion, up 6.4% over the second quarter of 2009, driven by an improved sales mix and favorable currency movements, offset in part by a decline in passenger car volumes. At constant exchange rates, revenues were substantially flat.

Fiat Group Automobiles delivered a total of 554,300 passenger cars and light commercial vehicles during the quarter, representing a 6.2% decrease over the second quarter of 2009. In Europe (EU27 + EFTA), deliveries for Fiat Group Automobiles fell 13.2% to 325,600 units. Volumes increased in France (+10.5%), the UK (+0.3%) and Spain, where deliveries essentially tripled for the second consecutive quarter. The non-renewal of eco-incentives impacted performance in Italy (-21.5%) and in Germany (-42.1%).

For passenger cars only, Fiat Group Automobiles delivered a total of 455,100 vehicles during the second quarter, an 11.6% decrease over the same period in 2009. For Europe, the decline was sharper with deliveries down 17.7% to 273,400 vehicles. There was a significant fall in Italy (-23.9%) and Germany (-53.7%), impacted by the disproportionate reduction in FGA's principal market segments (A and B segments) and engine classes. Deliveries increased, however, in France (+4.0%) and Spain (almost triple the Q2 2009 level).

The European passenger vehicle market decreased 7.3% over Q2 2009, with performance in principal markets varying significantly as a function of the availability of eco-incentives. Growth continued in the UK (+11.8%) and Spain (+35.4%, also benefiting from purchases prompted by a VAT increase set for July). France, where the positive effect of government incentives is tailing off, was down 3.7%. In the absence of incentives, Italy was down 16.1% and Germany continued to decline (-33%, with the most significant impact in the A-segment). In Brazil, demand was down 6.1% - with the gradual effect of the reduction in indirect local taxes coming to an end in March - but remained at a solid level.

For the second quarter, with a market environment that was very competitive, Fiat Group Automobiles' market share was 30.3% in Italy, down 4.1 percentage points; excluding the effect attributable to a sharp reduction in demand for CNG and LPG vehicles, market share was up 2.5 percentage points. Market share was 7.5% for Europe overall (-1.5 percentage points). The Sector achieved gains in Spain (+0.7 percentage points to 3.2%) and the UK (+0.1 percentage points to 3.1%), while share fell in France (-0.4 percentage points to 4.1%). In Germany, the significant decline in demand in FGA's core segments resulted in a reduction in market share to 3.5% (-1.9 percentage points). In Europe, the Fiat Panda continued as leader in its segment, followed by the Fiat 500, which maintained 2009 registration levels despite the significant overall decline for its segment.

For Western Europe only (EU15 + EFTA), Fiat Group Automobiles recorded a 7.6% share (down 1.6 percentage points over Q2 2009).

A total of 99,200 light commercial vehicles were delivered in Q2, representing an increase of 29.7% over the same period in 2009. For Europe, deliveries were up 20.9% to 52,300 units. With the European market experiencing overall growth of 11.7%, Fiat Professional achieved a 13.9% share (-0.5 percentage points). In Italy, market share increased to 44.4% (+4.3 percentage points): the success of both the new Doblò, launched at the end of 2009, and the CNG Fiorino contributed to the brand's excellent second quarter performance.

In Brazil, passenger car and light commercial vehicle deliveries were essentially flat (-1.0%) compared with the second quarter of 2009. Share decreased to 23.3% (-1.9 percentage points), but was up one percentage point over the previous quarter. The new Fiat Uno, which has been well received by the market, achieved deliveries of around 20,000 vehicles in the first few weeks. FGA maintained leadership of the Brazilian market.

Fiat Group Automobiles closed Q2 2010 with a **trading profit** of €185 million, up from €155 million in Q2 2009. The improvement was attributable to an improved mix, primarily related to the performance of light commercial vehicles, purchasing savings and favorable currency movements, partially offset by lower volumes and higher advertising spending due to new product launches.

During the quarter, distribution of Chrysler, Jeep® and Dodge vehicles began in Italy, France, Germany, Sweden, Denmark, the Netherlands and Belgium.

On the product front, the most important event was the presentation of the Fiat 500 and the 500C equipped with the new 85hp 2-cylinder TwinAir engine developed for FGA by FPT Powertrain Technologies, which offers a reduction in CO_2 emissions of up to 30% compared to other engines with the same performance.

During the period, the Fiat brand also released: the Fiat 500C by Diesel, a convertible developed by Fiat and the well-known fashion and design house; new versions of the Fiat Bravo equipped with the 140hp 1.4 MultiAir Turbo (Euro 5 compliant) and Start&Stop as standard; and, the Panda Anniversary, a special edition released in celebration of the model's 30th anniversary.

In May, the 2011 model year Alfa Romeo 159 was presented with a refreshed interior and an expanded range of options packages. In June, the brand celebrated its 100th anniversary with 4 days of celebrations that involved the City of Milan, Fiera Milano, the Monza race circuit and the Alfa Romeo museum. Attending the event were some 3,000 classic cars from 45 countries.

At the beginning of July, Fiat Professional offered an addition to its Fiat Scudo range with the top-of-class 165hp 2.0 MultiJet that already conforms to the future Euro 5 EU emissions standards.

