Interim Report
for the period ended 30 September 2011

Third Quarter

CONTENTS

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

This report is also available at www.fiatspa.com

Fiat S.p.A.

Registered Office: 250 Via Nizza, Turin, ITALY

Share Capital: €4,465,600,020

Turin Companies Register/Tax Code: 00469580013

BOARD OF DIRECTORS AND AUDITORS

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(1) Member of the Nominating, Corporate Governance and Sustainability Committee
(2) Member of the Internal Control Committee
(3) Member of the Compensation Committee

FIAT GROUP

INTERIM REPORT

INTRODUCTION

The Interim Report for the period ended 30 September 2011 has been prepared in accordance with Legislative Decree 58/1998, as amended, and the "Regolamento Emittenti" issued by Consob.

This Report also conforms with the requirements of the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") adopted by the European Union and has been prepared in accordance with IAS 34 - *Interim Financial Reporting*. The accounting principles applied are consistent with those used for preparation of the Consolidated Financial Statements at 31 December 2010, except as otherwise stated under "Accounting principles, amendments and interpretations adopted from 1 January 2011" in the Notes to the Interim Consolidated Financial Statements.

The Interim Report is unaudited.

OPERATING PERFORMANCE

HIGHLIGHTS

1.01-30.09 2011 (**)	1.01-30.09 2010 (*)	(€ million)		3rd Quarter 2011 (**)	3rd Quarter. 2010 (*)
39,915	26,428	Net revenues		**17,552**	8,444
1,627	793	Trading profit/(loss)		**851**	256
2,628	768	Operating profit/(loss)		**794**	254
1,796	506	Profit/(loss) before taxes		**282**	241
1,386	69	Profit/(loss) for the period		**112**	73
1,291	40	Profit/(loss) attributable to owners of the parent		**(46)**	63
362	94	Profit /(loss) for the period before unusuals		**169**	75
		(per share data in €)			
1.037	-	Basic earnings per ordinary share for Continuing Operations	(***)	**(0.037)**	0.018
1.037	0.217	Basic earnings per preference share for Continuing Operations	(***)	**(0.037)**	0.235
1.145	0.217	Basic earnings per savings share for Continuing Operations	(***)	**(0.037)**	0.235

(*) In accordance with IFRS 5, figures for the third quarter and first nine months of 2010 have been reclassified to exclude businesses transferred to Fiat Industrial on 1 January 2011

(**) Includes consolidation of Chrysler from 1 June 2011

(***) Note 12 to the financial statements provides additional information on the calculation of basic and diluted earnings per share

(€ million)	30.09.2011	31.12.2010
Total assets	**78,902**	73,442 (a)
Net (debt)/cash	**(8,716)**	(2,753) (b)
- of which: Net industrial (debt)/cash	**(5,772)**	(542) (b)
Total equity	**11,762**	12,461 (a)
Equity attributable to owners of the parent	**8,564**	11,544 (a)
No. of employees at period end	**195,679**	137,801

(a) Relates to Fiat Group pre Demerger

(b) Includes impacts of the demerger which took effect 1 January 2011

Disclaimer

This Report, and in particular the section entitled "Subsequent Events and Outlook", contains forward-looking statements. These statements are based on the Group's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: 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, weather, floods, earthquakes or other natural disasters, changes in government regulation (in each case, in Italy or abroad), production difficulties, including capacity and supply constraints and many other risks and uncertainties, most of which are outside of the Group's control.

GROUP RESULTS

Fiat with Chrysler (1.01-30.09 2011)	Chrysler (1.01-30.09 2011)	Fiat excluding Chrysler (1.01-30.09 2011)	1.01-30.09 2010 (*)	(€ million)	Fiat with Chrysler (3rd Quarter 2011)	Chrysler (3rd Quarter 2011)	Fiat excluding Chrysler (3rd Quarter 2011)	3rd Quarter 2010 (*)
39,915	12,609	28,013	26,428	Net revenues	17,552	9,284	8,813	8,444
33,866	10,644	23,929	22,673	Cost of sales	14,806	7,837	7,514	7,230
3,373	1,016	2,357	2,206	Selling, general and administrative	1,483	737	746	717
1,026	232	794	739	Research and development	416	165	251	253
(23)	(11)	(12)	(17)	Other income/(expense)	4	11	(7)	12
1,627	706	921	793	TRADING PROFIT/(LOSS)	851	556	295	256
7	-	7	2	Gains/(losses) on disposals of investments	-	-	-	-
103	1	102	21	Restructuring costs	61	(2)	63	-
1,097	(219)	1,316	(6)	Other unusual income/(expense)	4	1	3	(2)
2,628	486	2,142	768	OPERATING PROFIT/(LOSS)	794	559	235	254
(911)	(279)	(632)	(355)	Financial income/(expense)	(543)	(209)	(334)	(27)
79	6	73	93	Result from investments	31	6	25	14
1,796	213	1,583	506	PROFIT/(LOSS) BEFORE TAXES	282	356	(74)	241
410	34	376	437	Income taxes	170	34	136	168
1,386	179	1,207	69	PROFIT/(LOSS) FOR THE PERIOD	112	322	(210)	73

(*) In accordance with IFRS 5, figures for the third quarter and first nine months of 2010 have been reclassified to exclude businesses transferred to Fiat Industrial on 1 January 2011

Results for Fiat Group for the third quarter of 2011

Net revenues

(€ million)	2011 (3rd Quarter)	2010 (3rd Quarter)	% change (3rd Quarter)
Automobiles (Fiat Group Automobiles, Chrysler, Maserati, Ferrari)	15,958	7,090	125.1
Components & Production Systems (Magneti Marelli, Fiat Powertrain(*), Teksid, Comau)	2,831	2,634	7.5
Other Businesses	264	259	1.9
Eliminations	(1,501)	(1,539)	-
Total for the Group	17,552	8,444	107.9

(*) Includes activities of the Passenger & Commercial Vehicles business line of the former FPT Powertrain Technologies

Revenues totaled €17.6 billion:

Fiat Group Automobiles (FGA) posted revenues of €6.5 billion, in line with Q3 2010, with 460,400 passenger cars and light commercial vehicles shipped during the quarter (-4.3% y-o-y). Light commercial vehicle volumes were up 5.4% over the prior year, while passenger car shipments were down 6.6% due to continuing weak demand in Italy. Share of the passenger car market was up 0.5 percentage points in Italy to 29.9%, but due to the reduced weight of the Italian market and lower demand for smaller segments, share was down 0.6 percentage points for Europe overall to 6.5%. Fiat Professional maintained a leading position in Europe with a 13.8% increase in volumes and share up 0.3 p.p. to 11.9% on the back of the successful performance of the new Ducato. In Brazil, Fiat remained market leader with overall share at 21.9%.

Chrysler reported revenues of €9.3 billion for the quarter on worldwide vehicle shipments of 469,000 (+15% year-on-year). Market share in the U.S. was up 1.8 percentage points over Q3 2010 to 11.4% and in Canada up 1.7 percentage points to 14.5%, driven by strong retail performance for newly launched models.

Luxury & Performance brands: Ferrari posted revenues of €525 million, up 17.7% year-over-year, while revenues for Maserati were up 6.0% to €142 million.

Components & Production Systems had revenues of €2.8 billion, a 7.5% increase over Q3 2010. Magneti Marelli posted a 7.1% increase in revenues to €1.4 billion, while Fiat Powertrain was substantially in line with the prior year (€1.0 billion).

Trading profit/(loss)

(€ million)	3rd Quarter 2011	2010	Change
Automobiles (Fiat Group Automobiles, Chrysler, Maserati, Ferrari)	**769**	210	559
Components & Production Systems (Magneti Marelli, Fiat Powertrain(*), Teksid, Comau)	**88**	78	10
Other Businesses and **Eliminations**	**(6)**	(32)	26
Total for the Group	**851**	**256**	**595**
Trading margin (%)	**4.8**	**3.0**	

(*) Includes activities of the Passenger & Commercial Vehicles business line of the former FPT Powertrain Technologies

Trading profit was €851 million with trading margin at 4.8%.

Fiat Group Automobiles achieved trading profit of €128 million (€130 million for Q3 2010). Trading margin was in line with Q3 2010 (2.0%), driven by efficiencies in purchasing and World Class Manufacturing and improvement in mix offsetting volume declines.

Chrysler reported €556 million in trading profit, representing a 6.0% margin, with continued positive trend in volume, mix and price from new vehicle launches driving increased U.S. and Canadian market share. Trading margin benefited from a low amortization charge for R&D, as current spending relates to products still in development.

Luxury & Performance brands benefited from higher volumes, with Ferrari posting a trading profit of €77 million, in line with the prior year despite higher R&D spending for new products, and Maserati doubling trading profit to €8 million.

Components & Production Systems reported trading profit of €88 million (+12.8% over Q3 2010), with Magneti Marelli nearly double at €43 million (vs. €24 million in Q3 2010).

Operating profit/(loss)

Operating profit for Q3 2011 was €794 million, of which €559 million related to Chrysler. For Fiat excluding Chrysler, operating profit was €235 million for the quarter, down €19 million over the same period in 2010, and included €63 million in restructuring charges related to Fiat Group Automobiles.

Profit/(loss) for the period

Net financial expense totaled €543 million. Excluding Chrysler, net financial expense was €334 million. Net of a €138 million loss related to the marking-to-market of the two Fiat stock option-related equity swaps, net financial expense totaled €196 million compared to €160 million for Q2 2011, the increase largely related to higher average indebtedness in Q3 and positive foreign exchange impacts in Q2. In the third quarter of 2010, net financial expense totaled €85 million (excluding the €58 million mark-to-market gain on the stock option-related equity swaps), reflecting lower cost of carry and a non-recurring gain.

Profit before taxes was €282 million. Excluding a €356 million profit for Chrysler, Fiat recorded a €74 million pre-tax loss (profit of €241 million for Q3 2010). The €315 million difference over Q3 2010 was almost entirely attributable to the €19 million reduction in operating profit and €307 million increase in net financial expense.

Income taxes totaled €170 million. Excluding Chrysler (€34 million), income taxes of €136 million related primarily to taxable income of companies operating outside Italy and employment-related taxes in Italy.

Net profit was €112 million for the third quarter. Excluding the €138 million loss in the mark-to-market of the two Fiat stock-option related equity swaps and €57 million in net unusual charges, the Group achieved a net profit of ~€300 million and Fiat excluding Chrysler was break-even.

There was a **loss attributable to owners of the parent** of €46 million for the quarter, compared to a €63 million profit for Q3 2010.

