



FIAT STREAMLINES THE CORPORATE STRUCTURE OF THE GROUP

The Board of Directors of Fiat S.p.A. met today in Turin under the chairmanship of Luca Cordero di Montezemolo to approve a corporate transaction whereby the main shareholdings of Fiat Partecipazioni S.p.A. (Fiat Group Automobiles, Fiat Powertrain Technologies, Magneti Marelli, Teksid, Teksid Aluminum, Maserati), as well as approximately 40% of Iveco and FNH, the controlling entity of CNH, and approximately 10.5% of RCS will be transferred to Fiat S.p.A.. Fiat S.p.A. already directly holds 100% of Comau, the remaining ~60% of Iveco and FNH, and 85% of Ferrari S.p.A.

After completion of the transaction – expected to occur before the end of the year – Fiat S.p.A. will directly hold the controlling shareholdings of its industrial Sectors.

The reorganization, which will be implemented through a partial spin off in favor of Fiat S.p.A of the wholly owned subsidiary Fiat Partecipazioni S.p.A., will simplify the corporate structure of the Group in line with the most recent market best practices. Furthermore the transaction will allow a strengthened operational efficiency, financial optimization, and the streamlining of the transfer of dividends.

Fiat Partecipazioni S.p.A. will focus on its activities as service provider and in the real estate business, both in favour of Group companies. The transaction will be made at book value and will therefore have no effect on the Group and Fiat S.p.A.. No withdrawal right will arise from the spin off because there is no impact on the shareholders of the companies involved.

Today the Spin Off Plan and the Explanatory Report will be available to the public at the Company's headquarters and at the office Borsa Italiana S.p.A. and as well as through publication on the website www.fiatgroup.com.

Turin, 18 September 2008