The quarter also saw the commercial launch of some products presented at the Geneva Motor Show. These included the Alfa Romeo Giulietta, Abarth Punto Evo and the Abarth 500C. In addition, there was the special edition “Hard Black” from Lancia Delta and the new Doblò Natural Power.

On the production side, major milestones included the 5,000,000th vehicle produced in Melfi, Italy since the plant’s opening in 1993 and the 500,000th Fiat 500 built in Tychy, Poland. Sold in 83 countries worldwide, the Fiat 500 achieved this historic result within just 31 months of its commercial launch.

Finally, in June, the German auto club ADAC tested 241 vehicles in different categories and fuel types and reported the Fiat Panda Natural Power as having the best fuel economy, traveling 724 km on just €30.

First Half

Fiat Group Automobiles closed the **first half** with **revenues** of €14.2 billion, up 13.5% over the first six months of 2009, driven by increased volumes, improved sales mix and favorable currency movements (+7.2% at constant exchange rates).

A total of 1,086,700 passenger cars and light commercial vehicles were delivered during the first half, up 2.9% over the same period in 2009 (-2.2% for passenger cars only). In Europe, deliveries were down 1.6% to 655,800 units (-6.4% for passenger cars only). Fiat Group Automobiles achieved significant gains in France (+13.6%), the UK (+20.7%) and Spain (+180%), that were offset by a decrease in Germany (-51.6%). In Italy volumes were unchanged over the prior year.

The European passenger car market remained essentially unchanged over the first six months of the prior year, with the increase recorded in the first quarter being essentially reversed during the second quarter. Demand fell significantly in Germany (-28.7%), but was offset by increases in all other principal markets (Italy +2.9%, France +5.4%, the UK +19.9% and Spain +39.5%).

Market share for Fiat Group Automobiles in Europe was 8.1% (-0.9 percentage points compared with H1 2009), mainly attributable to performance in Germany and Italy (where there was a decrease in demand for vehicles in the ecological CNG and LPG segments). Share in Germany declined to 3.3% (-2.1 percentage points over 2009) and in Italy to 30.9% (-2.5 percentage points).

A total of 193,800 light commercial vehicles were delivered in the first half, an increase of 36.2% over H1 2009. In Europe, where overall market demand rose 8.6%, total deliveries increased 33.7% to 106,200 vehicles. Market share for Fiat Professional rose to 44.9% in Italy (+4.8 percentage points) and to 13.7% for Europe overall (+0.4 percentage points).

In Brazil, deliveries of passenger cars and light commercial vehicles increased 3.0%. Fiat Group Automobiles maintained its market leadership, for both cars and light commercial vehicles, achieving a share of 22.8% with the overall market increasing 7.3%.

Fiat Group Automobiles posted a **trading profit** of €338 million for the first half. The increase over the €125 million figure for H1 2009 was attributable to higher volumes, an improved product mix, attributable to demand for light commercial vehicles, purchasing savings and favorable currency movements, partially offset by higher advertising spending due to new product launches.

Maserati

For **Q2 2010**, **Maserati** reported €174 million in **revenues**, up 56.8% over the same period in 2009. This increase was attributable to outstanding performance for both the Quattroporte and the new GranCabrio. A total of 1,697 cars were delivered to the network during the quarter, a 45.2% increase over the same period in 2009.

Trading profit came in at €8 million (4.6% of revenues) for the quarter, improving significantly over the €2 million figure for Q2 2009.

Maserati established a new single-marque championship for the GranTurismo MC Trofeo, the racing version of the GranTurismo S, with a race calendar consisting of 7 major European circuits.

Maserati reported €301 million in **revenues** for **H1 2010**, up 33.2% over the same period for the prior year.

Sales to the network totaled 2,902 units for the period, increasing 24.8% over the first half of 2009 with a significant contribution from the GranCabrio. Maserati increased sales volumes in almost all markets, with particularly notable performances in the UK (+92%) and China (+147%).

As a result of the strong revenue performance and efficiencies achieved, **trading profit** came to €12 million (4% of revenues), more than double the €5 million in operating profit for the first half of 2009.

Ferrari

For **Q2 2010**, **Ferrari** reported **revenues** of €489 million, up 8.7% over Q2 2009. This increase was attributable to the performance of the Ferrari California in addition to the positive contribution of the new F458 Italia, 599 GTO and the customization program. A total of 1,615 cars were delivered to the network during the quarter, representing a 2.6% increase over Q2 2009.

Ferrari closed the quarter with a **trading profit** of €77 million (€70 million for Q2 2009). This improvement was attributable both to higher sales revenues and benefits realized from efficiency measures.

April saw presentation at the Beijing Motor Show of the Ferrari 599 GTO: the most performing street version of a vehicle ever built by the maker from Maranello. Derived from the 599, production of this version will be limited to just 599 vehicles. Powered by a 12-cylinder, 6-liter engine and boasting 670 horsepower, it can accelerate from 0 to 100 in 3.35 seconds and achieve a top speed 335 kilometers per hour. Ferrari was also present at the International Expo in Shanghai where millions of visitors passed to admire the Hy-Kers concept car, the brand's hybrid vehicle solution.