Results for Fiat Group for the first nine months of 2011

Net revenues

(€ million)	1.01-30.09 2011	2010	% change
Automobiles (Fiat Group Automobiles, Chrysler, Maserati, Ferrari)	**34,983**	22,351	56.5
Components & Production Systems (Magneti Marelli, Fiat Powertrain(*), Teksid, Comau)	**9,032**	7,982	13.2
Other Businesses	**794**	801	-0.9
Eliminations	**(4,894)**	(4,706)	-
Total for the Group	**39,915**	**26,428**	**51.0**

(*) Includes activities of the Passenger & Commercial Vehicles business line of the former FPT Powertrain Technologies

Group **revenues** for the first nine months of 2011 totaled €39.9 billion. Excluding Chrysler (consolidated from June), revenues were €28.0 billion, up 6.0% over the same period in 2010. All businesses reported year-on-year increases with Luxury & Performance brands and Components & Production Systems recording double-digit growth. Fiat Group Automobiles revenues were up 1.7% over 2010.

Trading profit/(loss)

(€ million)	1.01-30.09 2011	2010	Change
Automobiles (Fiat Group Automobiles, Chrysler, Maserati, Ferrari)	**1,389**	676	713
Components & Production Systems (Magneti Marelli, Fiat Powertrain(*), Teksid, Comau)	**259**	184	75
Other Businesses and **Eliminations**	**(21)**	(67)	46
Total for the Group	**1,627**	**793**	**834**
Trading margin (%)	**4.1**	**3.0**	

(*) Includes activities of the Passenger & Commercial Vehicles business line of the former FPT Powertrain Technologies

Group **trading profit** of €1,627 million included trading profit for Chrysler of €706 million since 1 June 2011. Excluding Chrysler, trading profit increased 16.1% or €128 million, mainly driven by the positive performance of Components and Luxury brands and trading margin was 3.3% (3.0% for the first nine months of 2010).

Operating profit/(loss)

Operating profit for the first nine months was €2,628 million, including positive net unusuals of €1,001 million. Unusual income totaled €2,025 million, of which €2,017 million related to the fair value re-measurement of the 30% ownership interest held in Chrysler prior to the acquisition of control and of the right to receive an additional 5% ownership interest following achievement by Chrysler of the third Performance Event. Unusual expense totaled €1,024 million, of which €804 million ex-Chrysler (including €562 million in non-cash charges) largely attributable to the impact on Fiat's businesses of the strategic realignment with Chrysler's manufacturing and commercial activities, further accelerated following the increase of Fiat's ownership interest, and to one-off charges mainly related to the realignment of certain minor activities of the Group.

Chrysler's June-September 2011 operating profit of €486 million includes €220 million in unusual expenses recognized in relation to an upward revaluation or "step up" of its inventories associated with the recognition of assets acquired and liabilities assumed at fair value at the date of acquisition of control. Due to rapid inventory turnover, in June this amount was fully written off (recognized as a one-off non-cash charge).

Profit/(loss) for the period

Net financial expense totaled €911 million, including net financial expense for Chrysler totaling €279 million. Excluding Chrysler, net financial expense was €632 million (€355 million in 2010) and included a €115 million loss on the marking-to-market of two Fiat stock option-related equity swaps (€26 million gain for 2010). Net of that item, financial expense increased €136 million over the prior year, reflecting higher cost of carry in 2011 and a non-recurring gain in 2010.

Profit before taxes was €1,796 million. Excluding Chrysler, profit before taxes was €1,583 million (€506 million in 2010). The €1,077 million increase almost entirely reflected higher trading profit (+€128 million), a €1,246 million positive year-over-year difference in net unusual items and higher net financial expense.

Income taxes totaled €410 million. Excluding Chrysler, income taxes stood at €376 million (€437 million for the first nine months of 2010), and related primarily to taxable income of companies operating outside Italy and employment-related taxes in Italy.

Net profit was €1,386 million for the first nine months of 2011 (net profit of €69 million for 2010). Excluding Chrysler, unusuals and the mark-to-market of the two Fiat stock option-related equity swaps, net profit was €78 million, substantially in line with the comparable €68 million for the first nine months of 2010.

Profit attributable to owners of the parent was €1,291 million for the first nine months, compared with €40 million for the same period in 2010.

OPERATING PERFORMANCE BY BUSINESS

Automobiles

Net revenues

		1.01-30.09				3rd Quarter
2011	2010	% change	(€ million)	2011	2010	% change
21,085	20,740	1.7	**Fiat Group Automobiles**	**6,520**	6,550	-0.5
12,609	-	-	**Chrysler**	**9,284**	-	-
445	435	2.3	**Maserati**	**142**	134	6.0
1,605	1,349	19.0	**Ferrari**	**525**	446	17.7
(761)	(173)	-	**Eliminations**	**(513)**	(40)	-
34,983	**22,351**	**56.5**	**Total**	**15,958**	**7,090**	**125.1**

Trading profit/(loss)

		1.01-30.09				3rd Quarter
2011	2010	Change	(€ million)	2011	2010	Change
445	468	-23	**Fiat Group Automobiles**	**128**	130	-2
706	-	706	**Chrysler**	**556**	-	556
26	16	10	**Maserati**	**8**	4	4
212	192	20	**Ferrari**	**77**	76	1
1,389	**676**	**713**	**Total**	**769**	**210**	**559**
4.0	**3.0**		**Trading margin (%)**	**4.8**	**3.0**	

Fiat Group Automobiles

Fiat Group Automobiles (FGA) closed the third quarter with **revenues** of €6.5 billion, in line with the prior year (+0.6% at constant exchange rates). A more favorable sales mix, resulting from higher volumes of light commercial vehicles, and the contribution from the distribution of Jeep® vehicles in Europe offset the contraction in passenger car volumes.

FGA shipped[1] a total of 460,400 passenger cars and light commercial vehicles during the quarter, representing a 4.3% decrease over the same period in 2010. There was a significant difference in performance between the two segments, with a total of 365,600 passenger cars shipped, representing a 6.6% year-over-year decline, and 94,800 light commercial vehicles, up 5.4% for the quarter.

During the quarter, the **European passenger car market** (EU27+EFTA) registered a modest increase of 1.7% over the prior year, with 3.1 million units sold to end customers. The year-on-year comparison in demand for the major markets reflects generally weak economic conditions, with the exception of Germany, where demand was up 11.6% over the prior year, continuing the positive trend recorded in the first half. There were modest declines in France, the UK and Spain (ranging from -0.7% to -2.0%), while Italy experienced a further significant reduction, falling 6.1% over already low levels in Q3 2010.

[1] *"Shipments": new cars & LCVs invoiced to external customers (i.e., dealer network, importers and other customers such as rental companies, corporate fleets, government agencies and local authorities, etc.)*

In Europe, FGA shipped a total of 172,400 passenger cars during the quarter, representing a 12.9% decline over the prior year attributable to weak demand in Italy (shipments down 9.1%) and a drop in France (-29.1%) compared to Q3 2010, when eco-incentives were still in effect. By contrast, shipments in Germany were up 1.2%.

By brand, Lancia reported an outstanding 35.7% increase in shipments, attributable primarily to the first full quarter of sales for the new Ypsilon. For Jeep®, volumes tripled in EU markets. Sales for the Alfa Romeo Giulietta are on track with the full-year target, with 16,500 units shipped, representing an increase of 15% over the prior year. Lower volumes for the Fiat brand were impacted by trading conditions in Italy and the phase-out of several models, partially offset by the success of the Freemont.

FGA's overall European market share was 6.5% for the quarter, down 0.6 percentage points year-over-year, primarily reflecting a less favorable market mix resulting from the reduced weight of the Italian passenger car market, while share in individual countries was generally resilient despite difficult conditions in Fiat's core product segments. In Germany, FGA's share remained stable at 3.1%, despite a continued reduction in demand in the smaller segments, while share in Italy was up 0.5 percentage points to 29.9%. In France, share declined 0.5 percentage points to 3.7%, as demand shifted toward larger vehicle segments following the phase-out of eco-incentives. In the UK, share contracted slightly to 2.9% (-0.3 percentage points) and in Spain to 2.9% (-0.2 percentage points).

The Fiat brand was the most heavily impacted by the market conditions described above, with overall share in Europe down from 5.5% to 4.6%. For the Fiat Panda and 500, share of the A segment remained stable and they maintained their position as the two best-selling vehicles in the segment. The Grande Punto continued to perform well in the highly competitive B segment. The Fiat Freemont performed well with 6,400 vehicles sold during the quarter.

Sales[2] for Lancia were up to approximately 23,000 units and market share at 0.7%, with 11,000 new Ypsilons sold in the first 3 months since launch.

Alfa Romeo's market share was substantially unchanged at 0.9%, with a significant increase in sales in the UK (+32%).

Sales for the Jeep® brand were more than double Q3 2010 at around 6,700 units, contributing 0.2 percentage points to FGA's overall market share.

FGA recorded excellent results in the European **light commercial vehicle market** in the third quarter. Volumes were up 13.8% year-on-year to 46,800 units, significantly outpacing the market. The positive trend of the first half continued, with double-digit growth in the two largest European markets outside Italy: for Germany, volumes were up 24.2% and in France shipments increased 14.2% over the prior year. In Italy, where the overall market contracted slightly, FGA volumes were up 7.7%. For the other major markets, there was a reduction in the UK, which was substantially offset by an increase in Spain. The Fiat range continued to perform well in minor markets, recording a 21% overall increase over the corresponding period in 2010.

Fiat Professional's European market share was 11.9%[3] for the quarter, up 0.3 percentage points over Q3 2010. By individual market, Italy was up 1.0 percentage point to 42.4%, Germany +0.7 p.p. to 11.4%, France +0.4 p.p. to 8.1% and Spain +0.9 p.p. to 9.3%. In the UK, share contracted 0.3 percentage points. For the rest of Europe, FGA's share rose 0.7 percentage points to 10.7%.

The new Fiat Ducato recorded ~10% increase, with 22,400 units sold in the quarter on the back of the success of the new range of engines.

In **Brazil**, demand for passenger cars and light commercial vehicles was substantially flat over the prior year (+1.8%), with a diverging trend for the two segments: passenger car sales were down 1.2%, while light commercial vehicle sales were up 14.8%.

FGA shipped a total of 196,800 passenger cars and light commercial vehicles, representing a 3.4% decrease over Q3 2010. FGA maintained its leadership of the Brazilian market, with an overall share of 21.9% (-1.8 percentage points), with a 1.4 percentage points gap over its nearest competitor and maintaining price discipline in an increasingly competitive market. Share performance is in line with full year expectations.

