

Fiat S.p.A.

**Financial Statements
at 30 June 2008**

Board of Directors and Auditors

Board of Directors

Chairman

Luca Cordero di Montezemolo (4)

Vice Chairman

John Elkann (1) (4)

Chief Executive Officer

Sergio Marchionne (4)

Directors

Andrea Agnelli

Roland Berger (3) (4)

Tiberto Brandolini d'Adda

René Carron

Luca Garavoglia (1) (3)

Gian Maria Gros-Pietro (1) (2)

Virgilio Marrone

Vittorio Mincato (2)

Pasquale Pistorio (4)

Carlo Sant'Albano

Ratan Tata

Mario Zibetti (2) (3)

Secretary of the Board

Franzo Grande Stevens

Board of Statutory Auditors (*)

Statutory Auditors

Carlo Pasteris – Chairman

Giuseppe Camosci

Piero Locatelli

Alternate Auditor

Roberto Lonzar

Independent Auditors

Deloitte & Touche S.p.A.

(*) On 15 May 2008, Cesare Ferrero and Giorgio Giorgi resigned their respective positions as Statutory Auditor and Alternate Auditor. On the same date, Piero Locatelli was appointed as Statutory Auditor.

(1) Member of the Nominating and Corporate Governance Committee

(2) Member of the Internal Control Committee

(3) Member of the Compensation Committee

(4) Member of the Strategic Committee

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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 on the Internet at the address:
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

Income Statement^(*)

(in thousands of euros)	Note	1 st Half 2008	of which Related parties (Note 27)	1st Half 2007	of which Related parties (Note 27)
Dividends and other income from investments	(1)	873,011	872,849	420,573	420,450
(Impairment losses) Reversal of impairment losses of investments	(2)	-		(53,000)	
Gains (losses) on the disposal of investments	(3)	-		8	
Other operating income	(4)	39,703	29,188	66,874	31,163
Personnel costs	(5)	(23,416)	(11,899)	(24,474)	(10,488)
Other operating costs	(6)	(70,853)	(43,105)	(85,288)	(44,787)
Financial income (expenses)	(7)	(223,712)	(219,968)	46,473	51,690
Result before taxes		594,733		371,166	
Income taxes	(8)	3,758		701	
Result from continuing operations		590,975		370,465	
Result from discontinued operations		-		-	
Net result		590,975		370,465	

(*) Unaudited

Statement of Recognised Income and Expenses^(*)

(in thousands of euros)	1 st Half 2008	1st Half 2007
Gains (losses) recognised directly in the fair value reserve (investments in other companies)	(7,674)	(15,924)
Gains (losses) recognised directly in equity	(7,674)	(15,924)
Net result for the period	590,975	370,465
Recognised income (expense) for the year	583,301	354,541

(*) Unaudited

Balance Sheet^(*)

(in thousands of euros)	Note	At 30 June 2007	of which Related parties (Note 27)	At 31 December 2007	of which Related parties (Note 27)
ASSETS					
Non-current assets					
Intangible assets	(9)	796		811	
Property, plant and equipment	(10)	33,710		34,664	
Investments	(11)	13,311,173	13,285,004	13,311,484	13,277,641
Other financial assets	(12)	19,795	9,690	19,493	9,388
Other non-current assets	(13)	256		116	
Deferred tax assets		-		-	
Total Non-current assets		13,365,730		13,366,568	
Current assets					
Inventories	(25)	-		-	
Trade receivables	(14)	122,443	15,690	180,981	10,167
Current financial receivables	(15)	558,729	558,729	1,223,431	1,223,431
Other current receivables	(16)	1,354,163	940,326	892,161	436,482
Cash and cash equivalents	(17)	431		524	
Total Current assets		2,035,766		2,297,097	
Assets held for sale		-		-	
TOTAL ASSETS		15,401,496		15,663,665	
STOCKHOLDERS' EQUITY AND LIABILITIES					
Stockholders' equity					
Capital stock	(18)	6,377,263		6,377,263	
Additional paid-in capital		1,540,885		1,540,885	
Legal reserve		639,503		536,060	
Other reserves and retained earnings		3,053,463		1,587,248	
Treasury stock		(656,553)		(419,310)	
Net result for the period		590,975		2,068.859	
Total Stockholders' equity		11,545,536		11,691,005	
Non-current liabilities					
Provisions for employee benefits and other non-current provisions	(19)	25,734	15,519	21,302	11,516
Non-current financial payables	(20)	2,809,690	2,809,690	2,809,388	2,809,388
Other non-current liabilities	(21)	15,487		15,852	
Deferred tax liabilities		5,572		4,257	
Total Non-current liabilities		2,856,483		2,850,799	
Current liabilities					
Provisions for employee benefits and other current provisions	(22)	5,829	4,716	128	
Trade payables	(23)	184,628	13,840	246,495	6,305
Current financial payables	(24)	323,573	76,709	294,695	73,687
Other payables	(25)	485,447	459,103	580,543	551,948
Total Current liabilities		999,477		1,121,861	
Liabilities held for sale		-		-	
TOTAL STOCKHOLDERS' EQUITY AND LIABILITIES		15,401,496		15,663,665	

(*) Unaudited

Statement of Cash Flows^(*)

(in thousands of euros)	1 st Half 2008	of which Related parties	1st Half 2007	of which Related Parties
A) Cash and cash equivalents at beginning of the period	524		608	
B) Cash flows from (used in) operating activities during the period:				
Net result for the period	590,975		370,465	
Amortisation and depreciation	1,026		1,446	
Non-cash stock option costs	11,079	9,571	23,782	20,975
Impairment losses (Reversals of impairment losses) of investments	-		53,000	
Capital losses/gains on the disposal of investments	-		-	
Change in provisions for employee benefits and other provisions	10,133	8,718	(17,930)	98
Change in deferred taxes	1,315		701	
Change in working capital	(562,322)	(594,277)	(110,880)	(82,721)
Total	52,206		320,584	
C) Cash flows from (used in) investment activities:				
Investments:				
-Recapitalisations of subsidiaries	-		(50,000)	(50,000)
-Acquisitions	-		-	
Divestitures of investments relating to:				
-Capital reductions and distribution of capital reserves by subsidiaries	-		1,300,000	1,300,000
-Proceeds from sale	481		871	
Other (investments) divestitures, net	-		(944)	
Total	481		1,249,927	
D) Cash flows from (used in) financing activities:				
Change in current financial receivables	664,702	664,702	(154,181)	(154,181)
Change in non-current financial payables	302	302	770	
Change in current financial payables	28,878	3,022	(928,991)	(928,991)
Proceeds from the increase in capital stock	-		-	
Purchase of treasury stock	(238,531)		(231,309)	
Sale of treasury stock	1,287		17,152	
Dividend distribution	(509,418)	(145,679)	(273,941)	(61,255)
Total	(52,780)		(1,570,500)	
E) Total change in cash and cash equivalents	(93)		11	
F) Cash and cash equivalents at end of the period	431		619	

(*) Unaudited

Statement of Changes in Stockholders' Equity

Unaudited

(in thousands of euros)	Capital stock	Additional paid-in capital	Legal reserve	Reserve under law no. 413/1991	Reserve for the purchase of treasury stock	Reserve for treasury stock in portfolio	Extraordinary reserve	Retained earnings (losses)	Gains (losses) recognised directly in equity	Stock option reserve	Treasury stock (1)	Net result	Total Stockholders' equity
Balances at 31 December 2007	6,377,263	1,540,885	536,060	22,591	952,579	419,310	28,044	56,535	14,922	93,267	(419,310)	2,068,859	11,691,005
Allocation of prior year profits:													
- to the legal reserve			103,443									(103,443)	-
- distribution of dividends to stockholders												(509,418)	(509,418)
- balance to retained earnings								1,455,998				(1,455,998)	-
Renewal and increase in reserve for the purchase of treasury shares					428,692			(428,692)					-
Purchases of treasury stock					(238,531)	238,530					(238,530)		(238,531)
Sale of treasury stock						(1,287)		737			1,287		737
Fair value adjustment recognised directly in equity									(7,674)				(7,674)
Valuation of stock option plans										18,442			18,442
Net result for the period												590,975	590,975
Balances at 30 June 2008	6,377,263	1,540,885	639,503	22,591	1,142,740	656,553	28,044	1,084,578	7,248	111,709	(656,553)	590,975	11,545,536

(1) At 30 June 2008, treasury shares consisted of 38,568,458 ordinary shares for a total nominal value of approximately 193 million euros (at 31 December 2007: 21,851,458 ordinary shares for a total nominal value of approximately 109 million euros).