Also of note was the launch of the F458 Italia for the US and right-hand drive markets and the opening of new Ferrari Stores in Manhattan and Johannesburg.

For **H1 2010**, Ferrari recorded **revenues** of €903 million, a slight increase over the same period for the prior year. The number of deliveries to the network was up 1.7% to 3,200.

Trading profit totaled €116 million for the first half of 2010, compared with €124 million for the same period in 2009. The negative impact of a less favorable product mix, mainly in the first quarter, was partly offset by cost efficiencies.

Agricultural and Construction Equipment

Second Quarter

AGRICULTURAL AND CONSTRUCTION EQUIPMENT
Revenues & Trading profit/(loss) – 2nd Quarter

(€ million)	*2010*	*2009*
Net revenues	**3,317**	2,860
% change	*16.0*	
Trading profit	**263**	123
Change	*140*	
Trading margin (%)	**7.9**	4.3

AGRICULTURAL AND CONSTRUCTION EQUIPMENT
Revenues & Trading profit/(loss) – 1st Half

(€ million)	*2010*	*2009*
Net revenues	**5,892**	5,458
% change	*8.0*	
Trading profit	**390**	172
Change	*218*	
Trading margin (%)	**6.6**	3.2

CNH – Case New Holland had **revenues** of €3.3 billion for the quarter, a 16% improvement over Q2 2009 (+9.4% in US dollar terms) when the global economic crisis severely impacted demand, especially for construction equipment. Positive performances in the Americas and Rest-of-World markets were able to more than offset the difficult trading conditions for agricultural equipment in Europe, CIS states and Australia. CNH's ability to access the global agricultural and construction equipment markets through its widespread manufacturing and dealership network allowed the Sector to benefit from a strong recovery in demand in several key markets.

Worldwide agricultural industry retail unit sales decreased 4% over the second quarter of 2009. Global tractor sales fell 4% and global combine sales fell 6% for the quarter. North American markets rose 3%, with tractors up 3% and combine sales stable as the outlook for net farm income supported continued strong demand in the large cash crop segments. Strong commodity prices and the continuation of government support programs drove demand in Latin America, where tractors rose 39% and combines were up 41%. Difficult trading conditions in Western Europe saw industry sales drop 17% for the quarter, with tractors down 16% and combines down 35%. Rest-of-World markets were down 7%, with a drop in tractor sales of 7% and a rise in combine sales of 10%.

CNH's global market share for tractors was stable for the quarter. Share in Rest-of-World markets rose as CNH leveraged its strong international presence and market positions in Asia, Africa and Middle East markets. Share in Western Europe was flat and in Latin America decreased in competitive market conditions. In North America, share was stable in the high horsepower tractor segment and decreased for lower power models, in anticipation of new product launches. CNH global market share for combines was up significantly in the second quarter. In North America, CNH market share saw a strong gain, while it was down slightly in sluggish Western European markets. Share in Latin America rose significantly as the Sector utilized local capacity to meet strong demand in a tight supply market. CNH share in Rest-of-World markets increased due to improved demand in Africa and the Middle East, increased combine sales in China, and outperformance in difficult markets including CIS, Australia and New Zealand.

Global construction equipment industry volumes rose 60% in the second quarter compared to the prior year, with light equipment up 38% and heavy equipment up 82%. North American demand was up 13%, with heavy equipment volumes up 8% and a rise in light equipment of 15%. Western European markets rose 17% as the industry stabilized from the previous year's extremely low levels. In Latin America, the market more than doubled, driven by strong demand and a low comparative base. Industry sales in Rest-of-World markets jumped 90% on strong growth in the Asia-Pacific region driven by steady growth in China.

In North America and Rest-of-World markets, CNH construction equipment market share was in line with the comparable period last year. Share in Western Europe fell slightly for light and increased for heavy construction equipment. CNH share in Latin America was down for light and heavy equipment in a growing, yet intensely competitive market.

CNH posted a **trading profit** of €263 million for the second quarter compared to €123 million in Q2 2009, when performance was severely impacted by the difficult market conditions in construction equipment. Trading margin rose to 7.9% (4.3% in Q2 2009). Trading Profit improved as a result of stronger performance from both agricultural and construction equipment. The main drivers were higher volumes, better pricing and decreased industrial costs, benefiting also from the reduction in cost base for Construction Equipment from prior period restructuring actions.

The Sector continued to invest in its product portfolio and industrial capacity during the quarter. A significant amount of effort continued to be invested in the preparation of Tier 4 product introductions with product pre-sells to be launched in the second half of 2010 in the **agricultural equipment** market. These new products, to be launched in the North American and European markets, will not only be upgraded to meet compliance standards for engine emissions, but will also encompass performance and styling upgrades for increased customer productivity.

Additions to the **construction equipmen**t product portfolio will be a new backhoe to be launched in Q4 2010 and a new skid steer in Q1 2011. Both products represent material upgrades in performance for the operator and are in line with the Group's global platform strategy, with the backhoe being designed for Tier 4 engine compliance.