In **Argentina**, where overall demand was up 32.2%, FGA increased sales by approximately 10,000 units, gaining nearly 2 percentage points in market share to 11.9%.

Fiat Group Automobiles closed Q3 2011 with a **trading profit** of €128 million (€130 million in Q3 2010) driven by industrial efficiencies and an improvement in mix which offset the decline in volumes.

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[2] *"Sales": sales to end customers determined from or based on official, non-official and internal sources considered reliable, including the following entities in the indicated countries: Italy - Ministero dei Trasporti; Brazil - Associaçao Nacional dos Fabricantes de Veiculos Automotores; France - Chambre Syndicale; Germany - Kraftfahrzeug Bundesamt; Spain - Direccion General de Trafico; the United Kingdom - Society of Motor Manufacturers and Traders*

[3] *Due to the unavailability of data since January 2011, figures for Italy are an extrapolation. As they are not actual market figures, the EU total is subject to a margin of error*

In September, Fiat presented the third generation Panda at the Frankfurt Motor Show which offers further enhancements in comfort, technology and safety, packaged in an attractive modern exterior. At launch, the new model will be available with a choice of 4 engines (an 85 hp 0.9L Turbo TwinAir, a 65 hp 0.9L naturally-aspirated TwinAir, a 69 hp 1.2L Fire and a 75 hp 1.3L MultiJet II), 3 trim packages and other customization options providing more than 600 different combinations.

Presented alongside the Panda was the new All-Wheel Drive Freemont offered from Q4 with two engines, a 170 hp 2.0 diesel MultiJet II or a 280 hp 3.6L V6 gasoline, and automatic transmission.

Featured at the Lancia stand in Frankfurt were the Thema and Voyager, the first 2 models coming out of the alliance between the Lancia and Chrysler brands. The Lancia Thema, available at dealers across Europe from November, will be offered in 3 trim packages and a choice of 3 engines (286 hp 3.6L V6 gasoline with 8-speed automatic transmission and a 190 hp and 239 hp 3.0L V6 diesel). The new Voyager will be available at dealers across Europe from November with a choice of a 283 hp 3.6L V6 gasoline engine with 6-speed automatic transmission and a 163 hp 2.8L diesel.

Jeep® gave the European premiere of 3 models at the Frankfurt Motor Show: the new Grand Cherokee SRT8, a high-performance version equipped with the new 470 hp 6.4L HEMI® engine; the 284 hp 3.6L Pentastar V6 gasoline engine that will power the 2012 Jeep Wrangler and the Jeep Wrangler Unlimited; and the special edition Jeep Wrangler Arctic, which is engineered to tackle extreme terrain.

In July, the 2 millionth Fiat Panda rolled off the production line at the FGA plant in Tychy, Poland – another historic milestone for the Panda. The Fiat 500 received the "ADI Compasso d'Oro", the 22nd edition of the prestigious design award.

FGA closed the **first nine months** with **revenues** of €21.1 billion, up 1.7% over the same period in 2010, mainly driven by an improved sales mix.

A total of 1,547,500 passenger cars and light commercial vehicles were shipped during the period, representing a 1.3% decrease over the prior year. Lower passenger car volumes (-3.9% to 1,234,600 units) were almost entirely compensated by the increase in light commercial vehicle shipments, which were up 10.2% year-on-year to a total of 312,800 units.

The European passenger car market was substantially in line with the first nine months of 2010, with 10.5 million units sold. Of the major European markets, the only positive performance was in Germany (+10.8%). France was unchanged over the same period in 2010, and demand was extremely weak in Italy (-11.3%), the UK (-5.0%) and Spain (-20.7%). In the rest of Europe, demand was 3.5 percentage points higher than for the first nine months of 2010.

FGA shipped 670,300 passenger cars during the period, representing a 10.3% decrease over the prior year. Higher volumes in Germany (+13.7%) and the UK (+1.0%) only partially compensated declines in Italy (-13.5%), France (-16.1%) and Spain (-25.5%).

FGA's European market share was down 0.8 percentage points for the first nine months to 7.1%, largely as a result of the reduced weight of the Italian market for the first nine months and the significant year-on-year decline over Q1 2010, when demand benefited from the residual effects of eco-incentives.

Light commercial vehicle volumes for FGA were up significantly in Europe, with a total of 168,400 units shipped (+14.3%). Performance was positive in all major markets, with Germany up 36.2%, France +15.1%, UK +1.1%, Spain +2.9% and Italy +6.9%. There was also a significant increase in the rest of Europe, where volumes were up 13.5% over the prior year.

Market share for the period was substantially unchanged at 13.1%[4] (+0.1 percentage points). FGA achieved gains in all major markets, with share in Italy up 0.6 p.p. to 45.2%, in Germany +1.5 p.p. to 12.9%, in France +0.5 p.p. to 9.4%, and in Spain +0.6 p.p. to 9.2%.

In **Brazil**, passenger car and light commercial vehicle shipments for FGA were up 3.5% year-on-year to 580,000 units. FGA maintained its market leadership for both passenger cars and light commercial vehicles, achieving an overall share of 22.2% with the market up 6.7%.

In **Argentina**, the market was up 31.4% for the first nine months of 2011. FGA performed in line with the market, maintaining its share unchanged at 10.7% with a total of about 70,000 vehicles sold.

FGA reported a **trading profit** of €445 million for the first nine months, compared with €468 million for same period in 2010.

[4] *Due to the unavailability of data since January 2011, figures for Italy are an extrapolation. As they are not actual market figures, the EU total is subject to a margin of error*

Chrysler

Chrysler's financial results were consolidated by Fiat beginning June 1, 2011. For **Q3 2011**, Chrysler had **net revenues** of €9.3 billion (USD 13.1 billion) on worldwide shipments of 469,000 vehicles, of which the U.S. and Canada accounted for 83%. **Trading profit** was €556 million.

Worldwide vehicle shipments totaled 469,000 units for Q3 2011, representing a 15% increase over Q3 2010. U.S. vehicle shipments were 331,000 (up 10% over Q3 2010), Canada vehicle shipments were 58,000 (up 15%) and vehicle shipments in other regions totaled 80,000 (up 42%).

Worldwide vehicle sales[5] were 496,000 in Q3 2011, an increase of 24% compared to Q3 2010. Vehicle sales increased 26% for Q3 2011 in the U.S. to 369,000 and 13% in Canada to 61,000. Chrysler's increases outpaced the market in both countries, and sales in the U.S. continued 18 consecutive months of year-over-year increases.

Chrysler's U.S. market share was 11.4% in Q3 2011, compared to 9.6% in Q3 2010. U.S. vehicle sales for Jeep were 115,000 during Q3 2011, up 42% year-over-year, with all five Jeep models contributing to the increase, similar to last quarter. The sales increase was led by the Jeep Compass (up 208%) which now offers Trail Rated® 4x4 capability, the Jeep Wrangler (up 52%), the top-selling Jeep model in the U.S., and the Jeep Grand Cherokee (up 38%), the most awarded SUV ever. The Dodge brand, Chrysler Group's number one selling brand, posted U.S. vehicle sales over 115,000 during Q3 2011, up 13% from the prior year. Contributing to this quarter's increase was the Dodge Durango with sales of 16,000. In addition, the Dodge Grand Caravan, America's best-selling minivan, and the Dodge Journey each posted double-digit increases on a year-over-year basis. The Ram truck brand posted a U.S. sales increase of 15% reflecting sales gains of all versions of the Ram pickup trucks (light-duty, heavy-duty and chassis cab). Total Ram truck brand sales were 69,000 for the quarter. Chrysler brand U.S. sales totaled 61,000 vehicles during Q3 2011, an increase of 23% from the prior year. The increase reflects an 18% increase in Chrysler 300 sales and sales of the Chrysler 200 (including convertible versions) of 26,000. Fiat branded U.S. and Canada sales were 11,000 in the quarter, consisting of the Fiat 500 and Fiat 500 Cabrio, an increase of 63% compared to Q2.

In Canada, total market share was up 1.7 percentage points to 14.5% in Q3 2011 versus Q3 2010. Key performers in Canada included the Jeep Wrangler (up 52%), the Jeep Compass (up 35%), the Jeep Grand Cherokee (up 31%) and the Ram Pickup (up 9%).

Vehicle sales in other markets during Q3 2011 increased 21% versus the prior year to 66,000, including a 29% increase in International markets (excluding Mexico).

Worldwide vehicle shipments totaled 1,468,000 units for the **first nine months of 2011**, representing a 20% increase over 2010. U.S. vehicle shipments were 1,046,000 (up 20% over 2010); Canada vehicle shipments were 199,000 (up 14%); and vehicle shipments in other regions totaled 223,000 (up 26%).

Worldwide vehicle sales were 1,376,000 for the first nine months of 2011, an increase of 20% compared to 2010. Vehicle sales increased 23% year-to-date 2011 in the U.S. to 1,009,000 and 14% in Canada to 183,000, which outpaced the market in both countries.

Chrysler's year-to-date 2011 U.S. market share is 10.4%, compared to 9.4% for the same period of 2010. U.S. vehicle sales year-to-date for Jeep were 304,000, up 46% year-over-year. The increased sales were led by the Jeep Compass (up 138%), the Jeep Grand Cherokee (up 78%) and the Jeep Patriot (up 50%). The Dodge brand posted U.S. vehicle sales of 345,000 year-to-date 2011, up 14% from the same period in 2010. Contributing to the increase was the Dodge Durango with sales of 39,000 and increases by the Dodge Grand Caravan (up 15%) and Dodge Journey (up 9%). The Ram truck brand posted a U.S. sales increase of 25% in the first nine months of the year to 189,000, reflecting sales gains of all versions of the Ram pickup trucks. Chrysler brand U.S. sales totaled 157,000 vehicles, a slight decrease (less than 1%) from the first nine months of the prior year. Sales of the Chrysler 200 totaling 59,000 (including the convertible) offset decreases in Chrysler 300 sales, which was launched in early 2011, and the Chrysler Town & Country.

In Canada, total market share year-to-date 2011 was up 1.6 percentage points versus 2010 year-to-date to 14.7%. Key performers in Canada included the Jeep Grand Cherokee (up 86%), the Jeep Wrangler (up 40%), the Jeep Compass (up 39%), and the Dodge Journey (up 35%).

Vehicle sales in other markets during the first nine months of 2011 increased 13% versus the prior year to 184,000, including a 16% increase in International markets (excluding Mexico).