(in thousands of euros)	Capital stock	Additional paid-in capital	Legal reserve	Reserve under law no. 413/1991	Reserve for the purchase of treasury stock	Reserve for treasury stock in portfolio	Extraordinary reserve	Retained earnings (losses)	Gains (losses) recognised directly in equity	Stock option reserve	Treasury stock (4)	Net result	Total Stockholders' equity
Balances at 31 December, 2006	6,377,257	1,540,856	446,562	22,591	-	24,139	6,135	(553,412)	162,764	27,400	(24,139)	2,343,375	10,373,528
Capital increases (2)	6	29											35
Allocation of prior year profits:													
- to fully offset accumulated losses								553,412				(553,412)	-
- to the legal reserve			89,498									(89,498)	-
- distribution of dividends to stockholders												(273,942)	(273,942)
- balance to retained earnings								1,426,523				(1,426,523)	-
Establishment of a reserve for the purchase of treasury stock (3)					1,378,602			(1,378,602)					-
Purchases of treasury stock					(231,309)	231,309					(231,309)		(231,309)
Sale of treasury stock						(11,885)	17,153				11,885		17,153
Net changes in Income (expenses) recognised directly in equity									(15,924)				(15,924)
Valuation of stock option plans										34,682			34,682
Net result												370,465	370,465
Balances at 30 June 2007	6,377,263	1,540,885	536,060	22,591	1,147,293	243,563	23,288	47,921	146,840	62,082	(243,563)	370,465	10,274,653

(2) On 1 February 2007, following exercise of 4,676 "2007 Fiat Ordinary Share Warrants" (issued in occasion of the share capital increase of 10 December 2001) a total of 1,159 shares (nominal value of 5 euros each) were issued for a total value of 34,326.51 euros. As a consequence, share capital subscribed and paid increased by 5,845 euros (from 6,377,257, 130 euros to 6,377,262,975 euros). The 28,481.51 difference was included in the additional paid-in capital reserve.

(3) In accordance with the resolution passed by Shareholders on 5 April 2007 for a total amount of euro 1.4 billion, existing restricted reserve, of approximately 21 million of euros, for treasury shares already held at that date.

(4) At 20 June 2007, treasury shares consisted of 13,467,127 ordinary shares for a total nominal value of approximately 67 million euros (at 31 December 2006: 3,773,458 ordinary shares for a total nominal value of approximately 19 million euros).

Notes

Significant accounting policies

These financial statements of the Parent Company, Fiat S.p.A. 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, these financial statements at 30 June 2008 have been prepared in accordance with IAS 34 - *Interim Financial Reporting* applying the same accounting principles and policies used in the preparation of the Separate financial statements at 31 December 2007.

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 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.

Moreover, these valuation procedures, in particular those of a more complex nature regarding matters such as any impairment or reversal of impairment loss 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. Fiat S.p.A. and almost all its Italian subsidiaries have elected to take part in the national tax consolidation programme pursuant to articles 117/129 of the Consolidated Income Tax Act (T.U.I.R.); the election has been made for a three year period beginning in 2004. This option was renewed during 2007 for at least another three year period. Fiat S.p.A. acts as the consolidating company in this programme and calculates a single taxable base for the group of companies taking part, thereby enabling benefits to be realised from offsetting taxable income

and tax losses in a single tax return. Each company participating in the consolidation transfers its taxable income or tax loss to the consolidating company. Fiat S.p.A. recognises receivables from companies contributing taxable incomes, corresponding to the amount of IRES corporate income tax paid over on its behalf. In the case of a company bringing a tax loss into the consolidation Fiat S.p.A. recognises a payable to that company for the amount of the loss actually set off at a group level. The effects of this procedure in 2008 have not been recognised in the financial statements but will be determined for the purpose of preparing the company's annual financial statements for the year ended 31 December 2008 when all the necessary information will be available.

The primary financial statements of Fiat S.p.A. at 30 June 2008 together with a brief commentary thereon were included in the Fiat Group Half-yearly Financial Report at 30 June 2008.

Format of the financial statements

Fiat S.p.A. presents an Income statement using a classification based on the nature of its revenues and expenses given the type of business it performs. The Fiat Group presents a consolidated Income Statement using a classification based on function, as this is believed to be more representative of the format selected for managing the business sectors and for internal reporting purposes and is coherent with international practice in the automotive sector. Fiat S.p.A. has elected to present current and non-current assets and liabilities as separate classifications on the face of the Balance Sheet. A mixed format has been selected by the Fiat Group for the consolidated Balance Sheet, as permitted by IAS 1, presenting only current and non-current assets separately. This decision has been taken in view of the fact that both companies carrying out industrial activities and those carrying out financial services activities are consolidated in the Group's financial statements. The investment portfolios of financial services companies are included in current assets in the consolidated balance sheet, as the investments will be realised in their normal operating cycle. Financial services companies, though, obtain funds only partially from the market: the remaining are obtained through the Group's treasury companies (included in industrial companies), which lend funds both to industrial Group companies and to financial services companies as the need arises. This financial service structure within the Group means that any attempt to separate current and non-current debt in the consolidated Balance Sheet cannot be meaningful. This has no effect on the presentation of the liabilities of Fiat S.p.A.

The Statement of Cash Flows has been prepared using the indirect method.

Accounting principles, amendments and interpretations not yet effective and not early adopted by the entity

On 29 March 2007 the IASB issued a revised IAS 23 – *Borrowing Costs*. The standard shall be applied for annual period beginning after 1 January 2009. The main change from the previous version is the removal of the option of immediately recognizing as an expense borrowing costs that relate to assets that take a substantial period of time to get ready for use or sale. The standard shall be applied prospectively to borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after the 1 January 2009. This standard had not yet been endorsed by the European Union at the date of these financial statements.

On 6 September 2007 the IASB issued a revised version of IAS 1 - *Presentation of Financial Statements* that is effective for annual periods beginning on or after 1 January 2009. The revised standard requires an entity to present changes in its equity resulting from transactions with owners in a statement of changes in equity. All non-owner changes (meaning changes in comprehensive income) are required to be presented either in a single statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Transactions with non-owners may not be presented in the statement of changes in equity. This standard had not yet been endorsed by the European Union at the date of these financial statements.

On 17 January 2008 the IASB issued an amendment to IFRS 2 - *Vesting Conditions and Cancellations* which clarifies that for the purpose of share based payments measurement, vesting conditions are service conditions and performance conditions only. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. This amendment, effective from 1 January 2009 had not yet been endorsed by the European Union at the date of these financial statements.

On 14 February 2008 the IASB issued an amendment to IAS 32 – *Financial Instruments: Presentation* and to IAS 1 *Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation*. These amendments require puttable financial instruments and instruments, or components of instruments that impose on an entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation, to be classified as equity instruments. This amendment, effective from 1 January 2009, had not yet been endorsed by the European Union at the date of these financial statements.

On 22 May 2008 the IASB issued amendments to IFRS 1 – *First-time Adoption of International Financial Reporting Standards* and IAS 27 – *Consolidated and*

Separate Financial Statements that apply from 1 January 2009. The amendments allow first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in their separate financial statements by removing the definition of the cost method from IAS 27 and replacing it with a requirement for the investor to present dividends from a subsidiary, jointly controlled entity or associate as income in its separate financial statements. This led to the requirement to make an amendment to IAS 36 – *Impairment of Assets* such that an indication of impairment may arise even if the carrying amount of the investment in the separate financial statements exceeds the carrying amount of the investee's net assets in the consolidated financial statements or if the dividend exceeds the total comprehensive income of the subsidiary, jointly controlled entity or associate in the period it is declared. This standard had not yet been endorsed by the European Union at the date of these financial statements.

On 22 May 2008 the IASB issued a series of amendments to IFRS (“Improvements”). Details are provided in the following paragraphs of those identified by the IASB as resulting in accounting changes for presentation, recognition and measurement purposes, excluding amendments regarding changes in terminology or editorial changes which are likely to have minimal effects on accounting, or those which only affects the consolidated financial statements.

- IAS 1 – *Presentation of Financial Statements (Revised in 2007)*: this amendment, which shall be applied from 1 January 2009, requires an entity to classify assets and liabilities arising from derivative financial instruments that are not classified as held for trading between current and non-current assets and liabilities.
- IAS 16 – *Property, Plant and Equipment*: this amendment, effective from 1 January 2009, 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. Cash payments to manufacture or acquire assets held for rental to others or subsequently held for sale are cash flows from operating activities (and not from investing activities).
- IAS 19 – *Employee Benefits*: this amendment, effective prospectively from 1 January 2009 to change in benefits that occur after that date, 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. The Board also revised the definition of short-term employee benefits and other long-term employee benefits and the definition of a return on plan assets, stating that this amount should be net of any costs for administering the plan (other than those included in the measurement of the defined benefit obligation).

- IAS 20 – *Government Grants and Disclosure of Government Assistance*: this amendment, applicable prospectively from 1 January 2009, states that the benefit of a government loan at a below-market rate of interest shall be treated as a government grant and then accounted for in accordance with IAS 20.
- IAS 23 – *Borrowing Costs*: this amendment, applicable from 1 January 2009, revises the definition of borrowing costs.
- IAS 27 – *Consolidated and separate financial statement*: the improvement, applicable prospectively from 1 January 2009, extend the scope of IFRS 5 to investments accounted for in the separate financial statements in accordance with IAS 39.
- IAS 28 – *Investments in Associates*: this amendment shall be applied from 1 January 2009, with prospective application also permitted, 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.
- IAS 28 – *Investments in Associates*, and IAS 31 – *Investments in Joint Ventures*: these amendments, effective from 1 January 2009, require specific new disclosures to be made for investments in associates and joint ventures measured at fair value in accordance with IAS 39. IFRS 7 *Financial Instruments: Disclosures* and IAS 32: *Financial Instruments: Presentation* have accordingly also been amended.
- IAS 36 – *Impairment of Assets*: this amendment, effective from 1 January 2009, requires additional disclosures to be made in the case in which an entity determines the recoverable amount of a cash-generating unit using discounted cash flows.
- IAS 38 – *Intangible Assets*: this amendment, effective from 1 January 2009, requires expenditure on advertising and promotional activities to be recognised in the income statement. Further, it states that in the case expenditure is incurred to provide future economic benefits to an entity, but no intangible assets is recognised, in the case of the supply of goods, the entity recognise such expenditure as an expense when it has the right to access the goods. In the case of the supply of services, an entity shall recognise the expenditure as an expense when it receives the services. Moreover, the standard has been revised 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.