First Half

CNH had **revenues** of €5.9 billion for **H1 2010**, up 8.0% (7.5% in US dollar terms) over the same period in 2009. Revenues increased as a result of the strength in the Americas and Rest-of-World markets, which more than offset the difficult trading conditions in Western and Eastern Europe.

Trading profit more than doubled to €390 million, up €218 million from the €172 million for the comparable period a year ago. Industrial efficiencies were achieved across the board, while volume and pricing, mainly in North and Latin American markets, drove better operating margins.

FIAT GROUP

Q2 2010

Trucks and Commercial Vehicles

TRUCKS AND COMMERCIAL VEHICLES
Revenues & Trading profit/(loss) – 2nd Quarter

(€ million)	2010	2009
Net revenues	**2,097**	1,773
% change	*18.3*	
Trading profit/(loss)	**50**	18
Change	*32*	
Trading margin (%)	**2.4**	1.0

TRUCKS AND COMMERCIAL VEHICLES
Revenues & Trading profit/(loss) – 1st Half

(€ million)	2010	2009
Net revenues	**3,791**	3,296
% change	*15.0*	
Trading profit/(loss)	**53**	6
Change	*47*	
Trading margin (%)	**1.4**	0.2

Second Quarter

Iveco reported €2.1 billion in **revenues** for the **second quarter** of 2010, up 18.3% year-on-year. The increase was primarily attributable to higher sales volumes, reflecting initial signs of a recovery in demand, although still at very low levels in Western Europe.

Iveco delivered a total of 34,318 vehicles worldwide, including buses and special vehicles, an increase of 32,4% over the same period in 2009. Growth was recorded in all segments with light vehicles up 32.5%, medium up 56.1% and heavy up 52.7%. Total volumes for the second quarter were, however, still contained compared to the average for 2007/08. A total of 21,786 vehicles were delivered in Western Europe (+27.5%), with increases over Q2 2009 in all major markets: Italy (+14.5%), Germany (+34.6%), Spain (+77.8%), France (+32.1%) and the UK (+69.5%). The trend was also positive in Eastern Europe, where deliveries were up 27.3%, and very strong in Latin America, where they increased 48.8%.

In Western Europe, registrations for ≥3.5 ton trucks and commercial vehicles rose 4.5% over Q2 2009 reflecting the initial signs of recovery in order intake in the last months of 2009 compared to the same period in 2008. By segment, registrations for light vehicles were up 10.3%, while heavy vehicles decreased 3.2% and medium vehicles fell 9.1%. By country, registrations were up in France (+6.1%), Germany (+10.4%), the UK (+4.9%) and Spain (+8.6%), with the only decrease registered being Italy (-5.3%).

Iveco's market share in Western Europe was 13.4% for the quarter, up 0.2 percentage points over Q2 2009, driven by performances in Italy (+0.8 percentage points), Germany (+1.5 percentage points) and Spain (+3.7 percentage points). Share in the light vehicle segment increased 0.5 percentage points. Share of the heavy segment decreased slightly (-0.1 percentage points), while Iveco's share of the medium segment was in line with Q2 2009.

Iveco closed the second quarter with a **trading profit** of €50 million, compared to €18 million for Q2 2009. The improvement was primarily attributable to volume increases and manufacturing efficiencies achieved.

In June, Iveco presented the new Eurocargo Hybrid, the mid-range vehicle equipped with a parallel diesel/electric propulsion system that offers a 30% reduction in fuel consumption and CO_2 emissions in urban traffic over traditional vehicles in the same class.

At the important BAUMA 2010 in Munich, Iveco presented its extensive range of vehicles for the construction sector with the line-up including the international debut of the Astra HHD8, with a GVW of 50 metric tons and significant payload capacity, that can adapt to even the most impenetrable terrain.

The Sector's range of Special Vehicles was featured at Interschutz in Hannover, a trade show dedicated to fire-fighting solutions, where Iveco Magirus presented a first-of-its-kind 60-meter ladder and the new high-performance Dragon 2 specially designed for emergency response at airports.

In Hannover, Iveco also inaugurated its first Truck Station, the new initiative completely dedicated to the world of international road transport. The Truck Stations are one-stop service points equipped to respond to all of a transport operator's needs in a single stop, guaranteeing 24 hour-a-day assistance for both vehicles and trailers.

Finally, on national innovation day at a ceremony attended by the President of the Italian Republic, Iveco received the "Award of Awards", established to promote and support the best in innovation and creativity from Italian companies, universities, local authorities, organizations and individuals.

First Half

Iveco posted **revenues** of €3.8 billion for **H1 2010**, up 15% over the same period for the prior year.

A total of 61,237 vehicles were delivered worldwide, including buses and special vehicles, representing an increase of 29.2% over the same period in 2009. Gains were recorded in all segments with light vehicles up 36.2%, medium vehicles up 48.6% and heavy vehicles up 31.0%. A total of 39,027 vehicles were delivered in Western Europe (+23.8%), with increases over Q2 2009 in all markets: Italy (+27.2%), Germany (+37.5%), Spain (+58.3%), France (+24.4%) and the UK (+12.7%). The trend in deliveries was also positive in Eastern Europe (+20.5%), and very strong in Latin America, with an increase of 50.8%.