Maserati

Maserati posted **revenues** of €142 million for the **third quarter**, up 6% over the same period in 2010.

A total of 1,459 vehicles were shipped, a 6.7% increase over the 1,368 units shipped in Q3 2010.

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[5] *"Sales": preliminary results for sales to end customers as reported by the Chrysler dealer network*

The third quarter closed with **trading profit** of €8 million (trading margin of 5.6%), doubling over Q3 2010.

At the Frankfurt Motor Show in September, Maserati unveiled the brand new SUV concept – the Kubang. The first ever SUV in Maserati's history, this concept vehicle paves the way for Maserati's future product range that, while preserving the brand's distinctive DNA, represents its entry into a new market segment.

Maserati reported €445 million in **revenues** for the **first nine months of 2011**, up 2.3% over the same period for the prior year.

Shipments were up 9.4% over the prior year to 4,672 vehicles. The increase was driven by particularly strong performance in the USA (+20%) and China (+129%).

Volume increases and efficiency gains contributed to a significant increase in **trading profit** to €26 million (trading margin of 5.8%), compared with €16 million for the first nine months of 2010.

Ferrari

For **Q3 2011**, Ferrari reported **revenues** of €525 million, a 17.7% increase over the same period in 2010 driven by higher volumes for 12-cylinder models.

A total of 1,588 cars were shipped during the quarter, up 13.6% over Q3 2010. The increase related to 12-cylinder models, in particular with strong sales performance for the new FF.

North America maintained its position as Ferrari's no. 1 market with 497 vehicles shipped during the period, accounting for 31.3% of total sales (+1% vs. 2010). Performance was particularly positive for China, Hong Kong and Taiwan where 164 vehicles were shipped, representing a 49% increase over Q3 2010. In Europe, the most notable performances were in Germany (166 vehicles shipped, +93% vs. 2010), France (80 vehicles shipped, +54%) and Switzerland (63 vehicles shipped, +43%).

Ferrari closed the quarter with a **trading profit** of €77 million, in line with the prior year despite higher R&D spending for new products.

At the Frankfurt Motor Show in September, Ferrari unveiled the new 458 Spider, its first ever mid-rear engined 8-cylinder featuring an aluminum hard-top rather than the traditional folding soft-top. This latest addition to the range received immediate acclaim from the press and the public.

For the **first nine months of 2011**, Ferrari recorded **revenues** of €1,605 million, up 19% over the same period in 2010.

A total of 5,165 cars were shipped during the first nine months, representing a 12.3% increase over the same period in 2010. Volumes were higher for both 8-cylinder models (+8.1% year-over-year) and 12-cylinder models (+39.7%).

North America maintained its position as Ferrari's no. 1 market with 1,436 vehicles shipped during the period, accounting for 28% of total sales (+14.5% vs. 2010). Volumes were also higher in China, Hong Kong and Taiwan where 542 vehicles were shipped, accounting for 10.5% of total sales (+90% vs. 2010). Performance was also strong in the UK, with 384 vehicles shipped (+21% over the prior year), and in Germany, with 503 vehicles shipped (+15% over 2010).

Ferrari achieved **trading profit** of €212 million for the first nine months, a €20 million increase (+10.4%) over the €192 million recorded for the corresponding period in 2010. The improvement was primarily driven by higher sales volumes and a more favorable product mix, which more than compensated for higher R&D expenditure.

Components & Production Systems

Net revenues

	1.01-30.09					3rd Quarter
2011	2010	% change	(€ million)	**2011**	2010	% change
4,400	3,956	11.2	**Components** (Magneti Marelli)	**1,374**	1,283	7.1
3,438	3,120	10.2	**Fiat Powertrain**	**1,002**	1,014	-1.2
705	569	23.9	**Metallurgical Products** (Teksid)	**229**	197	16.2
1,004	738	36.0	**Production Systems** (Comau)	**371**	254	46.1
(515)	(401)	-	**Eliminations**	**(145)**	(114)	-
9,032	**7,982**	**13.2**	**Total**	**2,831**	**2,634**	**7.5**

Trading profit/(loss)

	1.01-30.09					3rd Quarter
2011	2010	Change	(€ million)	**2011**	2010	Change
127	69	58	**Components** (Magneti Marelli)	**43**	24	19
98	99	-1	**Fiat Powertrain**	**29**	45	-16
26	15	11	**Metallurgical Products** (Teksid)	**12**	9	3
8	1	7	**Production Systems** (Comau)	**4**	-	4
259	**184**	**75**	**Total**	**88**	**78**	**10**
2.9	**2.3**		**Trading margin (%)**	**3.1**	**3.0**	

Magneti Marelli

For **Q3 2011**, **Magneti Marelli** reported **revenues** of €1,374 million, up 7.1% over Q3 2010.

In Europe, growth was primarily driven by higher sales for the Lighting business line and positive performance in the LCV market. Growth was also recorded in Brazil, North America and China, while in other regions performance was stable or slightly down over the prior year.

The strong performance recorded by the Lighting business line, in addition to positive performances also for the Electronic Systems and Exhaust Systems businesses, were only partially offset by declines recorded by the other business lines. Performance for the principal lines was as follows:

Lighting

Revenues totaled €443 million for Q3 2011, an increase of approximately 14% over the same period for the prior year. The growth was primarily attributable to the performance of the German market and a recovery in the NAFTA region.

Engine Controls

Revenues for Q3 2011 of €226 million were substantially in line with the same period in 2010 (€228 million). The modest decline recorded in Brazil was almost entirely compensated for by growth in Europe.

Electronic Systems

For Q3 2011, the business line recorded revenues of €167 million, up 17% over the same period in 2010. The increase was primarily driven by good sales performance for the Telematics product line in Europe.

Magneti Marelli reported Q3 **trading profit** of €43 million, compared to €24 million for Q3 2010. The improvement was driven by increased sales volumes and manufacturing efficiencies, which more than compensated for cost pressures from higher materials prices.

In July, a new production line for Pico Eco injectors (developed specifically for bi-fuel engines) was inaugurated in Brazil.

In September, at the Agemont Center for Technological Innovation in Amaro, Italy, the Lighting business line inaugurated the J-RAUM laboratory, a center for research and innovation in automotive lighting.

For the **first nine months**, Magneti Marelli reported **revenues** of €4.4 billion, up 11.2% over the same period in 2010 (€4.0 billion). Particularly good performance was recorded for the Lighting business line (revenues up 16%), Electronic Systems (+18%) and Exhaust Systems (+19%).

Magneti Marelli closed the first nine months with a **trading profit** of €127 million, compared to €69 million for the first nine months of 2010. This improvement was primarily attributable to higher sales volumes, cost containment measures and industrial efficiencies.

Fiat Powertrain

Fiat Powertrain reported **revenues** of €1.0 billion for **Q3 2011**, a reduction of approximately 1.2% over the prior year. A total of 532,000 engines (-5.1%) and 526,000 transmissions (in line with 2010) were sold during the quarter.

The third quarter closed with a **trading profit** of €29 million, down from €45 million in Q3 2010 primarily due to lower volumes and increased raw material costs.

During the period, development was completed for application of the 85 hp TwinAir Turbo on two B-segment models: launch on the Fiat Grande Punto is planned by year-end 2011 and on the Alfa Romeo MiTo during 2012.

Development of the Euro 5 LPG Fire engine is also in the final phase and incorporates several features designed to enhance driving performance. The CNG versions of the Fire are also being upgraded to meet Euro 5 emissions standards.

The 85 hp version of the 1.3 MultiJet with variable geometry turbo-compressor engine is soon to be launched on the Fiat Grande Punto, providing a perfect balance between performance, especially for city driving, and consumption. This version, in fact, has two major enhancements: an "intelligent" alternator and a variable displacement oil pump.

A version of the C514 transmission has also been developed which provides enhanced performance on the 8-valve Fire. Application is planned on the Fiat Panda and new Lancia Ypsilon in 2012.

Fiat Powertrain reported **revenues** of €3.4 billion for the **first nine months of 2011**, representing a 10.2% increase over the prior year (€3.1 billion).

A total of 1,826,000 engines (+3.3%) and 1,779,000 transmissions (+4.5%) were sold during the first nine months.

Fiat Powertrain closed the first nine months of 2011 with a **trading profit** of €98 million, substantially in line with €99 million for the prior year. The positive impact of higher volumes was offset by increases in raw material costs and higher depreciation associated with new products.

Teksid

Teksid recorded €229 million in **revenues** for **Q3 2011**, a 16.2% increase over the third quarter of 2010 attributable to higher volumes for the Cast Iron business unit (+14.6%) driven by positive performance in Mercosur, NAFTA and Europe.

Teksid closed the quarter with **trading profit** of €12 million, compared to a profit of €9 million for Q3 2010, primarily resulting from volume increases.

Teksid's **revenues** for the **first nine months** were €705 million, up 23.9% over the same period in 2010, reflecting higher sales volumes for the Cast Iron business unit (+18.1%) in Mercosur, NAFTA and Europe, while revenues were down 8.1% overall for the Aluminum business unit.

Teksid closed the first nine months with a **trading profit** of €26 million, compared to a profit of €15 million for the same period in 2010.

Comau

Comau reported **revenues** of €371 million for **Q3 2011**, up 46.1% year-over-year. All business lines recorded increases, with the Body Welding and Powertrain Systems operations and activities in China, in particular, making a significant contribution.

Order intake for the period totaled €256 million, representing a 5.3% increase over the third quarter of 2010.

Comau closed the quarter with **trading profit** of €4 million, compared to a substantially breakeven result for the corresponding period in 2010. This improvement was attributable to the Body Welding operations and activities in China.

Revenues for the **first nine months of 2011** totaled €1.0 billion, up 36% year-over-year, mainly due to the positive performance of the Powertrain Systems and Robotics operations and activities in China.

Order intake for the period, totaling €1.2 billion, represented a 37% increase over the first nine months of 2010. At 30 September 2011, the order backlog totaled €0.8 billion, a 28% increase over year-end 2010. All business lines contributed to the increase, with the Body Welding and Robotics operations and activities in China recording particularly strong performance.

Comau closed the first nine months with **trading profit** of €8 million, compared to a trading profit of €1 million for the corresponding period in 2010. The improvement was mainly attributable to the Powertrain Systems and Robotics operations.

Other Businesses

Other Businesses includes the contribution from the Group's publishing businesses, service companies and holding companies. In **Q3 2011**, Other Businesses had **revenues** of €264 million, 1.9% higher than the €259 million for Q3 2010.