- IAS 39 – *Financial Instruments: Recognition and Measurement*: this amendment, effective from 1 January 2009, clarifies how to calculate the revised effective interest rate on ceasing fair value hedge accounting and notes additionally that the prohibition on the reclassification of financial instruments into or out of the fair value through profit or loss category after initial recognition should not prevent a derivative from being accounted for at fair value through profit or loss when it does not qualify for hedge accounting and vice versa. Finally, in order to eliminate conflict with IFRS 8 – *Operating Segments*, it removes the reference to designating and documenting hedges at sector level.
- IAS 40 – *Investment Property*: this amendment, to be adopted prospectively from 1 January 2009, states that property under construction falls within the scope of IAS 40 and not that of IAS 16.

These improvements had not yet been endorsed by the European Union at the date of this financial statement.

The following interpretations have also been issued but are not applicable to the entity:

- IFRIC 12 – *Service Concession Arrangements* (effective from 1 January 2008 but not yet endorsed by the European Union).
- IFRIC 13 – *Customer Loyalty Programmes* (effective from 1 January 2009 but not yet endorsed by the European Union).
- IFRIC 14 – *IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* (effective from 1 January 2008 but not yet endorsed by the European Union).
- IFRIC 15 – *Agreements for the Construction of Real Estate* (effective from 1 January 2009 but not yet endorsed by the European Union).

Composition and principal changes

Income Statement

1. Dividends and other income from investments

Dividends and other income from investments in subsidiaries and other companies can be analysed as follows:

(in thousands of euros)	1 st Half 2008	1 st Half 2007
Dividends distributed by subsidiaries:		
- Fiat Partecipazioni S.p.A.	500,000	-
- Ferrari S.p.A.	85,003	63,750
- Iveco S.p.A.	77,517	-
- Fiat Netherlands Holding N.V.	60,563	-
- Business Solutions S.p.A.	53,810	17,000
- Fiat Finance S.p.A.	50,000	60,000
- FGI - Fiat Group International S.A. (ex IHF-Internazionale Holding Fiat S.A.)	44,256	271,200
- Itedi – Italiana Edizioni S.p.A.	1,700	8,500
Total dividends distributed by subsidiaries	872,849	420,450
Dividends distributed by other companies	162	123
Total Dividends and other income from investments	873,011	420,573

2. Impairment losses of investments

There were no impairment losses arising from investments in the first half of 2008. In the first half of 2007 an impairment loss of 53,000 thousand euros was recognised on the investment in Comau S.p.A. mainly as a consequence of the losses incurred by the subsidiary in the first half of the year.

3. Gains on the disposal of investments

No gains or losses on the disposal of investments were recognised on the disposal of investments in the first half of 2008. In the first half of 2007 a net gain of 8 thousand euros was recognised on the sale of the investment in Consortium S.r.l.

4. Other operating income

Other operating income can be analysed as follows:

(in thousands of euros)	1 st Half 2008	1 st Half 2007
Revenues from services rendered to Group companies	27,826	29,564
Changes in construction contract work in progress	9,597	17,030
Other revenues and income from Group companies	1,358	1,599
Other revenues and income from third parties	922	18,681
Total Other operating income	39,703	66,874

This item mainly includes licence fees for the use of the Fiat trademark, determined as a percentage of users' sales; it also includes changes in construction contract work in progress (agreements signed with Treno Alta Velocità - T.A.V. S.p.A.) measured on the basis of the stage of completion in relation to contract revenue for the work, as well as income for the recharged cost of managerial duties performed by Fiat S.p.A. personnel at the main companies of the Group.

In the first half of 2007, Other revenues and income from third parties referred to the reversal of accruals made to provisions in 2006 for 18,000 thousand euros since the risk no longer existed at the end of the period. In addition, the company carried out less contractual work for T.A.V. S.p.A. in the first half of 2008 than it did in the corresponding period of 2007.

5. Personnel costs

Personnel costs amounts to 23,416 thousand euros. The decrease of 1,058 thousand euros from the first half of 2007 is mainly due to lower compensation cost arising from stock option plans (1,508 thousand euros in the first half of 2008 compared to 4,125 thousand euros in the first half of 2007).

The average number of employees rose from 119 in the first half 2007 to 146 in the first half 2008. Certain of the company's managers performed their work at the premises of Group's principal subsidiaries with their costs then being recharged to those companies.

The aggregate charge for the compensation of Executives with strategic responsibilities amounts in the first half of 2008 to 10,391 thousand euros (4,573 thousand euros of which recharged to the companies where they performed their duties). This amount includes the following amongst other things:

- the contribution by the Company to state and company defined contribution pension funds and social security contributions for 2,484 thousand euros;
- the cost accounted in the year for a special defined benefit plan, amounting to 374 thousand euros (including the component recognized in financial expenses).

These costs consist of compensation for Executives with strategic responsibilities who were already working for Fiat S.p.A. in the first half of 2007 and continue with Fiat S.p.A. at present, and that for Executives who assumed strategic responsibilities after 30 June 2007.

6. Other operating costs

Other operating costs amount to 70,853 thousand euros. The decrease of 14,435 thousand euros compared to the first half of 2007 is mainly due to lower compensation cost of the stock options granted to the Chief Executive Officer, as well as to a reduction in the volume of technical and professional services received for the TAV project (high-speed train) as the result of lower activities during the half-year.

In the first half of 2008, this item includes Directors' compensation costs (including compensation cost of 9,571 thousand euros arising for the stock options granted to Chief Executive Officer) and to Statutory Auditors' fees for 15,958 thousand euros and 74 thousand euros, respectively (27,421 thousand euros and 73 thousand euros in the first half of 2007)

7. Financial income (expenses)

Financial income (expenses) can be analysed as follows:

(in thousands of euros)	1 st Half 2008	1 st Half 2007
Financial income	27,022	6,499
Financial expenses	(108,242)	(125,978)
Net income (expenses) from derivative financial instruments	(142,492)	165,952
Total Financial income (expenses)	(223,712)	46,473

The increase in Financial income is the result of an increase in balances (cash at banks and loans) held with Fiat Finance S.p.A during the first half of 2008 compared to those in the first half of 2007.

The decrease in Financial expenses in the first half of 2008 is due to the lower level of average Debt compared to the same period of 2007.

Net expenses from derivative financial instruments in the first half of 2008 arises from the measurement at fair value of two equity swaps on Fiat S.p.A. ordinary shares relating to certain stock options plans (see Note 15 and Note 24).

8. Taxes

Taxes recognised in the income statement in the first half of 2008 consist of deferred IRAP taxation calculated on the portion of the margins earned on the work in progress for T.A.V. S.p.A. for which taxation is deferred to the completion of the contract, and to amounts relating to prior periods.

Balance Sheet

9. Intangible assets

All intangible assets were acquired from third parties. There are no intangible assets with an indefinite useful life.

Changes in Intangible assets during the first half of 2008 are summarised below:

(in thousands of euros)	At 31 December 2007	Additions	Amortisation	(Decreases) and Other changes	At 30 June 2008
Gross carrying amount	1,945	79	(26)	(25)	1,973
Accumulated amortisation	(1,134)	-	(64)	21	(1,177)
Net carrying amount	811	79	(90)	(4)	796

This item mainly includes concessions, licences and similar rights related to the costs incurred for the development and registration of owned trademarks (amortised on a straight-line basis over three years) as well as Other intangible assets that mainly include to leasehold improvements (amortised over the term of the related leases).

Amortisation of intangible assets is recognised under Other operating costs in the income statement.

10. Property, plant and equipment

The main classes of property, plant and equipment and related changes during the first half of 2008 are summarised below:

(in thousands of euros)	At 31 December 2007	Additions	Amortisation	(Decreases) and Other changes	At 30 June 2008
Land and buildings					
Gross carrying amount	46,016	13	-	-	46,029
Accumulated depreciation	(14,171)	-	(676)	-	(14,847)
Net carrying amount	31,845	13	(676)	-	31,182
Plant and machinery					
Gross carrying amount	10,116	19	-	-	10,135
Accumulated depreciation	(9,740)	-	(96)	-	(9,836)
Net carrying amount	376	19	(96)	-	299
Other tangible assets					
Gross carrying amount	5,099	66	-	(274)	4,891
Accumulated depreciation	(2,656)	-	(164)	158	(2,662)
Net carrying amount	2,443	66	(164)	(116)	2,229
Total Property, plant and equipment					
Gross carrying amount	61,231	98	-	(274)	61,055
Accumulated depreciation	(26,567)	-	(936)	158	(27,345)
Net carrying amount	34,664	98	(936)	(116)	33,710

Land and buildings include land for 610 thousand euros (unchanged with respect to 31 December 2007) while buildings mainly comprise the company's headquarters in Turin, Via Nizza 250.