In Western Europe, the market contracted 3.5% over the first half of 2009, due to a reduced order intake in the second half of 2009 compared to the same period in 2008, particularly in the medium and heavy segments. Iveco had an overall market share of

13.8%, up 0.4 percentage points over H1 2009. Iveco's share increased in both the light segment (+0.2 percentage points) and heavy segment (+0.4 percentage points). Market share was down slightly in the medium segment (-0.3 percentage points).

Iveco closed the first half with a **trading profit** of €53 million, compared to the €6 million figure for H1 2009. This improvement was primarily attributable to higher sales volumes and production efficiencies.

COMPONENTS AND PRODUCTION SYSTEMS Net revenues – 2nd Quarter		
(€ million)	*2010*	*2009*
FPT Powertrain Technologies	**1,855**	1,253
% change	*48.0*	
Components (Magneti Marelli)	**1,400**	1,152
% change	*21.5*	
Metallurgical Products (Teksid)	**201**	141
% change	*42.6*	
Production Systems (Comau)	**256**	169
% change	*51.5*	
Eliminations	**(201)**	(118)
Total	**3,511**	2,597
% change	*35.2*	

COMPONENTS AND PRODUCTION SYSTEMS Trading profit/(loss) – 2nd Quarter		
(€ million)	*2010*	*2009*
FPT Powertrain Technologies	**53**	(26)
Change	*79*	
Components (Magneti Marelli)	**26**	1
Change	*25*	
Metallurgical Products (Teksid)	**6**	(4)
Change	*10*	
Production Systems (Comau)	**1**	(12)
Change	*13*	
Total	**86**	(41)
Change	*127*	
Trading margin (%)	**2.4**	(1.6)

Components and Production Systems

FPT Powertrain Technologies

FPT Powertrain Technologies reported €1,855 million in **revenues** for **Q2 2010**, representing a 48.0% increase year-over-year. During the period, Fiat-GM Powertrain Polska was fully consolidated, following FPT's acquisition of its partner's 50% stake. On a like-for-like basis, the increase in revenues is 29.8%. Sales to external customers and joint ventures accounted for 20% of total revenues (15% for 2009).

The Passenger & Commercial Vehicles product line closed the quarter with revenues of €1,220 million, up 36.9% (+11.3% on a comparable basis), with Fiat Group companies accounting for 85% of sales. A total of 622,000 engines (-1.4% on a like-for-like basis) and 598,000 transmissions (+3.3%) were sold during the quarter.

Industrial & Marine reported revenues of €646 million, up 79.7% over the second quarter of 2009. A total of 112,000 engines (+79.6%) were sold primarily to Iveco (36%), CNH (25%) and Sevel (26%), the JV in light commercial vehicles. In addition, 20,000 transmissions (+66.0%) and 37,000 axles (+60.1%) were also delivered.

FPT closed Q2 2010 with a **trading profit** of €53 million, compared to a €26 million loss for Q2 2009. The improvement was primarily attributable to a recovery in sales volumes, as well as purchasing and manufacturing efficiencies.

COMPONENTS AND PRODUCTION SYSTEMS
Net revenues – 1st Half

(€ million)	*2010*	*2009*
FPT Powertrain Technologies	**3,219**	2,360
% change	*36.4*	
Components (Magneti Marelli)	**2,673**	2,128
% change	*25.6*	
Metallurgical Products (Teksid)	**372**	259
% change	*43.6*	
Production Systems (Comau)	**484**	355
% change	*36.3*	
Eliminations	**(324)**	(224)
Total	**6,424**	4,878
% change	*31.7*	

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

(€ million)	*2010*	*2009*
FPT Powertrain Technologies	**66**	(84)
Change	*150*	
Components (Magneti Marelli)	**45**	(39)
Change	*84*	
Metallurgical Products (Teksid)	**6**	(12)
Change	*18*	
Production Systems (Comau)	**1**	(19)
Change	*20*	
Total	**118**	(154)
Change	*272*	
Trading margin (%)	**1.8**	(3.2)

The Fiat 500 and Fiat 500C were presented with the new 85hp TwinAir engine, a revolutionary development that confirms Fiat Group as an international leader in highly efficient engines. Based on the MultiAir system, it is the first of a new family of two-cylinder engines - with output ranging from 65 to 105 horsepower - that offers a reduction in CO_2 emissions of up to 30% compared to other engines with the same performance.

The new 1.4 MultiAir turbo engine was named “Best New Engine 2010”, one of the prestigious “Engine of the Year” categories awarded by an international panel of 65 trade journalists from 32 countries.

There was also the commercial launch of the 176hp FPT F1C diesel engine that features Selective Catalytic Reduction technology.

Production launches for the period include a new engine for the Latin American market, the E-Torq 1.6-1.8 in gasoline and flex-fuel versions in connection with the introduction of Grande Punto model year, and, for marine engines, the new 620hp C90 for leisure craft.