Other Businesses reported a **trading loss** of €6 million, including the impact of eliminations and consolidation adjustments, compared to a loss of €32 million for the same period in 2010.

For the first **nine months of 2011**, Other Businesses reported **revenues** of €794 million (down 0.9% over the prior year) and a **trading loss** of €21 million (including the impact of eliminations and consolidation adjustments) compared with a loss of €67 million for the same period in 2010.

CONSOLIDATED STATEMENT OF CASH FLOWS

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

(€ million)		1.01-30.09 2011		1.01-30.09 2010 (*)
A)	CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**11,967**		**12,226**
B)	CASH FROM/(USED IN) OPERATING ACTIVITIES	**2,382**		**3,244**
	of which: Cash and cash equivalents from operating activities of Discontinued Operations	-		1,484
C)	CASH FROM/(USED IN) INVESTING ACTIVITIES	**1,798**	(**)	**(3,133)**
	of which: Cash and cash equivalents used in investing activities of Discontinued Operations	-		(521)
D)	CASH FROM/(USED IN) FINANCING ACTIVITIES	**1,506**		**127**
	of which: Cash and cash equivalents used in financing activities of Discontinued Operations	-		1,078
	Currency translation differences	201		186
E)	NET CHANGE IN CASH AND CASH EQUIVALENTS	**5,887**		**424**
F)	CASH AND CASH EQUIVALENTS	**17,854**		**12,650**
	of which: Cash and cash equivalents included under Assets held for sale and Discontinued Operations	1		1,676
G)	CASH AND CASH EQUIVALENTS AT END OF PERIOD	**17,853**		**10,974**

(*) In accordance with IFRS 5, figures for the first nine months of 2010 have been reclassified to reflect the demerger that took effect 1 January 2011

(**) Includes €5,624 million in cash and cash equivalents from consolidation of Chrysler, net of €881 million (USD 1,268 million) paid to Chrysler for additional 16% ownership interest

During the first nine months of 2011, **operating activities** generated €2,382 million in cash, of which €795 million was attributable to Chrysler (consolidated from June 2011). Excluding Chrysler, cash from operating activities totaled €1,587 million, of which €1,724 million attributable to income-related cash inflows (i.e., net profit plus amortization and depreciation, dividends, changes in provisions and various items related to vehicles sold under buy-back commitments, net of "Gains/losses on disposals and Other non-cash items") was partially offset by a €137 million increase (at constant exchange rates) in working capital.

Investing activities generated €1,798 million in cash, of which cash attributable to Chrysler totaled €5,624 million (net of €881 million paid to Chrysler for a 16% ownership interest). Excluding Chrysler, investing activities absorbed total cash of €3,826 million.

Expenditure on tangible and intangible assets (including €955 million in capitalized development costs) totaled €3,070 million (of which €930 million related to Chrysler for the period June-September).

Investments in subsidiaries and other equity interests of €121 million related primarily to the recapitalization of GAC Fiat Automobiles Co. Ltd. (a 50/50 JV in China) and Fiat India Automobiles Pvt. Ltd. (a 50/50 JV in India), as well as the acquisition of a 50% interest in VM Motori S.p.A.

Proceeds from the sale of non-current assets totaled €314 million for the first nine months, of which €186 million related to Chrysler (principally for disposals of tangible and intangible assets). Excluding Chrysler, cash inflows related to payment received for FGA's 49% interest in Iveco Latin America Ltda. (sold to Fiat Industrial in 2010) and disposals of tangible and intangible assets.

Receivables from financing activities increased €879 million (€909 million excluding Chrysler) largely due to higher volumes for FGA's financial services companies in Latin America.

Financing activities generated approximately €1.5 billion in cash during the first nine months of 2011. Cash from the €2.8 billion repayment by Fiat Industrial of net financial receivables outstanding at 31 December 2010 and €2.5 billion in bond proceeds was partially offset by disbursements for the purchase of the interests held by the U.S. Treasury and Canada in Chrysler, the payment of €1.3 billion in bond maturities, the net reduction of approximately €1.8 billion in debt – consisting primarily of bank credit lines that were repaid at expiry or transferred to Fiat Industrial as a consequence of the Demerger – and the payment of €175 million in dividends (almost entirely to Fiat shareholders and minority shareholders of subsidiaries).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 SEPTEMBER 2011

Total assets amounted to €78,902 million at 30 September 2011 and included assets recognized upon initial consolidation of Chrysler in the amount of €26,333 million. Total assets of €73,442 million at 31 December 2010 related to Fiat Group pre Demerger, of which €41,521 million for Continuing Operations.

Non-current assets totaled €41,675 million at 30 September 2011. The approximate €24 billion increase for the period (€17,302 million at 31 December 2010) was attributable to the consolidation of Chrysler. Net of that increase, non-current assets were substantially unchanged.

Current assets totaled €37,151 million, representing an increase of €7,374 million. Net of the change in financial receivables from Fiat Industrial – totaling €5.6 billion at year-end 2010 and subsequently settled along with outstanding liabilities – current assets were approximately €13 billion higher due to consolidation of the assets of Chrysler, consisting primarily of cash and inventory. The remaining increase, attributable to Fiat ex-Chrysler, related almost entirely to inventory, trade receivables and receivables from financing activities (which were €667 million higher; €909 million before currency translation differences and write-downs), net of the decrease in liquidity (€1.1 billion).

Working capital (net of items relating to vehicles sold under buy-back commitments that are held in inventory) was a negative €7,812 million (negative €4,666 million at 31 December 2010). That change includes the impact of the consolidation of Chrysler, which closed the period with negative working capital of approximately €3.5 billion.

(€ million)		30.09.2011	31.12.2010	Change
Inventory	(a)	**7,657**	3,806	3,851
Trade receivables		**3,029**	2,259	770
Trade payables		**(14,791)**	(9,345)	(5,446)
Current taxes receivable/(payable) & Other current receivables/(payables)	(b)	**(3,707)**	(1,386)	(2,321)
Working capital		**(7,812)**	**(4,666)**	**(3,146)**

(a) Inventory is reported net of the value of vehicles repurchased under buy-back commitments by Fiat Group Automobiles and Chrysler that are held for sale

(b) Other current payables, included under current taxes receivable/(payable) & other current receivables/(payables), exclude the buy-back price payable to customers upon expiration of lease contracts and advanced payments from customers for vehicles sold under buy-back commitments, which is equal to the difference, at the contract date, between the initial sale price and the buy-back price. Recognition of such amounts is apportioned over the life of the contract

At 30 September 2011, trade receivables, other receivables and receivables from financing activities falling due after that date and sold without recourse – and, therefore, eliminated from the statement of financial position pursuant to the derecognition requirements of IAS 39 – totaled €3,126 million (€3,524 million at 31 December 2010). This amount includes receivables from financing activities, mostly relating to the sales network, of €2,169 million (€2,376 million at 31 December 2010) sold to jointly-controlled financial services companies (FGA Capital group).

Excluding Chrysler, net working capital remained substantially unchanged during the first nine months of 2011 (+€137 million at constant exchange rates).

At 30 September 2011, consolidated **net debt** totaled €8,716 million, up €5,963 million from €2,753 million at 31 December 2010. Excluding Chrysler (consolidated from June), net debt increased €3,075 million. Cash outflows relating to the purchase of additional ownership interests in Chrysler (€1.4 billion), investments (€2.1 billion), dividend payments (€175 million) and an increase in net volumes financed by the Financial Services companies were only partially offset by positive operating cash flow for Industrial Activities.

(€ million)		30.09.2011 Fiat with Chrysler	Chrysler	Fiat excluding Chrysler	31.12.2010 (*) Fiat
Debt:		**(26,949)**	(9,930)	(17,019)	(20,804)
Asset-backed financing		**(738)**	(46)	(692)	(533)
Debt payable to Discontinued Operations		**-**	-	-	(2,865)
Other debt		**(26,211)**	(9,884)	(16,327)	(17,406)
Financial receivables from Discontinued Operations		**-**	-	-	5,626
Current financial receivables from jointly-controlled financial services companies	(a)	**18**	-	18	12
Debt, net of current financial receivables from jointly-controlled financial services companies		**(26,931)**	(9,930)	(17,001)	**(15,166)**
Other financial assets	(b)	**558**	139	419	516
Other financial liabilities	(b)	**(396)**	(98)	(298)	(255)
Current securities		**199**	-	199	185
Cash and cash equivalents	(c)	**17,854**	7,001	10,853	11,967
Net (debt)/cash		**(8,716)**	(2,888)	(5,828)	**(2,753)**
Industrial Activities		***(5,772)***	*(2,888)*	*(2,884)*	*(542)*
Financial Services		***(2,944)***	-	*(2,944)*	*(2,211)*

(*) Includes impacts of the demerger which took effect 1 January 2011

(a) Includes current financial receivables from FGA Capital

(b) Includes fair value of derivative financial instruments

(c) Both the consolidated amount and the amount for Fiat excluding Chrysler include €1 million classified under Assets held for sale

Other debt increased €8.8 billion during the first nine months of 2011. Excluding Chrysler, other debt was down €1.1 billion primarily due to bank credit lines that were repaid at expiry or transferred to Fiat Industrial as a consequence of the Demerger, as well as payment of €1.3 billion in bond maturities. Those reductions were partially offset by 3 bond issues totaling €2.5 billion, completed in April and July, by Fiat Finance and Trade Ltd S.A. (a wholly-owned subsidiary of Fiat S.p.A.) under its Global Medium Term Note program.

In addition, the net financial position existing between Fiat and Fiat Industrial was settled in January, resulting in a net cash inflow of approximately €2.8 billion.

Cash and cash equivalents (inclusive of amounts recognized under assets held for sale) and **current securities** totaled €18.1 billion at 30 September 2011, of which €7 billion related to Chrysler. For Fiat excluding Chrysler, cash, cash equivalents and current securities totaled €11.1 billion at 30 September 2011, a decrease of approximately €1 billion mainly associated with maintenance of revolving credit facilities undrawn.

Total available liquidity, inclusive of undrawn committed credit lines (€1.75 billion for Fiat ex-Chrysler and around €1 billion for Chrysler), was €20.8 billion, of which €12.8 billion related to Fiat excluding Chrysler (€12.2 billion at 31 December 2010 when all committed credit lines were fully drawn) and €8.0 billion to Chrysler.

INDUSTRIAL ACTIVITIES AND FINANCIAL SERVICES

The following tables provide a breakdown of the consolidated statements of income, financial position and cash flows between "Industrial Activities" and "Financial Services". Financial Services includes subsidiaries of Fiat Group Automobiles and Ferrari engaged in retail and dealer finance, leasing and rental activities, as well as FGA Capital (the joint venture between Fiat Group Automobiles and Crédit Agricole), which is accounted for under the equity method.