Plant and machinery is principally made up of general plant used in the buildings.

Other tangible assets comprise cars, office furniture and equipment.

At 30 June 2008 there are no tangible assets in progress or contractual commitments to purchase items of property, plant and equipment of a significant amount.

There are no buildings charged as collateral or whose use is restricted.

Depreciation of property, plant and equipment is recognised under Other operating costs in the income statement

11. Investments

At 30 June 2008 investments total 13,311,173 thousand euros and underwent the following changes during the year:

(in thousands of euros)	At 31 December 2007	Acquisitions/ Capital increases and other changes	Disposals/ Capital reimbursements	Reversal of imp. losses (Impairment losses)/ Adjustments to fair value	At 30 June 2008
Investments in subsidiaries	13,277,641	7,363	-	-	13,285,004
Investments in other companies	33,843	-	-	(7,674)	26,169
Total Investments	13,311,484	7,363	-	(7,674)	13,311,173

Investments in subsidiaries and changes that occurred during the year are set out in the following table:

(in thousands of euros)	% interest	At 31 December 2007	Acquisitions/ Capital increases and other changes	Disposals/ Capital reimbursements	Rev. of imp. losses/ (Imp. losses)	At 30 June 2008
Fiat Partecipazioni S.p.A.	100.00	8,128,294	4,879	-	-	8,133,173
- Gross carrying amount		10,888,280	4,879	-	-	10,893,159
- Accumulated impairment losses		(2,759,986)	-	-	-	(2,759,986)
Fiat Netherlands Holding N.V.	60.56	2,294,869	-	-	-	2,294,869
- Gross carrying amount		2,294,869	-	-	-	2,294,869
- Accumulated impairment losses		-	-	-	-	-
Iveco S.p.A.	60.56	1,326,017	1,774	-	-	1,327,791
- Gross carrying amount		1,326,017	1,774	-	-	1,327,791
- Accumulated impairment losses		-	-	-	-	-
Ferrari S.p.A.	85.00	1,055,203	-	-	-	1,055,203
- Gross carrying amount		1,055,203	-	-	-	1,055,203
- Accumulated impairment losses		-	-	-	-	-
Comau S.p.A.	100.00	111,000	444	-	-	111,444
- Gross carrying amount		543,731	444	-	-	544,175
- Accumulated impairment losses		(432,731)	-	-	-	(432,731)
Business Solutions S.p.A.	100.00	37,095	266	-	-	37,361
- Gross carrying amount		89,151	266	-	-	89,417
- Accumulated impairment losses		(52,056)	-	-	-	(52,056)
Itedi - Italiana Edizioni S.p.A.	100.00	25,899	-	-	-	25,899
- Gross carrying amount		25,899	-	-	-	25,899
- Accumulated impairment losses		-	-	-	-	-
FGI – Fiat Group International S.A.	100.00	33,445	-	-	-	33,445
- Gross carrying amount		33,445	-	-	-	33,445
- Accumulated impairment losses		-	-	-	-	-
Fiat Finance S.p.A.	100.00	222,263	-	-	-	222,263
- Gross carrying amount		222,263	-	-	-	222,263
- Accumulated impairment losses		-	-	-	-	-
Fiat Finance North America Inc.	39.47	15,557	-	-	-	15,557
- Gross carrying amount		17,118	-	-	-	17,118
- Accumulated impairment losses		(1,561)	-	-	-	(1,561)
Fiat U.S.A. Inc.	100.00	27,258	-	-	-	27,258
- Gross carrying amount		34,645	-	-	-	34,645
- Accumulated impairment losses		(7,387)	-	-	-	(7,387)
Other minor		741	-	-	-	741
- Gross carrying amount		863	-	-	-	863
- Accumulated impairment losses		(122)	-	-	-	(122)
Total investments in subsidiaries		13,277,641	7,363	-	-	13,285,004
- Gross carrying amount		16,531,484	7,363	-	-	16,538,847
- Accumulated impairment losses		(3,253,843)	-	-	-	(3,253,843)

The increase of 7,363 thousand euros in the first half of 2008 in the Company's investments in subsidiaries represents by the compensation cost arising from the stock options based on Fiat S.p.A. shares, granted to managers employed by other Group companies, which is treated as a capital contribution to the subsidiaries and consequently as an increase in

the carrying amount of the investee company directly or indirectly employing the beneficiaries of the plans. This increase is accounted for as a change in the respective equity reserve (see Note 18).

A full list of investments with the additional disclosures required by Consob in its communication no. DEM/6064293 of 28 July 2006 is attached.

Investments in other companies and the changes that occurred are set out below:

(in thousands of euros)	% interest	At 31 December 2007	Acquisitions/ Capital increases	Disposals/Capital reimbursements	Fair value adjustments	At 30 June 2008
Fin.Priv. S.r.l.	14.28	28,248	-	-	(6,477)	21,771
Assicurazioni Generali S.p.A.	0.01	5,595	-	-	(1,197)	4,398
Total Investments in other companies		33,843	-	-	(7,674)	26,169

Investments in other companies, insofar as they are non-current financial assets that are not held for trading, are recognised at fair value which, for listed companies, corresponds to the market prices of the shares at the balance sheet date. Consistently, the Company's investment in Fin.Priv. S.r.l. (a holding company whose assets mainly comprise listed securities) was measured at fair value by taking account of the market price of its portfolio. This led to a decrease of 7,674 thousand euros in investments in other companies in the first half of 2008 which has been recognised directly in equity (see Note 18).

There are no entities included in Investments in other companies for which obligations Fiat S.p.A. has unlimited responsibility (Article 2361, paragraph 2 of the Italian Civil Code) nor have any investments been given as security for financial or contingent liabilities.

12. Other financial assets

Other financial assets may be analysed as follows:

(in thousands of euros)	At 30 June 2007	At 31 December 2007	Change
Call option on Ferrari S.p.A. shares	10,032	10,032	-
Fees receivables for guarantees given	9,690	9,388	302
Debt securities	73	73	-
Total Other financial assets	19,795	19,493	302

The call option on Ferrari S.p.A. shares has been measured at the amount of the premium paid in October 2006 and relates to 5% of the capital stock of Ferrari S.p.A. held by the Arab Mubadala Development Company PJSC fund. The option exercisable from 1 January 2008 to 31 July 2008 at a price of 303 euros per share (for a total of 122,776 thousand euros) less any dividend that may be distributed. This option, recognised at cost since its fair value cannot be reliably measured, was extended on 24 July 2008, as further described in Note 31.

Fees receivable for guarantees given are measured at the present value of the fees to be received in future years for guarantees provided by the Company (mainly for guaranteeing loans extended to Group companies).

13. Other non-current assets

At 30 June 2008 Other non-current assets amount to 256 thousand euros and consist of amounts receivable from tax authorities due after one year, with a net increase of 140 thousand euros over 31 December 2007.

14. Trade receivables

At 30 June 2008, Trade receivables amount to 122,443 thousand euros, a net decrease of 58,538 thousand euros over 31 December 2007. They are due as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Third parties			
- Receivables	106,981	171,042	(64,061)
- Allowance for doubtful accounts	(228)	(228)	-
Total third parties	106,753	170,814	(64,061)
Intercompany trade receivables	15,690	10,167	5,523
Total Trade receivables	122,443	180,981	(58,538)

Trade receivables from third parties mainly relate to amounts due from T.A.V. S.p.A. for the progress of works on high speed rail sections during the latter part of the period. These receivables match the trade payables resulting from the progress of the works to be paid to the consortia CAV.E.T. and CAV.TO.MI. (see Note 23). The allowance for doubtful accounts has been calculated on the basis of an assessment of the risk on a number of minor receivables.

Intercompany trade receivables mainly relate to licence agreements for the use of the Fiat trademark.

All trade receivables are due within one year and there are no significant overdue balances.

15. Current financial receivables

At 30 June 2008, current financial receivables total 558,729 thousand euros, a net decrease of 664,702 thousand euros as compared to 31 December 2007. They comprise intercompany loans and receivables as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Current account with Fiat Finance S.p.A.	513,604	177,006	336,598
Loan to Fiat Finance S.p.A.	-	900,000	(900,000)
Amounts due from Fiat Netherlands Holding N.V. (formerly Intermap Nederland B.V.) for derivative financial instruments	40,855	145,903	(105,048)
Other receivables due from Fiat Finance S.p.A. and Fiat Netherlands Holding N.V. (formerly Intermap Nederland B.V.)	4,270	522	3,748
Total Current financial receivables	558,729	1,223,431	(664,702)

The Current account with Fiat Finance S.p.A. represents the balance on the account held with that company as part of the Group's centralised treasury management.

The Loan to Fiat Finance S.p.A. was extended as a temporary investment of liquidity at the end of 2007 and was repaid on 27 February 2008.

The item Amounts due from Fiat Netherlands Holding N.V. for derivative financial instruments consists of the positive fair value of the Equity Swap on Fiat S.p.A. ordinary shares taken out with leading banks by the subsidiary Intermap (Nederland) B.V. (subsequently merged into Fiat Netherlands Holding N.V.) on behalf of Fiat S.p.A. to hedge the risk of a rise in the share price above the exercise price of the stock options granted to the company's Chief Executive Officer in 2004. The fair value of this Equity Swap has been calculated on the basis of market price at the end of the period.