FPT reported €3,219 million in **revenues** for **H1 2010**, representing a 36.4% increase over the first half of 2009 (+26.7% on a comparable basis). Sales to external customers and joint ventures accounted for 19% of total revenues (16% for 2009). The Passenger & Commercial Vehicles product line closed the first half with revenues of €2,106 million (+31.5%; +17.2% on a comparable basis) and sold 1,206,000 engines (+7.5% on a like-for-like basis) and 1,175,000 transmissions (+12.1%). Industrial & Marine delivered a total of 200,000 engines (+57.5%), posting revenues of €1,132 million (+50.7%).

For the first half of 2010, FPT reported **trading profit** of €66 million, compared to an €84 million loss for H1 2009. The first six months were also heavily influenced by a significant recovery in sales volumes and the achievement of purchasing and manufacturing efficiencies.

Magneti Marelli

For **Q2 2010**, **Magneti Marelli** reported **revenues** of €1,400 million, up 21.5% over Q2 2009. All business lines continued the year-over-year improvement already seen in the early months of 2010.

In Europe, revenues recovered sharply in Germany and the Czech Republic, particularly for the Lighting business, and also benefited from the growth in demand for light commercial vehicles. Sales in Italy and Poland, however, were affected by the downturn in demand for A- and B-segment vehicles. Also of note was the positive performance in Brazil, China and the NAFTA region.

Magneti Marelli reported Q2 **trading profit** of €26 million, compared to a profit of €1 million for Q2 2009. The benefits from higher sales volumes, combined with cost containment measures and manufacturing efficiencies, contributed to the positive result achieved for the quarter.

During the period, the Sector also launched exhaust systems for the new Fiat Uno in Brazil and for another automaker in Spain. It also developed and produced lighting systems and sophisticated suspension systems for several major European-based automakers.

Significant events during the period include the signing of an agreement between Magneti Marelli and the Serbian government in May for construction of a new plant that will produce automotive accessories and spare parts.

For **H1 2010**, Magneti Marelli reported €2,673 million in **revenues**, up 25.6% over the first six months of the prior year.

Magneti Marelli closed the first half with a **trading profit** of €45 million, compared to a €39 million loss for H1 2009. As in Q2, this improvement was due to higher sales volumes, cost containment measures and production efficiencies implemented.

Teksid

Teksid reported **revenues** of €201 million for **Q2 2010**. The 42.6% increase was attributable to higher sales volumes compared with the second quarter of 2009, which had been severely impacted by the market crisis. Volumes for the Cast Iron business unit increased 31.5%, with positive performance in the Mercosur and NAFTA regions, as well as in Europe. Volumes also increased (+13.9%) for the Aluminum business unit.

Teksid closed the second quarter with a **trading profit** of €6 million, compared to a €4 million loss for Q2 2009.

Teksid's **revenues** for **H1 2010** were €372 million, up 43.6% over the first six months of 2009, reflecting higher sales volumes for both the Cast Iron business unit (+33.7%) and the Aluminum business unit (+41.7%).

Teksid closed the first half with a **trading profit** of €6 million, compared to a €12 million loss for H1 2009.

Comau

Comau reported **revenues** of €256 million for **Q2 2010**, up 51.5% over the same period in 2009. This increase was mainly attributable to the Body Welding operations in North America.

Order intake for the period, totaling €300 million, represented a 116% year-over-year increase and was principally attributable to the Powertrain Systems operations in North America.

Comau closed the quarter with **trading profit** of €1 million, compared to a trading loss of €12 million for the corresponding period in 2009. This improvement was largely due to the increase recorded for the Body Welding operations.

Comau **revenues** for **H1 2010** were €484 million, up 36.3% year-over-year, mainly due to the positive performance of the Body Welding operations.

Order intake for the period, totaling €650 million, represented a 78% increase over the first half of 2009. At 30 June 2010, the order backlog totaled €574 million, a 21% increase over year-end 2009.

Comau closed the first half with **trading profit** of €1 million, compared to a trading loss of €19 million for the corresponding period in 2009. The improvement was mainly attributable to the Body Welding operations.

Other Businesses

Other Businesses includes the contribution from the Group's publishing businesses, service companies and holding companies. In **Q2 2010**, Other Businesses had **revenues** of €280 million, representing a 1.4% decrease over the same period in 2009.

Other Businesses reported a **trading loss** of €18 million for the quarter, including eliminations and consolidation adjustments, compared with a loss of €17 million for the same period in 2009.

For **H1 2010**, Other Businesses reported **revenues** of €542 million (down 1.5% over the prior year) and a **trading loss** of €24 million compared with a loss of €16 million for H1 2009.

Significant events: second quarter 2010 and subsequent to 30 June 2010

On April 21st, John Elkann was appointed Chairman of Fiat, replacing Luca Cordero di Montezemolo, who resigned from office having accomplished the mandate given to him by the Company's core shareholder in May 2004. Mr. Montezemolo continues as a member of the Fiat Board of Directors and Chairman of Ferrari.