Basis of analysis

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

Investments held by companies belonging to one segment in companies included in the other segment are accounted for under the equity method. To provide a more meaningful presentation of net profit, the results of investments accounted for in this manner are classified in the income statement under result from intersegment investments.

The holding companies (Fiat S.p.A., Fiat Partecipazioni S.p.A., Fiat North America LLC and Fiat Gestione Partecipazioni S.p.A.) are classified under Industrial Activities.

The sub-consolidation of Industrial Activities also includes companies that perform centralized treasury activities for Fiat excluding Chrysler (i.e., raising funds in the market and financing Group companies, with the exception of Chrysler Group LLC and subsidiaries). These activities do not, however, include offering financing to third parties.

N.B.: All Chrysler Group activities are included under Industrial Activities and Chrysler Group's treasury activities (including funding and cash management) are managed separately from those of Fiat Group.

Operating Performance by Activity

Third Quarter	3rd Quarter 2011			3rd Quarter 2010 (**)		
(€ million)	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Net revenues	17,552	17,481	98	8,444	8,390	71
Cost of sales	14,806	14,767	66	7,230	7,203	44
Selling, general and administrative	1,483	1,473	10	717	709	8
Research and development	416	416	-	253	253	-
Other income/(expense)	4	4	-	12	13	(1)
TRADING PROFIT/(LOSS)	851	829	22	256	238	18
Gains/(losses) on disposal of investments	-	-	-	-	-	-
Restructuring costs	61	61	-	-	-	-
Other unusual income/(expense)	4	5	(1)	(2)	(2)	-
OPERATING PROFIT/(LOSS)	794	773	21	254	236	18
Financial income/(expense)	(543)	(543)	-	(27)	(27)	-
Result from investments (*)	31	9	22	14	(11)	25
PROFIT/(LOSS) BEFORE TAXES	282	239	43	241	198	43
Income taxes	170	167	3	168	163	5
PROFIT/(LOSS) FOR THE PERIOD	112	72	40	73	35	38
Result from intersegment investments	-	40	-	-	38	-
PROFIT/(LOSS) FOR THE PERIOD	112	112	40	73	73	38

First 9 months	1.01-30.09.2011			1.01-30.09.2010 (**)		
(€ million)	Consolidated	Industrial Activities	Financial Services	Consolidated	Industrial Activities	Financial Services
Net revenues	39,915	39,723	260	26,428	26,299	178
Cost of sales	33,866	33,745	189	22,673	22,606	116
Selling, general and administrative	3,373	3,345	28	2,206	2,182	24
Research and development	1,026	1,026	-	739	739	-
Other income/(expense)	(23)	(29)	6	(17)	(25)	8
TRADING PROFIT/(LOSS)	1,627	1,578	49	793	747	46
Gains/(losses) on disposal of investments	7	7	-	2	2	-
Restructuring costs	103	103	-	21	21	-
Other unusual income/(expense)	1,097	1,098	(1)	(6)	(6)	-
OPERATING PROFIT/(LOSS)	2,628	2,580	48	768	722	46
Financial income/(expense)	(911)	(911)	-	(355)	(355)	-
Result from investments (*)	79	26	53	93	37	56
PROFIT/(LOSS) BEFORE TAXES	1,796	1,695	101	506	404	102
Income taxes	410	407	3	437	422	15
PROFIT/(LOSS) FOR THE PERIOD	1,386	1,288	98	69	(18)	87
Result from intersegment investments	-	98	-	-	87	-
PROFIT/(LOSS) FOR THE PERIOD	1,386	1,386	98	69	69	87

(*) Includes income from investments, as well as impairment (losses)/reversals on non-intersegment investments accounted for under the equity method

(**) In accordance with IFRS 5, the figures have been reclassified to exclude businesses transferred to Fiat Industrial on 1 January 2011

Industrial Activities

Net revenues for Industrial Activities totaled €17.5 billion for the third quarter. Excluding Chrysler, revenues were approximately €8.7 billion, up 4.2% over the same period in 2010, mainly due to the growth of the Components businesses. Revenues for the Industrial Activities of Fiat Group Automobiles were substantially in line with Q3 2010.

For the first nine months, revenues totaled €39,723 million. Excluding Chrysler, there was a 5.8% increase over the same period in 2010.

Trading profit for Industrial Activities was €829 million for the third quarter. Excluding Chrysler, trading profit was €273 million, up €35 million over €238 million for Q3 2010, primarily due to the strong performance of the Components businesses.

For the first nine months, trading profit was €1,578 million. Excluding Chrysler, there was a €125 million increase over the €747 million trading profit for the same period in 2010.

Operating profit for Industrial Activities was €773 million for the third quarter, compared to €236 million for Q3 2010. Excluding Chrysler, operating profit was down €22 million, with the €57 million increase in net unusual expense – related almost entirely to restructuring costs recognized by FGA – being only partially compensated by the €35 million improvement in trading profit.

For the first nine months, operating profit totaled €2,580 million, compared with €722 million for the same period in 2010. Excluding Chrysler, the €1,372 million increase was attributable to higher net unusual income (€1,247 million) and the improvement in trading profit.

Financial Services

Net revenues for Financial Services totaled €98 million for the third quarter, up 38.0% over the same period in 2010.

1.01-30.09				3rd Quarter		
2011	2010	% change	(€ million)	2011	2010	% change
240	162	48.1	**Fiat Group Automobiles**	**91**	66	37.9
20	16	25.0	**Ferrari**	**7**	5	40.0
260	**178**	**46.1**	**Total**	**98**	**71**	**38.0**

Revenues for the Financial Services businesses of Fiat Group Automobiles totaled €91 million, up 37.9% over Q3 2010 driven, in particular, by an increase in volumes financed in Latin America.

For the first nine months, Financial Services reported net revenues of €260 million, up 46.1% over the €178 million figure for the same period in 2010.

Trading profit totaled €22 million for the third quarter of 2011, compared with €18 million for the same period in 2010.

For the first nine months, trading profit for all Financial Services activities totaled €49 million, up €3 million over the corresponding period in 2010.

1.01-30.09				3rd Quarter		
2011	2010	Change	(€ million)	2011	2010	Change
44	42	2	**Fiat Group Automobiles**	**20**	17	3
5	4	1	**Ferrari**	**2**	1	1
49	**46**	**3**	**Total**	**22**	**18**	**4**

Statement of Financial Position by Activity

(€ million)	30.09.2011 Consolidated	30.09.2011 Industrial Activities	30.09.2011 Financial Services	31.12.2010 (*) Consolidated	31.12.2010 (*) Industrial Activities	31.12.2010 (*) Financial Services
Intangible assets	17,903	17,898	5	4,350	4,345	5
Property, plant and equipment	19,364	19,360	4	9,601	9,598	3
Investments and other financial assets	2,542	2,956	752	1,653	2,086	733
Leased assets	86	86	-	-	-	-
Defined benefit plan assets	90	90	-	20	19	1
Deferred tax assets	1,690	1,621	69	1,678	1,617	61
Total non-current assets	**41,675**	**42,011**	**830**	**17,302**	**17,665**	**803**
Inventory	9,464	9,459	5	4,443	4,438	5
Trade receivables	3,029	3,027	16	2,259	2,255	5
Receivables from financing activities	3,541	1,584	3,445	2,866	1,719	2,949
Financial receivables from Discontinued Operations	-	-	-	5,626	5,621	5
Current taxes receivable	570	565	8	353	351	6
Other current assets	1,899	1,865	34	1,528	1,514	21
Current financial assets:	795	748	47	735	697	39
Current investments	38	38	-	34	34	-
Current securities	199	152	47	185	147	38
Other financial assets	558	558	-	516	516	1
Cash and cash equivalents	17,853	17,707	146	11,967	11,705	262
Total current assets	**37,151**	**34,955**	**3,701**	**29,777**	**28,300**	**3,292**
Assets held for sale and Discontinued Operations	76	76	-	34,854 (1)	24,423 (1)	14,539
Elimination of financial receivables from/debt payable to Discontinued Operations	-	-	-	(8,491)	(8,483)	(8)
TOTAL ASSETS	**78,902**	**77,042**	**4,531**	**73,442**	**61,905**	**18,626**
Total assets adjusted for asset-backed financing transactions	**78,164**	**76,754**	**4,081**	**64,588**	**61,520**	**10,152**
Equity	11,762	11,762	1,169	12,461	12,461	2,733
Provisions:	15,324	15,287	37	4,924	4,857	67
Employee benefits	6,813	6,809	4	1,704	1,700	4
Other provisions	8,511	8,478	33	3,220	3,157	63
Debt:	26,949	25,235	3,202	20,804	19,843	2,763
Asset-backed financing	738	288	450	533	280	258
Debt payable to Discontinued Operations	-	-	-	2,865	2,862	3
Other debt	26,211	24,947	2,752	17,406	16,701	2,502
Other financial liabilities	396	395	1	255	254	2
Trade payables	14,791	14,769	31	9,345	9,332	17
Current taxes payable	462	458	8	181	170	18
Deferred tax liabilities	1,294	1,289	5	135	130	5
Other current liabilities	7,919	7,842	78	3,908	3,855	56
Liabilities held for sale and Discontinued Operations	5	5	-	29,920	19,486	12,973
Elimination of financial receivables from/debt payable to Discontinued Operations	-	-	-	(8,491)	(8,483)	(8)
TOTAL EQUITY AND LIABILITIES	**78,902**	**77,042**	**4,531**	**73,442**	**61,905**	**18,626**
Total equity and liabilities adjusted for asset-backed financing transactions	**78,164**	**76,754**	**4,081**	**64,588**	**61,520**	**10,152**

(*) Relates to Fiat Group pre Demerger

(1) Of which, €68 million relates to assets held for sale (Continuing Operations)