16. Other current receivables

At 30 June 2008, other current receivables amount to 1,354,163 thousand euros, a net increase of 462,002 thousand euros over 31 December 2007. They are due as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Intercompany receivables for consolidated IRES tax	436,479	436,479	-
Other intercompany receivables	503,646	3	503,643
VAT receivables	153,976	179,657	(25,681)
IRES tax receivables	254,458	270,881	(16,423)
IRAP tax receivables	165	681	(516)
Other	5,439	4,460	979
Total Other current receivables	1,354,163	892,161	462,002

Intercompany receivables for consolidated IRES tax arise from the taxable income contributed to the Company by the Italian subsidiaries participating in the national tax consolidation programme in 2007.

Other intercompany receivables include the balance of 500,000 thousand euros arising from the dividend resolved by Fiat Partecipazioni S.p.A. on 26 June 2008 and paid in July 2008.

IRES tax receivables include amounts transferred to Fiat S.p.A. in fiscal 2007 and past years by the Italian subsidiaries participating in the national tax consolidation programme. At 30 June 2008 tax credits sold to factors amounted to 237,818 thousand euros (234,693 thousand euros at 31 December 2007) and were recognised as such in the financial statements, with a corresponding liability recorded in the balance sheet under Advances on factored receivables (see Note 24), pursuant to IAS 39.

Almost all Other current receivables are due within one year.

17. Cash and cash equivalents

Cash and cash equivalents consist of the following:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Cash at banks and post offices	428	497	(69)
Cheques and cash in hand	3	27	(24)
Total Cash and cash equivalents	431	524	(93)

The above figures mainly related to on demand deposits in euros in the company's bank current accounts.

18. Stockholders' equity

Stockholders' equity amounts to 11,545,536 thousand euros at 30 June 2008, representing a decrease of 145,469 thousand euros over 31 December 2007 mainly arising as the result of the distribution of dividends (509,418 thousand euros) and the buy-back of treasury stock (238,531 thousand euros), partially offset by the net profit for the period of 590,975 thousand euros.

Capital stock

Capital stock amounts to 6,377,263 thousand euros at 30 June 2008, which may be analysed as follows:

(no. of shares)	At 30 June 2008	At 31 December 2007
Shares issued and fully paid-up		
- Ordinary shares	1,092,247,485	1,092,247,485
- Preference shares	103,292,310	103,292,310
- Savings shares	79,912,800	79,912,800
Total shares issued	1,275,452,595	1,275,452,595

All issued shares have a nominal value of 5 euros.

For more complete information about the capital stock of Fiat S.p.A., reference should be made to Note 18 of the Separate Financial Statement at 31 December 2007.

Additional paid-in capital

This reserve amounts to 1,540,885 thousand euros at 30 June 2008, and is unchanged since 31 December 2007.

Legal reserve

This reserve totals 639,503 thousand euros at 30 June 2008 an increase of 103,443 thousand euros over 31 December 2007, which arises from the allocation of profits from the previous year attributable to this reserve, as resolved by Stockholders in General Meeting on 31 March 2008.

Reserve under Law no. 413/1991

This reserve amounted to 22,591 thousand euros at 30 June 2008, unchanged with respect to 31 December 2007. It reflects the mandatory revaluation of property (net of the related substitute tax) made pursuant to Law no. 413 of 30 December 1991 taken to this specific reserve in accordance with that law.

Reserve available for the purchase of treasury stock

This reserve was established through a transfer from "Retained earnings (losses)" made on the basis of a resolution adopted by Stockholders in General Meeting which authorised the purchase of treasury shares. Purchase of treasury shares are made pursuant to a treasury stock buy-back programme (the Programme) announced by the Board of Directors under the authorisation granted by Stockholders in General Meeting on 5 April 2007 and renewed in their General Meeting on 31 March 2008. The Stockholders' authorisation is effective for 18 months from 31 March 2008. The buy-back, aimed at servicing stock options plans and the investment of liquidity, refers to a maximum number of treasury shares from the three classes of stock which shall not exceed 10% of the capital stock and a maximum aggregate amount of 1.8 billion euros. Under the Programme (which is renewable) the purchases may be carried out on regulated markets as follows:

- the Programme will end on 30 September 2009, or once the maximum amount of 1.8 billion euros (including Fiat shares already held by the company at the resolution date) or a number of shares equal to 10% of the capital stock is reached;
- the maximum purchase price may not be higher than 10% of the reference price reported on the Stock Exchange on the day before the purchase is made;
- the maximum number of shares purchased daily may not exceed 20% of the total daily trading volume for each class of shares.

At 30 June 2008 the Reserve available for the purchase of treasury stock amounted to 1,142,740 thousand euros, increasing by 190,161 thousand euros over 31 December 2007 as a consequence of:

- a net increase of 428,692 thousand euros, based on the resolution adopted by Stockholders in General Meeting on 31 March 2008, at which Stockholders withdrew their previous authorisation for the portion of treasury stock not yet purchased at that date of 775,234 thousand euros and at the same time renewed their authorisation for the purchase of treasury stock up to a maximum of 1.8 billion euros, taking into account reserves for treasury shares already committed at the date of the resolution (32,877,458 treasury shares with a carrying amount of 596,074 thousand euros), thus determining the amount of the reserve in 1,203,926 thousand euros.
- a reduction of 238,531 thousand euros as a consequence of the transfer to the "Reserve for treasury stock in portfolio" when purchases of ordinary Fiat S.p.A. shares were made in the first half of 2008 as part of the Programme.

Reserve for treasury stock in portfolio

This reserve totalled 656,553 thousand euros at 30 June 2008, with a net increase of 237,243 thousand euros over 31 December 2007.

This reserve has its origin in the restrictions imposed by law (Article 2357 ter of the Italian Civil Code). The change in this reserve is the net result of an increase of 238,530 thousand euros arising from the transfer of this amount from the Reserve available for the purchase of treasury stock in connection with the treasury shares purchased and a decrease of 1,287 thousand euros resulting from the sale of treasury stock.

Extraordinary reserve

At 30 June 2008, the extraordinary reserve totals 28,044 thousand euros, unchanged over 31 December 2007.

Retained earnings (losses)

Retained earnings at 30 June 2008 of 1,084,578 thousand euros represent an increase of 1,028,043 thousand euros over 31 December 2007 as the result of the following:

- the allocation of the residual net profit of the prior year of 1,455,998 thousand euros following the allocation to the Legal reserve and the distribution of dividends, as resolved by Stockholders in General Meeting on 31 March 2008;
- the increase in the "Reserve available for the purchase of treasury stock" (in the amount of 428,692 thousand euros), as a consequence of the renewal of the treasury stock buy-back Programme discussed earlier;
- the receipt of 737 thousand euros as proceeds from the sale of treasury stock arising on the exercising of stock option plans.

Gains (losses) recognised directly in equity

The reserve includes gains and losses recognised directly in equity and in particular those arising from the fair value adjustment of investments in other companies, as described previously (see Note 11). At 30 June 2008, the reserve amounted to 7,248 thousand euros. The decrease of 7,674 thousand euros over 31 December 2007 results from the fair value measurement at that date of the investments in Fin.Priv. S.r.l. and Assicurazioni Generali S.p.A.

Stock option reserve

This reserve amounted to 111,709 thousand euros at 30 June 2008, an increase of 18,442 thousand euros over 31 December 2007, arising from the following:

- the recognition in the income statement of the total cost of 11,079 thousand euros in the first-half 2008 (23,782 thousand euros in the first-half of 2007), of which 1,508 thousand euros arising from stock option plans based on Fiat S.p.A. shares and relating to managers employed by Fiat S.p.A. (see Note 5) and 9,571 thousand euros arising from stock option plans based on Fiat S.p.A. shares and relating to the Chief Executive Officer (see Note 6);
- an increase of 7,363 thousand euros in the carrying amount of the investments in the subsidiaries by which the managers of other Group companies beneficiaries of the stock option plans based on Fiat S.p.A. shares are directly or indirectly employed (see Note 11).

Treasury stock

The carrying amount of this reserve amounted to 656,553 thousand euros at 30 June 2008 and relates to 38,568,458 ordinary shares. The following table sets out details of treasury stock and the changes that took place during the period:

	Number of ordinary shares	Total nominal value (thousands of euros)	% of capital	Unit price (euros)	Total carrying amount (thousands of euros)
At 31 December 2007	21,851,458	109,257	1.71%	19,189	419,310
- purchases	16,788,000	83,940	1.32%	14,208	238,530
- sales	(71,000)	(355)	0.01%	18,127	(1,287)
At 30 June 2008	38,568,458	192,842	3.02%	17,023	656,553

The purchase of 16,788,000 shares was carried out as part of the treasury stock buy-back Programmes described previously, following authorisation given by the Stockholders General Meeting on April 5, 2007 and renewed by Stockholders General Meeting on 31 March 2008. At 30 June 2008, the total number of ordinary shares purchased from the beginning of the Programme amounted to 37.27 million, for a total invested amount of 664.6 million euros.

The sale of 71,000 shares arose on the exercising of the rights deriving from the stock option plan of September 2002 and led to total proceeds of 737 thousand euros.