On the same date, Fiat Group held an Investor Day in Turin, during which the CEO, Sergio Marchionne, and members of the Group Executive Council presented the 2010-2014 Business Plan to the financial community. The Plan marks a new chapter in Fiat's history and is designed to ensure the Group opportunity for growth, in particular through the two strategic projects announced during the presentation. The first is the envisaged demerger of various activities from Fiat to create two distinct groups: one focused on the automobiles business (Fiat, which includes FGA, Ferrari, Maserati, Magneti Marelli, Teksid, Comau, as well as the “Passenger & Commercial Vehicles” business line of FPT Powertrain Technologies) and the other on the capital goods business (Fiat Industrial, which includes CNH, Iveco and the “Industrial & Marine” business line of FPT Powertrain Technologies).

The second project outlined in the Business Plan, referred to as *Fabbrica Italia*, addresses Fiat's commitment to strengthening the industrial presence of Fiat Group Automobiles in Italy.

In May, as part of the process to integrate the distribution activities of Fiat Group Automobiles and Chrysler Group in Europe, the two companies began reorganization and integration of the Chrysler and Lancia sales networks. This integration will lead to the creation of a new network of over 1,000 dealerships across Europe by 2014 under a new mandate.

Early June saw the inauguration of a new plant in China (located in the automotive industrial district of Jiading, just outside Shanghai) under the joint venture formed in January 2009 between Magneti Marelli and Shanghai Automobile Gear Works (SAGW). This new plant will produce hydraulic components for around 300 thousand Magneti Marelli Freechoice™ AMT transmissions annually.

There were also significant developments in the dialogue with stakeholders on Fiat's vision for the future of the Giambattista Vico plant in Pomigliano d’Arco, which, under the 2010-2014 Business Plan, would be allocated production of the future Panda. Negotiations led to the signing of an agreement with the trade unions FIM, UILM, FISMIC and UGL in June on new work rules aimed at improving the efficiency and competitiveness of the plant. At the beginning of July, Fiat met in Turin with the abovementioned trade unions for the purposes of implementing the agreement. At the meeting, the parties expressed their commitment to adoption of the agreed mechanisms that will guarantee the necessary operating flexibility for the plant. Execution of that agreement according to the stipulated terms and conditions is essential to Fiat maintaining its commitment to realization of the *Fabbrica Italia* project.

FIAT GROUP

2010 Outlook

As expected, 2010 is materializing as a year of transition and stabilization.

The Group expects all of its Sectors to significantly improve performance over the prior year in the second semester, with the exception of the Automobiles business, the performance of which will be impacted by the reduction and/or elimination of eco-incentives programs which underpin demand for A and B segment cars in Western Europe.

The Group is continuing to apply the rigorous cost containment discipline which were introduced in the latter part of 2008.

The capital expenditures programs are expected to increase over the abnormally low levels of 2009, with the resumption of a normalized level of capital commitments across all Sectors.

Pending the closing and reporting of Q3 financials, the Group confirms the following targets for the year:

- Revenues in excess of €50 billion.
- Trading profit of €1.1 to €1.2 billion.
- Net profit near break even.
- Net industrial debt above €5 billion.

It is highly probable, in view of the Group's performance to date and our forecast of trading activity for the businesses in the remainder of the year, that Fiat will upgrade guidance for 2010 when announcing Q3 2010 results.

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

John Elkann	Sergio Marchionne
Chairman of the Board	*Chief Executive Officer*

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

This press release, and in particular the section entitled “2010 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: volatility and deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in government regulation (in each case, in Italy or abroad), and many other factors, most of which are outside of the Group’s control.

Turin, 21 July 2010

The Board of Directors of Fiat S.p.A. met today at Chrysler headquarters in Auburn Hills, Michigan (USA).

Today, at 4:00 p.m. CET, management will hold a conference call to present the 2010 second quarter results to financial analysts and institutional investors. The call can be followed live and a recording will be available later on the Group’s website: www.fiatgroup.com

Consolidated Income Statement

Unaudited

(€ million)	2nd Quarter 2010	2nd Quarter 2009	1st Half 2010	1st Half 2009
Net revenues	14,836	13,184	27,762	24,452
Cost of sales	12,532	11,405	23,626	21,284
Selling, general and administrative costs	1,250	1,112	2,365	2,191
Research and development costs	365	321	703	661
Other income (expenses)	(38)	(36)	(65)	(54)
TRADING PROFIT/(LOSS)	**651**	**310**	**1,003**	**262**
Gains (losses) on the disposal of investments	5	2	6	-
Restructuring costs	23	132	25	134
Other unusual income (expenses)	(5)	(22)	(4)	(99)
OPERATING PROFIT/(LOSS)	**628**	**158**	**980**	**29**
Financial income (expenses)	(301)	(161)	(551)	(371)
Result from investments:	47	(13)	102	(34)
Share of the profit/(loss) of investees accounted for using the equity method	53	(13)	105	(37)
Other income (expenses) from investments	(6)	-	(3)	3
PROFIT/(LOSS) BEFORE TAXES	**374**	**(16)**	**531**	**(376)**
Income taxes	261	163	439	214
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	**113**	**(179)**	**92**	**(590)**
Profit/(loss) from discontinued operations	-	-	-	-
PROFIT/(LOSS) FOR THE PERIOD	**113**	**(179)**	**92**	**(590)**
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:				
Owners of the parent	90	(168)	65	(578)
Non-controlling interests	23	(11)	27	(12)