Net Debt by Activity for Fiat with Chrysler at 30 September 2011

(€ million)		Consolidated	Industrial Activities: Fiat with Chrysler	Industrial Activities: *Fiat excluding Chrysler*	Industrial Activities: *Chrysler*	Financial Services
Debt:		(26,949)	(25,235)	*(15,305)*	*(9,930)*	(3,202)
Asset-backed financing		(738)	(288)	*(242)*	*(46)*	(450)
Other debt		(26,211)	(24,947)	*(15,063)*	*(9,884)*	(2,752)
Current financial receivables from jointly-controlled financial services companies	(a)	18	18	*18*	-	-
Intersegment financial receivables		-	1,422	*1,422*	-	66
Debt, net of intersegment balances and current financial receivables from jointly-controlled financial services companies		**(26,931)**	**(23,795)**	***(13,865)***	***(9,930)***	**(3,136)**
Other financial assets	(b)	558	558	*419*	*139*	-
Other financial liabilities	(b)	(396)	(395)	*(297)*	*(98)*	(1)
Current securities		199	152	*152*	-	47
Cash and cash equivalents	(c)	17,854	17,708	*10,707*	*7,001*	146
Net (debt)/cash		**(8,716)**	**(5,772)**	*(2,884)*	*(2,888)*	**(2,944)**

(a) Includes current financial payables of FGA Capital to other companies in the Fiat Group

(b) Includes fair value of derivative financial instruments

(c) Both the consolidated amount and the amount for Industrial Activities include €1 million classified under Assets held for sale

Net Debt by Activity for Fiat excluding Chrysler at 30 September 2011 and 31 December 2010

(€ million)		30.09.2011: Consolidated excluding Chrysler	30.09.2011: Industrial Activities excluding Chrysler	30.09.2011: Financial Services	31.12.2010 (*): Consolidated	31.12.2010 (*): Industrial Activities	31.12.2010 (*): Financial Services
Debt:		(17,019)	(15,305)	(3,202)	(20,804)	(19,843)	(2,763)
Asset-backed financing		(692)	(242)	(450)	(533)	(280)	(258)
Debt payable to Discontinued Operations		-	-	-	(2,865)	(2,862)	(3)
Other debt		(16,327)	(15,063)	(2,752)	(17,406)	(16,701)	(2,502)
Financial receivables from Discontinued Operations		-	-	-	5,626	5,621	5
Current financial receivables from jointly-controlled financial services companies	(a)	18	18	-	12	12	-
Intersegment financial receivables		-	1,422	66	-	1,554	248
Debt, net of intersegment balances and current financial receivables from jointly-controlled financial services companies		**(17,001)**	**(13,865)**	**(3,136)**	**(15,166)**	**(12,656)**	**(2,510)**
Other financial assets	(b)	419	419	-	516	516	1
Other financial liabilities	(b)	(298)	(297)	(1)	(255)	(254)	(2)
Current securities		199	152	47	185	147	38
Cash and cash equivalents	(c)	10,853	10,707	146	11,967	11,705	262
Net (debt)/cash		**(5,828)**	**(2,884)**	**(2,944)**	**(2,753)**	**(542)**	**(2,211)**

(*) Includes impacts of the Demerger which took effect 1 January 2011

(a) Includes current financial payables of FGA Capital to other companies in the Fiat Group

(b) Includes fair value of derivative financial instruments

(c) Both the consolidated amount and the amount for Industrial Activities include €1 million classified under Assets held for sale

Given the role of the central treasury, debt for Industrial Activities (Fiat excluding Chrysler) also includes funding raised by the central treasury on behalf of consolidated Financial Services companies (included under intersegment financial receivables).

Intersegment financial receivables for Financial Services companies, on the other hand, represent loans or advances to industrial companies – for receivables sold to Financial Services companies that do not meet the derecognition requirements of IAS 39 – as well as liquidity deposited temporarily with the central treasury.

Net debt for the **Financial Services** companies at 30 September 2011 was up €733 million over year-end 2010, due to the increased funding requirement associated with growth of the managed portfolio (+€911 million) and dividends paid to industrial companies (€44 million), both of which were only partially offset by cash generated by operating activities during the period (€34 million) and positive currency translation differences (€194 million).

Change in Net Industrial Debt

	Fiat with Chrysler	Chrysler	Fiat excluding Chrysler	
(€ million)	1.01-30.09 2011	4 months 2011	2011	1.01-30.09 2010(*)
Net industrial debt at beginning of period	**(542)**	**-**	**(542)**	**(3,103)**
2010 Demerger debt allocation	-	-	-	(700)
Consolidation of Chrysler net debt (1)	(3,860)	(3,860)	-	-
Cash (paid)/received for 16% ownership interest in Chrysler	-	881	(881)	-
(Disbursements) for purchase of interests held in Chrysler by Canada and US Treasury and UST rights under Equity Recapture Agreement	(490)	-	(490)	-
Net industrial debt at beginning of period after Demerger and Chrysler consolidation (1)	**(4,892)**	**(2,979)**	**(1,913)**	**(3,803)**
Profit/(loss) for the period	1,386	179	1,207	69
Amortization and depreciation	2,307	636	1,671	1,626
Change in provisions and other changes (2)	(999)	146	(1,145)	104
Cash from/(used in) operating activities before change in working capital	**2,694**	**961**	**1,733**	**1,799**
Change in working capital	(302)	(166)	(136)	(109)
Cash from/(used in) operating activities	**2,392**	**795**	**1,597**	**1,690**
Investments in property, plant and equipment and intangible assets	(3,068)	(930)	(2,138)	(1,836)
Cash from/(used in) operating activities, net of capital expenditures	**(676)**	**(135)**	**(541)**	**(146)**
Change in consolidation scope and other changes	65	308	(243)	(212)
Net industrial cash flow	**(611)**	**173**	**(784)**	**(358)**
Capital increases and dividends	(168)	(2)	(166)	(594)
Currency translation differences	(101)	(80)	(21)	63
Change in net industrial debt (3)	**(880)**	**91**	**(971)**	**(889)**
Net industrial (debt)/cash at end of period	**(5,772)**	**(2,888)**	**(2,884)**	**(4,692)**

(*) Historic data relating to Fiat Group post Demerger only

(1) Before subscription to 16% ownership interest in Chrysler

(2) Includes reversal of net gain related to Chrysler transaction and unusual non-cash expense

(3) Change excludes impacts of initial consolidation of Chrysler net debt (€3,860 million before subscription to 16% ownership interest), as well as payment to Chrysler for a 16% ownership interest (offset at the consolidated level) and disbursement for purchase of US Treasury and Canada stakes in Chrysler

For the first nine months, net industrial debt for Fiat excluding Chrysler increased €2,342 million to €2,884 million. Excluding total disbursements of €1,371 million related to subscription for a 16% interest in Chrysler and purchase of the interests held by the US Treasury and Canada, there was a €971 million change in net industrial debt (€889 million for the same period in 2010). Cash generated by operating activities of approximately €1.6 billion only partially covered cash used in investing activities (€2.1 billion; +16.4% over the first nine months of 2010), dividend payments and the negative effects from the valuation of hedging instruments and of the equity swaps on Fiat and Fiat Industrial shares (included under Change in consolidation scope and other changes).

Net industrial debt for Chrysler declined €91 million over the period June-September, with €795 million in cash from operating activities and €308 million from disposals of fixed assets and other changes being offset by investments for the period (€930 million) and currency translation differences.

Statement of Cash Flows by Activity

(€ million)		1.01-30.09.2011 Consolidated	Industrial Activities	Financial Services	1.01-30.09.2010 (*) Consolidated	Industrial Activities	Financial Services
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		11,967	11,705	262	12,226	10,819	1,407
B) CASH FROM/(USED IN) OPERATING ACTIVITIES:							
Profit/(loss) for the period		1,386	1,386	98	69	69	87
Amortization and depreciation		2,308	2,307	1	1,627	1,626	1
(Gains)/losses on disposal of non-current assets and other non-cash items	(a)	(1,143)	(1,217)	(24)	(9)	(51)	(45)
Dividends received		81	125	-	62	106	-
Change in provisions		68	94	(26)	40	42	(2)
Change in deferred taxes		(21)	(7)	(14)	(28)	(28)	-
Changes relating to buy-back commitments	(b)	34	34	-	35	35	-
Changes relating to operating leases		(28)	(28)	-	-	-	-
Change in working capital		(303)	(302)	(1)	(36)	(50)	17
Cash from/(used in) operating activities of Discontinued Operations		-	-	-	1,484	1,309	351
TOTAL		2,382	2,392	34	3,244	3,058	409
C) CASH FROM/(USED IN) INVESTING ACTIVITIES:							
Investments in:							
Property, plant and equipment and intangible assets (net of vehicles leased out)		(3,070)	(3,068)	(2)	(1,838)	(1,836)	(2)
Subsidiaries and other equity investments		(121)	(121)	-	(247)	(247)	-
Cash and cash equivalents from consolidation of Chrysler net of consideration paid for the additional 16% ownership interest		5,624	5,624	-	-	-	-
Proceeds from the sale of non-current assets		314	313	1	44	43	1
Net change in receivables from financing activities		(879)	32	(911)	(651)	(17)	(634)
Change in other current securities		(16)	(1)	(15)	3	21	(18)
Other changes		(54)	(216)	162	77	728	(421)
Cash from/(used in) investing activities of Discontinued Operations		-	-	-	(521)	(1,322)	536
TOTAL		1,798	2,563	(765)	(3,133)	(2,630)	(538)
D) CASH FROM/(USED IN) FINANCING ACTIVITIES:							
Net change in debt and other financial assets/liabilities		(649)	(1,319)	670	(714)	(942)	228
Change in net financial receivables from Fiat Industrial Group		2,761	2,759	2	-	-	-
Increase in share capital		7	7	-	1	1	35
(Purchase)/sale of ownership interests in subsidiaries		(438)	(438)	-	-	-	-
Dividends paid		(175)	(175)	(44)	(238)	(238)	(223)
Cash from/(used in) financing activities of Discontinued Operations		-	-	-	1,078	1,061	17
TOTAL		1,506	834	628	127	(118)	57
Currency translation differences		201	214	(13)	186	82	104
E) NET CHANGE IN CASH AND CASH EQUIVALENTS		5,887	6,003	(116)	424	392	32
F) CASH AND CASH EQUIVALENTS		17,854	17,708	146	12,650	11,211	1,439
of which: Cash and cash equivalents included under Assets held for sale and Discontinued Operations		1	1	-	1,676	459	1,217
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD		17,853	17,707	146	10,974	10,752	222

(*) In accordance with IFRS 5, figures for the first nine months of 2010 have been reclassified to reflect the demerger that took effect 1 January 2011

(a) For the first nine months of 2011, includes reversal of the net gain of €2,017 million recognized in relation to the Chrysler transaction and reversal of unusual non-cash expense. This item also includes reversal of a €117 million loss (€22 million gain for the first nine months 2010) in the fair value of two equity swaps on a basket of Fiat S.p.A. and Fiat Industrial S.p.A. ordinary shares

(b) Cash from vehicles sold under buy-back commitments for the periods reported above, net of amounts already recognized through profit and loss, is included in a separate line item under operating activities, which also includes the change in working capital

Industrial Activities
For the first nine months of 2011, Industrial Activities generated cash and cash equivalents totaling €6,003 million. Excluding €5,624 million in cash and cash equivalents attributable to the consolidation of Chrysler (net of €881 million paid to Chrysler for a 16% ownership interest), change in cash for Industrial Activities totaled €379 million. In particular:

- **Operating activities** generated €2,392 million in cash, of which €795 million was attributable to Chrysler (consolidated from June 2011). Excluding Chrysler, a total of €1,597 million in cash was generated, of which €1,733 million was attributable to income-related cash inflows for the first nine months (i.e., net profit plus amortization and depreciation, dividends, changes in provisions and various items related to vehicles sold under buy-back commitments, net of "Gains/losses on disposals and Other non-cash items"), net of €136 million (at constant exchange rates) in cash absorbed by an increase in working capital.
- **Investing activities** absorbed a total of €3,061 million in cash (excluding €5,624 million attributable to the consolidation of Chrysler), primarily for investments in tangible and intangible assets and equity interests (€3,189 million), which were only partially offset by the sale of non-current assets totaling €313 million.
- **Financing activities** generated cash of €834 million. The approximate €2.8 billion in cash received from Fiat Industrial Group in January more than offset net debt repayments, disbursements for the purchase of the US Treasury and Canada interests in Chrysler (€438 million) and dividend payments (€175 million).