19. Provisions for employee benefits and other non-current provisions

At 30 June 2008, provisions for employee benefits and other non-current provisions amounts to 25,734 thousand euros, a net increase of 4,432 thousand euros as compared to 31 December 2007 and is made up as follows:

(in thousands of euros)	At 31 December 2007	Accruals	Utilisations	Other changes	At 30 June 2008
Provisions for employee benefits and similar	20,037	1,053	(486)	3,873	24,477
Other non-current provisions	1,265	-	(8)	-	1,257
Total Provisions for employee benefits and other non-current provisions	21,302	1,053	(494)	3,873	25,734

Provisions for employee benefits and similar provisions includes:

- The Employee severance indemnity that has accrued up to 31 December 2006 and future revaluations;
- Post-employment benefits accrued by employees, former employees and the Chief Executive Officer following additional or individual labour agreements.
- Benefits which are due to employees upon the achievement of a specified seniority.

The increase of 3,873 thousand euros recognised in Other changes consists of the net balance arising from transfers of employees to or from other Group companies during the half year.

20. Non-current financial payables

At 30 June 2008, non-current financial payables amount to 2,809,690 thousand euros, in line with the balance at 31 December 2007. The balance relates to the following:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Financial payables to Group companies	2,800,000	2,800,000	-
Financial guarantee contracts	9,690	9,388	302
Total Non-current financial liabilities	2,809,690	2,809,388	302

Financial payables to Group companies relate to the euro loans due beyond one year extended by Fiat Finance S.p.A. in the first half of 2006. Interest accrued on these loans ranges between 6.20% and 7.18%.

Detail of loans by maturity is as follows:

(in thousands of euros)	At 30 June 2008
Maturity 2010	400,000
Maturity 2011	1,400,000
Maturity 2013	1,000,000
Total Financial payables to Group companies	2,800,000

The item Financial guarantee contracts consists of the fair value of the liabilities assumed as the result of providing guarantees. After assessing the possibility of any risks for which provisions for contingent liabilities must be recognised and after considering that this item relates essentially only to guarantees provided on behalf of Group company loans, it has been concluded that the present value of the fees receivable for guarantees given represents the best estimate of the fair value of these guarantees.

21. Other non-current liabilities

At 30 June 2008, Other non-current liabilities amount to 15,487 thousand euros, showing a net decrease of 365 thousand euros over the previous year end.

The item may be analysed as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Non-current severance indemnity to be paid:			
- to a former Chief Executive Officer	5,127	5,268	(141)
- to former employees	10,360	10,584	(224)
Total Other non-current liabilities	15,487	15,852	(365)

The non-current severance indemnity to be paid represent the present value of benefits to be paid to a former Chief Executive Officer and employees that left the company.

22. Provisions for employee benefits and other current provisions

At 30 June 2008 this balance amounts to 5,829 thousand euros, a net increase of 5,701 thousand euros over 31 December 2007. The item consists of the estimated liability due to employees for bonuses that are linked to the achievement of annual targets, and of the "one-off" amounts expected to be payable to employees for result bonuses based on collective bargaining agreements. At 31 December 2007 liabilities for employee bonuses linked to annual targets were classified under Other payables as the amounts due had already been finalised.

23. Trade payables

At 30 June 2008 trade payables amount to 184,628 thousand euros, a net decrease of 61,867 thousand euros as compared to 31 December 2007. The balance can be analysed as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Trade payables to third parties	170,788	240,607	(69,819)
Intercompany trade payables for goods and services	13,840	5,888	7,952
Total Trade payables	184,628	246,495	(61,867)

Trade payables to third parties are mainly due to CAV.E.T. and CAV. TO.MI. in relation to the work performed on the TAV contract over the latter part of the period (see Note 14).

Trade payables are due within one year.

24. Current financial payables

At 30 June 2008, current financial payables amount to 323,573 thousand euros, with an increase of 28,878 thousand euros over 31 December 2007. The balance can be analysed as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Financial payables to Group companies:			
- Payables to Group companies for derivative financial instruments	29,580	-	29,580
- Accrued interest expense	47,129	73,687	(26,558)
Total Financial payables to Group companies	76,709	73,687	3,022
Financial payables to third parties:			
- Advances on factored receivables	246,864	221,008	25,856
Total Financial payables to third parties	246,864	221,008	25,856
Total Current financial payables	323,573	294,695	28,878

The item Payables to Group companies for derivative financial instruments consists of the negative fair value at 30 June 2008 of the Equity Swap on Fiat S.p.A. ordinary shares taken out with leading banks by the subsidiary Fiat Netherland Holding N.V. on behalf of Fiat S.p.A. to hedge the risk of a rise in the share price above the exercise price of the stock options granted to the company's Chief Executive Officer in 2006.

Advances on factored receivables relate to receivables for IRES and to amounts due from T.A.V. S.p.A.

25. Other payables

At 30 June 2008 other payables amount to 485,447 thousand euros, showing a decrease of 95,096 thousand euros over 31 December 2007. The balance may be analysed as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Advances	11,459	12,625	(1,166)
Other payables:			
- Intercompany payables:			
- Consolidated VAT	126,078	195,886	(69,808)
- Consolidated IRES tax	328,834	345,460	(16,626)
- Other intercompany payables	-	6	(6)
- Total intercompany payables	454,912	541,352	(86,440)
- Social security payables	2,560	4,425	(1,865)
- Current amounts payable to employees, directors and statutory auditors	8,495	14,654	(6,159)
- Payables to stockholders of Toro Assicurazioni S.p.A., Magneti Marelli S.p.A. and Comau S.p.A. for public offerings	863	866	(3)
- Dividends payable	227	187	40
- Other	3,170	731	2,439
Total other payables	470,227	562,215	(91,988)
Tax payables:			
- VAT payable	1,098	1,976	(878)
- Taxes withheld on payments to employees and independent contractors	1,118	3,027	(1,909)
- Other	480	469	11
Total tax payables	2,696	5,472	(2,776)
Accrued expenses and deferred income	1,065	231	834
Total Other payables	485,447	580,543	(95,096)

Advances

This item consists of the difference between inventories and progress payments and contractual advances received from the customer Treno Alta Velocità – T.A.V. S.p.A. for contract work in progress and is made up as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Contract work in progress	391,246	381,649	9,597
Less: Progress payments for work completed	399,449	389,956	9,493
Gross amount due to the customer	8,203	8,307	(104)
Contractual advances	3,256	4,318	(1,062)
Total Advances	11,459	12,625	(1,166)

The item relates to contracts for the high speed railway project signed by Fiat S.p.A. with Treno Alta Velocità - T.A.V. S.p.A. (which was in turn engaged by F.S. S.p.A.), for the operational engineering and construction of two lines (Bologna-Florence and Turin-Milan, the latter divided into two sub-lines: Turin-Novara and Novara-Milan).

As part of such project, Fiat S.p.A., as the general contractor, engaged CAV.E.T. and CAV.TO.MI. for the engineering and construction activities, retaining all work coordination, organisational and management activities. Inventories for contract work in progress therefore reflects the fees earned by Fiat S.p.A. in the form of a percentage (roughly 3.6%) of the contractual amounts, for the activities directly carried out. The work is paid through progress payments made by T.A.V. S.p.A. to Fiat S.p.A. based on the stage of completion of the works and advance payments, which Fiat S.p.A. then pays over to CAV.E.T. and CAV.TO.MI. net of its contractual percentage earned.

Contract work in progress is measured on the basis of the stage of completion in relation to the sales price, which in this case is the consideration contractually agreed for the activities directly carried out by Fiat S.p.A. Changes in contract work in progress have been recognised in the income statement under the item Other operating income (see Note 4). When the lines are contractually completed, the final contractual revenue for the activities directly carried out will be recognised in the income statement under Other operating income, net of any decrease in inventories. At the same time the accounts for inventories and amounts classified as advances will be closed.

Bank and insurance sureties amounting to a total of 1,165,200 thousand euros at 30 June 2008 have been granted by Fiat S.p.A. to T.A.V. S.p.A. as security against the contractual advances received, the performance of the work and the restriction represented by the guarantee amounts withheld on progress payments. In accordance with the agreements reached with the consortia mentioned and the banks issuing such guarantees, 1,122,828 thousand euros out of this total represents the risk towards the issuing banks and insurance companies borne by the consortia themselves, with Fiat S.p.A. not having joint responsibility.

Tax and other payables

The main components of these items are as follows.

Intercompany payables for consolidated VAT of 126,078 thousand euros (195,886 thousand euros at 31 December 2007) relate to the VAT credits of Italian subsidiaries transferred to Fiat S.p.A. as part of the consolidated VAT procedure.

Payables to Group companies in connection with the IRES tax consolidation amounted to 328,834 thousand euros at 30 June 2008 (345,460 thousand euros at 31 December 2007) and represent the remuneration due for the tax losses contributed by the Italian subsidiaries to the national tax consolidation programme for 2007, payables relating to the same programme for 2006 still to be settled and the IRES tax credits of the Italian subsidiaries transferred to Fiat S.p.A.