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:

	1st Half 2010		At 31 December 2009	1st Half 2009	
	Average	At 30 June		Average	At 30 June
US dollar	1.327	1.227	1.441	1.333	1.413
Pound sterling	0.870	0.817	0.888	0.894	0.852
Swiss franc	1.436	1.328	1.484	1.506	1.527
Polish zloty	4.002	4.147	4.105	4.476	4.452
Brazilian real	2.384	2.208	2.511	2.921	2.747
Argentine peso	5.130	4.821	5.473	4.843	5.353

Consolidated statement of financial position

Unaudited

(€ million)	At 30 June 2010	At 31 December 2009
ASSETS		
Intangible assets	7,850	7,199
Property, plant and equipment	13,325	12,945
Investments and other financial assets:	2,343	2,159
Investments accounted for using the equity method	2,069	1,884
Other investments and financial assets	274	275
Leased assets	513	457
Defined benefit plan assets	152	144
Deferred tax assets	2,854	2,580
Total Non-current assets	**27,037**	**25,484**
Inventories	9,319	8,748
Trade receivables	4,207	3,649
Receivables from financing activities	15,032	12,695
Current tax receivables	978	674
Other current assets	2,712	2,778
Current financial assets:	763	899
Current investments	30	46
Current securities	209	217
Other financial assets	524	636
Cash and cash equivalents	13,339	12,226
Total Current assets	**46,350**	**41,669**
Assets held for sale	88	82
TOTAL ASSETS	**73,475**	**67,235**
Total assets adjusted for asset-backed financing transactions	**65,296**	**60,149**
EQUITY AND LIABILITIES		
Equity:	12,073	11,115
Issued capital and reserves attributable to owners of the parent	11,136	10,301
Non-controlling interest	937	814
Provisions:	9,046	8,432
Employee benefits	3,649	3,447
Other provisions	5,397	4,985
Debt:	30,774	28,527
Asset-backed financing	8,179	7,086
Other debt	22,595	21,441
Other financial liabilities	730	464
Trade payables	13,081	12,295
Current tax payables	906	377
Deferred tax liabilities	116	152
Other current liabilities	6,749	5,865
Liabilities held for sale	-	8
TOTAL EQUITY AND LIABILITIES	**73,475**	**67,235**
Total equity and liabilities adjusted for asset-backed financing transactions	**65,296**	**60,149**

Consolidated Statement of Cash Flows

Unaudited

(€ million)		1st Half 2010	1st Half 2009
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		**12,226**	**3,683**
B) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES DURING THE PERIOD:			
Profit/(loss) for the period		92	(590)
Amortisation and depreciation (net of vehicles sold under buy-back and operating lease)		1,397	1,382
(Gains) losses from disposal of non-current assets (net of vehicles sold under buy-back)		(12)	(8)
Other non-cash items	(a)	127	106
Dividends received		70	24
Change in provisions		128	(55)
Change in deferred income taxes		(142)	(187)
Change in items due to buy-back commitments	(b)	82	(15)
Change in operating lease items	(c)	31	2
Change in working capital		961	962
TOTAL		**2,734**	**1,621**
C) CASH FLOWS FROM (USED IN) INVESTMENT ACTIVITIES:			
Investments in:			
Property, plant and equipments and intangible assets (net of vehicles sold under buy-back commitment and operating lease)		(1,508)	(1,412)
Investments in consolidated subsidiaries and other investments		(80)	(45)
Proceeds from the sale of non-current assets (net of vehicles sold under buy-back)		65	47
Net change in receivables from financing activities		(883)	137
Change in other current securities		32	(3)
Other changes		297	27
TOTAL		**(2,077)**	**(1,249)**
D) CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:			
Bonds issued		1,130	-
Repayment of bonds		(1,021)	(375)
Issuance of other medium-term borrowings		901	1,955
Repayment of other medium-term borrowings		(859)	(504)
Net change in other financial payables and other financial assets/liabilities		23	1,016
Capital increase		1	9
Dividends paid		(237)	(25)
TOTAL		**(62)**	**2,076**
Translation exchange differences		518	91
E) TOTAL CHANGE IN CASH AND CASH EQUIVALENTS		**1,113**	**2,539**
F) CASH AND CASH EQUIVALENTS AT END OF PERIOD		**13,339**	**6,222**

(a) In the first half of 2010, this item includes the reversal of the negative €36 million arising from the fair value measurement of the equity swaps on Fiat shares (positive for an amount of €53 million in the first half of 2009).

(b) The cash flows generated by the sale of vehicles under buy-back commitments, net of the amounts included in Profit/(loss) for the period, are included under operating activities in a single line item which includes changes in working capital, capital expenditures, depreciation and impairment losses. This item also includes gains and losses arising from the sales of vehicles transferred under buy-back commitments that occur before the end of the agreement term without repossession of the vehicle.

(c) Cash flows generated by operating lease arrangements are included in operating activities in a single line item which includes capital expenditures, depreciation, impairment losses and changes in inventories.