26. Guarantees granted, commitments and contingent liabilities

Guarantees granted

This item is made up as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Guarantees granted			
Sureties			
- on behalf of Group companies	339,830	261,810	78,020
- on behalf of third parties	1,835	51,919	(50,084)
Total Sureties	341,665	313,729	27,936
Other personal guarantees			
- on behalf of Group companies	8,071,164	7,464,996	606,168
- on behalf of third parties	4,445	58,612	(54,167)
Total Other personal guarantees	8,075,609	7,523,608	552,001
Total Guarantees granted	8,417,274	7,837,337	579,937

Sureties

At 30 June 2008, sureties amount to 341,665 thousand euros, an increase of 27,936 thousand euros over 31 December 2007. This balance mostly relates to sureties granted on behalf of Group companies on Billets de Trésorerie issued, medium- to long-term loans granted by banks and the rental payments relating to buildings included in the property securitisation transactions carried out in previous years. At 31 December 2007 sureties granted on behalf of third parties related mostly to security for a loan to Sevelnord S.A. (regarding the Peugeot-Fiat project in France) which was repaid during the first half of 2008.

Other personal guarantees

At 30 June 2008, other personal guarantees amount to 8,075,609 thousand euros, showing an increase of 552,001 thousand euros over 31 December 2007.

These relate to:

- guarantees of 8,071,164 thousand euros granted on behalf of Group companies for loans (807,045 thousand euros), for bond issuance (5,958,970 thousand euros), for credit facilities (372,001 thousand euros), for VAT

receivables as part of the tax consolidation procedure (881,029 thousand euros), as required by the Ministerial Decree of 13 December 1979 as subsequently amended, and 52,119 thousand euros for other guarantees;

- guarantees of 4,445 thousand euros granted on behalf of third parties (former Group companies, mainly on VAT receivables).

In addition, Fiat S.p.A. has provided guarantees on the use of certain credit facility of 1,660 million euros. These facilities were also unused at 30 June 2008.

As a final point Fiat S.p.A. is in certain cases responsible for warranties given to purchasers of indirect subsidiaries sold in previous years. Note 26 to the Separate Financial Statements at 31 December 2007 provides further details.

Commitments

At 30 June 2008 commitments total 26,825 thousand euros, a decrease of 7,366 thousand euros from 31 December 2007 and consist of:

- 1,047 thousand euros as the residual amount of the commitment undertaken by Fiat S.p.A. on its centenary, in a resolution adopted by stockholders in their meeting of 22 June 1998, to make a contribution to the costs of providing degree courses in Automotive Engineering and of renovating the related university building over a ten-year period;
- 22,300 thousand euros as the residual amount of the commitment undertaken by Fiat S.p.A. in a sponsorship agreement signed in May 2007 with Juventus Football Club S.p.A. in the name of and on behalf of the Company and its subsidiaries for the three seasons 2007-2008, 2008-2009 and 2009-2010;
- 3,478 thousand euros as the residual amount of the commitment undertaken by Fiat S.p.A. in an agreement signed in July 2007 with the Italian Football Association (*Federazione Italiana Giuoco Calcio*) as the "Official Partner of the Italian National Team" until 31 December 2010.

Fiat S.p.A. is additionally party to a put option contract with Renault (relating to its investment in Teksid, originally 33.5% and now 15.2%). More detailed information may be found in Note 26 to the Separate Financial Statements for the year ended 31 December 2007, to which reference may be made as no changes occurred during the first half of 2008.

Lawsuits and controversies

Fiat S.p.A. is 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.

27. Intercompany and related party transactions

Related party transactions for Fiat S.p.A. consist for the most part of transactions carried out with the Company's directly or indirectly owned subsidiaries on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved.

The effects of these transactions on the single items of the financial statements, which may also be found in the Financial statements is summarised in the following tables:

	Other operating income		Personnel costs		Other operating costs		Financial income (expenses)	
	1st Half							
(in thousand of euros)	2008	2007	2008	2007	2008	2007	2008	2007
Total Group companies	29,188	31,163	-	-	19,994	17,591	(219,968)	(51,690)
Other related parties	-	-	11,899	10,488	23,111	27,196	-	-
Total Group companies and other related parties	29,188	31,163	11,899	10,488	43,105	44,787	(219,968)	(51,690)
Total line item	39,703	66,874	23,416	24,474	70,853	85,288	(223,712)	(46,473)
Percentage on line item	74%	47%	51%	43%	61%	53%	n.s.	n.s.

At 30 June 2008

(in thousand of euros)	Other financial assets	Trade receivables	Current financial receivables	Other current receivables	Employee provisions	Non-current financial payables	Current employee provisions	Trade payables	Current financial payables	Other payables
Total Group companies	9,690	15,690	558,729	940,326	-	2,809,690	-	13,533	76,709	455,442
Other related parties	-	-	-	-	15,519	-	4,716	307	-	3,661
Total Group companies and other related parties	9,690	15,690	558,729	940,326	15,519	2,809,690	4,716	13,840	76,709	459,103
Total line item	19,795	122,443	558,729	1,354,163	25,734	2,809,690	5,829	184,628	323,573	485,447
Percentage on line item	49%	13%	100%	69%	60%	100%	81%	7%	24%	88%

At 31 December 2007

(in thousand of euros)	Other financial assets	Trade receivables	Current financial receivables	Other current receivables	Employee provisions	Non-current financial payables	Trade payables	Current financial payables	Other payables
Total Group companies	9,388	10,167	1,223,431	436,482	-	2,809,388	5,888	73,687	541,352
Other related parties	-	-	-	-	11,516	-	417	-	10,596
Total Group companies and other related parties	9,388	10,167	1,223,431	436,482	11,516	2,809,388	6,305	73,687	551,948
Total line item	19,493	180,981	1,223,431	892,161	21,302	2,809,388	246,495	294,695	580,543
Percentage on line item	48%	6%	100%	49%	54%	100%	3%	25%	95%

Details of the most significant transactions between Fiat S.p.A. and Group companies summarised in the above table are as follows:

- granting of a licence to use the Fiat trademark to Fiat Group Automobiles S.p.A. and Fiat Automoveis S.A.– FIASA for a consideration calculated as a percentage of turnover;
- services provided by Fiat S.p.A. also through its executives at the premises of various Group companies (Fiat Group Automobiles S.p.A., Ferrari S.p.A., Iveco S.p.A., Magneti Marelli Holding S.p.A., Fiat Powertrain Technologies S.p.A., Fiat Group Purchasing S.r.l., Teksid S.p.A., Comau S.p.A. and other minor);
- lease of property or office space (Fiat Finance S.p.A., Fiat-Revisione Interna S.c.r.l., Fiat Information & Communication Services S.c.p.A., Fiat Partecipazioni S.p.A. and other minor companies) and the recovery of directors' fees and expenses;
- provision of sureties and personal guarantees (see Note 26) on the issues of bonds and Billets de Trésorerie (mainly Fiat Finance and Trade Ltd S.A. and Fiat Finance North America Inc.), bank loans (Banco CNH Capital S.A., Fiat Automoveis S.A., Fiat Finance Canada Ltd and other minor), property rental payments (Fiat Group Automobiles S.p.A. and its subsidiaries) and credit facilities;
- management of current accounts, granting of loans, obtaining of short and medium-term loans and financial assistance (Fiat Finance S.p.A.);
- management of derivative financial instruments (Fiat Netherlands Holding N.V. and Fiat Finance S.p.A., see Notes 15 and 24);
- purchases of administrative, tax and corporate assistance and consultancy services (Fiat Services S.p.A.), public relations services (Fiat Information & Communication Services S.c.p.A.), personnel and other management services (Fiat Servizi per l'Industria S.c.p.A.), security services (Orione S.c.p.A. and Sirio S.c.p.A.), sponsorship, advertising and promotional activities (Ferrari S.p.A. and Fiat France S.A.) and supervisory and internal audit services (Fiat-Revisione Interna S.c.r.l.);
- Other current receivables and Other current payables also include balances arising from the tax consolidation and from the consolidated VAT settlement procedure. These amounts do not arise from actual trading between Group companies but solely as part of the financial procedure permitted by tax laws and regulations governing relations of Italian Group companies with the tax authorities.

Intercompany transactions in the first half of 2008 related additionally to the management of the investments portfolio, which led to the effects on the Company's results and balance sheet previously described, and in particular the collection of dividends from subsidiaries (see Note 1);

During the first half of 2008, transactions with related parties as defined by IAS 24 which did not involve subsidiaries are presented in the tables above under "Other related parties". In detail said transactions were as follows:

- sponsorship costs totalling 6,875 thousand euros relating to the second part of the 2007-2008 football season in connection with the contract signed with Juventus Football Club S.p.A.;
- expenses for services rendered by Soiem S.p.A. (35 thousand euros), RCS Pubblicità S.p.A. (21 thousand euros) and SGS Italia S.p.A. (59 thousand euros);
- professional and advisory services and services as the secretary of the Board of Directors and of the Committees were provided to Fiat S.p.A. by Mr. Franzo Grande Stevens for fees of 256 thousand euros;
- Fiat S.p.A. directors' and statutory auditors' fees as well as the compensation cost arising from stock option plans with underlying Fiat S.p.A. shares regarding the Chief Executive Officer (see Note 6);
- compensation due to executives having strategic responsibilities in Fiat S.p.A. (see Note 5), as well as the compensation cost arising from stock option plans with underlying Fiat S.p.A. shares assigned to them.

28. Net financial position

Pursuant to the Consob Communication of 28 July 2006 and in compliance with the CESR's recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses issued on 10 February 2005, the net financial position of Fiat S.p.A. at 30 June 2008 is as follows:

(in thousands of euros)	At 30 June 2008	At 31 December 2007	Change
Cash and cash equivalents	431	524	(93)
Current financial receivables:	558,729	1,223,431	(664,702)
-from Group companies	558,729	1,223,431	(664,702)
-from Third parties	-	-	-
Non-current financial payables:	(2,809,690)	(2,809,388)	(302)
-due to Group companies	(2,809,690)	(2,809,388)	(302)
-due to Third parties	-	-	-
Current financial payables:	(323,573)	(294,695)	(28,878)
-due to Group companies	(76,709)	(73,687)	(3,022)
-due to Third parties	(246,864)	(221,008)	(25,856)
Net financial position	(2,574,103)	(1,880,128)	(693,975)
-due to Group companies	(2,327,670)	(1,659,644)	(668,026)
-due to Third parties	(246,433)	(220,484)	(25,949)

29. Significant non-recurring transactions

Pursuant to the Consob Communication of 28 July 2006, Fiat S.p.A. did not take part in any significant non-recurring transactions in the first half of 2008 as these are defined in such Communication.

30. Transactions resulting from unusual and/or abnormal operations

Pursuant to the Consob Communication of 28 July 2006, Fiat S.p.A. did not take part in any unusual and/or abnormal operations in the first half of 2008 as these are defined in such Communication, under which unusual and abnormal transactions are those which because of their significance or importance, the nature of the parties involved, the object of the transaction, the means of determining the transfer price or the timing of the event (close to the year end) may give rise to doubts regarding the accuracy/completeness of the information in the financial statements, conflicts of interest, the safeguarding of an entity's assets or the protection of minority interests.

31. Subsequent Events

On 23 July 2008 the Fiat S.p.A. Board of Directors granted a first tranche of 1,418,500 stock options under the Incentive Plan established to attract and retain key executives and approved by Shareholders Meeting on 31 March. Members of the Board of Directors are excluded from the Plan. The stock options have been granted at a strike price of 10,24 euros

equivalent to the arithmetic average of the daily official price of Fiat ordinary shares published by Borsa Italiana S.p.A. in the month prior to today's date.

On 24 July 2008 the expiry date of the call option on 5% of the capital of Ferrari S.p.A. held by Mubadala Development Company PJSC was extended. This option may now be exercised between 1 January and 31 July 2010 at a price of 302.07 euros per share (for a total of 122,399 thousand euros) less any dividends which may be distributed.

List of investments in subsidiaries and associated companies with additional information required by Consob (communication no. DEM/6064293 of 28 July 2006)

Subsidiaries

Company and registered office	Capital (in euros)	Result for the last fiscal year (euro)	Stockholders' Equity (euro)	% owned	Number of shares	Book value (in euros)
Fiat Partecipazioni S.p.A. – Turin						
At 31.12.07	356,158,302	2,314,331,783	8,265,629,548	100.00	356,158,302	8,128,294,895
Portion of stock options for employees of subsidiaries						4,878,819
At 30.06.08	356,158,302	105,067,851	7,870,697,399	100.00	356,158,302	8,133,173,714
Fiat Netherlands Holding N.V. - Amsterdam (Netherlands)						
At 31.12.07	2,610,397,295	476,156,300	3,440,770,479	60.56	57,488,376	2,294,868,624
At 30.06.08	N.A.	N.A.	N.A.	60.56	57,488,376	2,294,868,624
				+39.44	Ind.	
Iveco S.p.A. – Turin						
At 31.12.07	369,500,000	403,547,860	773,047,860	60.56	223,779,638	1,326,017,178
portion of stock options for employees of subsidiaries						1,774,116
At 30.06.08	N.A.	N.A.	N.A.	60.56	223,779,638	1,327,791,294
				+39.44	Ind.	
Ferrari S.p.A. – Modena						
At 31.12.07	20,260,000	109,265,840	365,741,896	85.00	6,888,400	1,055,203,823
At 30.06.08	N.A.	N.A.	N.A.	85.00	6,888,400	1,055,203,823
Comau S.p.A. – Grugliasco						
At 31.12.07	48,013,959	(66,068,526)	101,945,433	100.00	48,013,959	111,000,000
portion of stock options for employees of subsidiaries						443,529
At 30.06.08	N.A.	N.A.	N.A.	100.00	48,013,959	111,443,529
Business Solutions S.p.A. – Turin						
At 31.12.07	4,791,396	53,810,231	59,688,272	100.00	4,791,396	37,095,022
portion of stock options for employees of subsidiaries						266,117
At 30.06.08	N.A.	N.A.	N.A.	100.00	4,791,396	37,361,139
Itedi - italiana Edizioni S.p.A. – Turin						
At 31.12.07	5,980,000	1,336,833	29,886,506	100.00	5,980,000	25,899,105
At 30.06.08	N.A.	N.A.	N.A.	100.00	5,980,000	25,899,105
FGI – Fiat Group International S.A, (formerly IHF - Internazionale Holding Fiat S.A.) – Lugano (Switzerland)						
At 31.12.07	60,433,916	29,615,480	116,073,427	100.00	100,000	33,444,877
CHF	100,000,000	49,004,735	192,066,700			
At 30.06.08	N.D.	N.D.	N.D.	100.00	100,000	33,444,877
CHF	N.D.	N.D.	N.D.			
Fiat Finance S.p.a. – Turin						
At 31.12.07	224,440,000	29,919,900	454,386,873	100.00	224,440,000	222,262,897
At 30.06.08	N.D.	N.D.	N.D.	100.00	224,440,000	222,262,897
Fiat Finance North America Inc. – Wilmington (United States)						
At 31.12.07	27,233,211	644,641	12,535,487	39.47	150	15,557,000
USD	40,090,010	948,976	18,453,491			
At 30.06.08	N.D.	N.D.	N.D.	39.47	150	15,557,000
USD	N.D.	N.D.	N.D.	+60.53	Ind.	
Fiat U.S.A. Inc. – New York (United States)						
At 31.12.07	11,432,647	710,813	23,090,892	100.00	1,000	27,257,726
USD	16,830,000	1,046,388	33,992,102			
At 30.06.08	N.D.	N.D.	N.D.	100.00	1,000	27,257,726
USD	N.D.	N.D.	N.D.			
Elasis-Società Consortile per Azioni – Pomigliano d'Arco						
At 31.12.07	20,000,000	1,129,101	22,000,590	0.17	33,334	29,974
At 30.06.08	N.D.	N.D.	N.D.	0.17	33,334	29,974
				+99.83	ind.	
Fiat Information & Communication Services società consortile per Azioni - Turin						
At 31.12.07	800,000	188,965	1,069,081	51.00	408,000	430,000
At 30.06.08	N.D.	N.D.	N.D.	51.00	408,000	430,000
				+49.00	ind	

List of investments (continued)

Company and registered office	Capital (in euros)	Result for the last fiscal year (euro)	Stockholders' Equity (euro)	% owned by Fiat S.p.A.	Number of shares	Book value (in euros)
Fiat-Revisione Interna S.c.r.l. – Turin						
At 31.12.07	300,000	199,833	596,167	51.00	153,000 v.n.	186,980
At 30.06.08	N.D.	N.D.	N.D.	51.00	153,000 v.n.	186,980
				+49.00	ind.	
Fiat Servizi per l'Industria S.c.p.A. - Turin						
At 31.12.07	1,652,669	408,259	1,944,246	5.00	82,633	70,720
At 30.06.08	N.D.	N.D.	N.D.	5.00	82,633	70,720
				+95.00	ind.	
Isvor Fiat Società consortile di sviluppo e addestramento Industriale per Azioni – Turin						
At 31.12.07	300,000	17,306	865,579	3.00	9,000	-
At 30.06.08	N.D.	N.D.	N.D.	3.00	9,000	-
				+97.00	ind.	
Orione S.c.p.A.-Società Industriale per la Sicurezza e la Vigilanza Consortile per Azioni - Turin						
At 31.12.07	120,000	61,101	284,919	18.00	21,603	21,108
At 30.06.08	N.D.	N.D.	N.D.	18.00	21,603	21,108
				+81.12	ind.	
SIRIO - Sicurezza Industriale Società consortile per Azioni – Turin						
At 31.12.07	120,000	(996,262)	227,449	0.75	901	764
At 30.06.08	N.D.	N.D.	N.D.	0.75	901	764
				+ 92.27	ind.	
Total subsidiaries						13,285,003,274

List of investments in subsidiaries and associated companies with additional information required by Consob (communication no, DEM/6064293 of 28 July 2006)

Other companies

Company and registered office	% owned.	Number of shares	Book value (in euros)
Assicurazioni Generali S.p.A. – Trieste			
At 31.12.07	0.01	180,491	5,595,221
• adjustment to fair value		(1,196,655)	136,180
At 30.06.08	0.01	180,491	4,398,566
Fin.Priv. S.r.l. – Milan			
At 31.12.07	14.29		28,248,079
• adjustment to fair value		(6,477,162)	13,893,417
At 30.06.08	14.29		21,770,917
Consorzio Lingotto – Turin			
At 31.12.07	5.40		279
At 30.06.08	5.40		279
Total other companies		26,169,762	33,843,579

% owned

The indirect percentage held in the ordinary capital of subsidiaries is also indicated.

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.

18 September 2008

On behalf of the Board of Directors

/s/ Luca Cordero di Montezemolo

Chairman

Luca Cordero di Montezemolo