Financial Services
Cash and cash equivalents for Financial Services totaled €146 million at 30 September 2011, down €116 million over the beginning of the year.

Changes in cash were attributable to:

- **Operating activities** generated €34 million in cash, principally from income-related cash inflows (net profit plus amortization and depreciation).
- **Investing activities** (including changes in financial receivables from/debt payable to industrial companies) absorbed €765 million in cash, primarily due to an increase in the lending portfolio net of an increase in funding from treasury companies (included under other changes).
- **Financing activities** generated a total of €628 million in cash, with a €670 million net increase in financing partially offset by dividends paid to companies included under Industrial Activities.

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GROUP EMPLOYEES
At 30 September 2011, the Group had 195,679 employees, a decrease of 676 over the 196,355 employees at 30 June 2011. The change was primarily attributable to a realignment of employment levels to demand in Europe (accounting for a reduction of approximately 1,000 employees), which was partially offset by increase in Latin America and Asia.

The increase of 57,878 employees over the 137,801 figure for 31 December 2010 was primarily attributable to the consolidation of Chrysler in June 2011 (55,067 employees). The remaining increase reflects other changes in the scope of operations and new hires, mostly in Latin America (approximately 3,000 employees since year end), associated with the increase in production volumes.

SIGNIFICANT EVENTS IN THIRD QUARTER

On July 8th, Fiat completed two bond issues, one for €900 million (fixed coupon of 6.125% due July 2014) and another for €600 million (fixed coupon of 7.375% due July 2018). The notes – issued by Fiat Finance and Trade Ltd. S.A. (a wholly-owned subsidiary of Fiat S.p.A.) under the Global Medium Term Note program guaranteed by Fiat S.p.A. – were assigned a rating of Ba1 by Moody's Investors Service, BB by Standard & Poor's and BB+ by Fitch. They are listed on the Irish Stock Exchange.

On July 21st, following receipt of the necessary regulatory approvals, Fiat purchased the 6.031% fully-diluted ownership interest held in Chrysler by the U.S. Treasury for a cash consideration of USD 500 million. On the same date, the U.S. Treasury assigned Fiat its rights under the Equity Recapture Agreement for a cash consideration from Fiat of USD 75 million, USD 15 million of which was paid to Canada in accordance with the agreement between the U.S. Treasury and Canada. Also on July 21st, Fiat acquired the 1.508% fully-diluted ownership interest held in Chrysler by the Canadian government for a cash consideration of USD 125 million. As a result of these transactions, Fiat's interest in Chrysler increased to 53.539% (fully diluted).

On July 27th Fiat signed a 3-year committed revolving credit facility, with a syndicate of 18 key relationship banks for an amount of €1.75 billion. On October 13th, Fiat successfully closed the syndication of the facility with a large oversubscription that enabled the facility amount to be increased to €1.95 billion, demonstrating the solid support Fiat S.p.A. enjoys from key relationship banks. The facility is currently undrawn and intended for general corporate purposes and working capital needs, and it replaces the 3-year €1 billion revolving credit facility originally signed in February 2009.

On September 21st, Moody's Investors Service lowered Fiat S.p.A.'s Corporate Family Rating from Ba1 to Ba2. Moody's also downgraded the notes issued by Fiat Finance & Trade Ltd. S.A. and Fiat Finance North America, Inc. to Ba3. The outlook is negative.

As a result of the acquisition of majority ownership of Chrysler and consistent with the objective of enhancing the operational integration of Fiat and Chrysler, at the end of July Fiat announced the formation, effective beginning of September 2011, of a Group Executive Council, similar to the one that managed Fiat until the demerger of the Fiat Industrial activities. The Group Executive Council (GEC) is responsible for reviewing the operating performance of the businesses, setting performance targets, making key strategic decisions and investments for the Group and sharing best practices, including the development and deployment of key human resources. The GEC will have 4 main groupings. The first is composed of 4 Regional Operations Groups for car manufacturing and sales (EMEA, Latin America, NAFTA, Asia-Pacific), Automotive Components (mainly Magneti Marelli) and Systems and Castings (Teksid and Comau). Each will be the responsibility of a Chief Operating Officer (COO) who will drive the organization via a regional Management Team. The COO's are accountable for Profit and Loss of their region/business, the management of regional resources, including manufacturing and commercial activities. The second grouping is reflective of the Group's focus and emphasis on its brands. The third group is composed of industrial process leaders, who will drive consistency and rigor across the operating regions, and optimize the capital allocation choices the Group will face in the years to come. The final group is composed of support/corporate functions.

On September 8th, Fiat S.p.A. was again recognized as a sustainability leader with its inclusion in the Dow Jones Sustainability World and Dow Jones Sustainability Europe indexes for the third consecutive year. Fiat received the highest score in its sector (94/100), together with BMW, compared to an average of 72/100 for all Automobiles sector companies evaluated by SAM, the investment group specialized in sustainability investing.

On September 14th, Fiat S.p.A. entered the Global 500 Carbon Disclosure Leadership Index (CDLI) and Carbon Performance Leadership Index (CPLI) according to the report published by the Carbon Disclosure Project (CDP). More than 400 companies were analyzed worldwide. Fiat received a score of 93/100 for transparency in disclosure and the maximum score ("A") for the commitment shown in reducing carbon emissions. Both scores represented a major improvement over the prior year and confirm the central role of reducing environmental impacts in Fiat's overall business strategy.

On September 30th, Fiat announced its decision to withdraw from Confindustria (the confederation of Italian businesses) with effect from 1 January 2012.

SUBSEQUENT EVENTS AND OUTLOOK

On October 3rd, Fiat confirmed its intention to install the most updated version of one of its three main architectures at Mirafiori on which several nameplates will be produced for its various brands. Installation of the manufacturing infrastructure will begin in 2012 and production of the first nameplate, a Jeep SUV, is expected to commence in 2013. Production of the Alfa Romeo MiTo (new and updated versions) at Mirafiori was also confirmed.

Also on October 3rd, Fiat announced that a new gasoline direct injection turbo engine for Alfa Romeo will be developed in Italy and produced at the FMA plant in Pratola Serra, beginning early 2013. Designed for both transversal and longitudinal applications, the new aluminum 4-cylinder engine will have a displacement of 1.8 liters and maximum output of 300 hp, setting a new performance standard in its category. It will also be compliant with future emissions standards in both Europe (Euro 6) and the U.S. (Tier 2 Bin 5).

On October 18th, Fitch Ratings lowered Fiat S.p.A.'s long-term rating from BB+ to BB and confirmed its short-term rating at B. The outlook is negative.

On October 26 the United Automobile, Aerospace and Agriculture Implement Workers of America (UAW) ratified a new national four-year labor agreement with Chrysler Group.

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Full year 2011 guidance for Group trading profit firmed up to more than €2.1 billion, all remaining targets confirmed:

- Revenues in excess of €58 billion;
- Trading profit in excess of €2.1 billion (revised from ~€2.1 billion);
- Net profit at around €1.7 billion;
- Net industrial debt between ~€5.0 and ~€5.5 billion;
- Total available liquidity expected greater than €18 billion;
- Capital expenditure of approximately €5.5 billion.

While working on achievement of its financial targets, Fiat will continue its strategy of targeted alliances to optimize capital commitments and reduce risks.

PLAN FOR IMPLEMENTATION PURSUANT TO ARTICLE 36 OF THE "REGOLAMENTO MERCATI" ISSUED BY CONSOB

Following the acquisition of control of Chrysler Group LLC ("Chrysler"), Fiat has prepared a Plan for Implementation pursuant to Article 39 of the Regolamento Mercati issued by Consob in relation to the requirements of Article 36 "Conditions for the listing of shares of companies having control over subsidiaries incorporated and regulated under the laws of a non-EU member State". The Plan identifies changes in the scope of application of the regulation by Fiat Group resulting from acquisition of control of Chrysler and describes the current level of implementation for each requirement of Article 36, as well as any additional actions necessary for implementation together with the relative timetable.

It should be noted that, since 1 January 2011, Chrysler has voluntarily adhered to the disclosure requirements of the SEC (the U.S. Securities and Exchange Commission) and publishes Form 10-Ks (annual filings), Form 10-Qs (quarterly filings), in addition to all other disclosures required by the SEC. Those financial statements are prepared in accordance with US GAAP and a reconciliation with the IFRS accounting standards applicable in the EU and adopted by Fiat is already published by Fiat beginning with the Consolidated Financial Statements for the year ended 31 December 2010. In general, therefore, no additional actions relating to the existing reporting systems are considered necessary with regard to the requirement of Article 36 (1)(a) under which a quoted parent is required to disclose, within the stipulated time period, the accounts of subsidiaries incorporated in a jurisdiction outside the European Union used in preparation of the consolidated financial statements, consisting, at a minimum, of the condensed statements of income and financial position.

In accordance with Article 36 (1)(b), the Group already has access to the most significant information and has established a central archive of formal documents related to the by-laws and delegation of authorities. The existing Fiat Group procedure is currently being extended to Chrysler and will ensure regular updating of that archive.

The requirement of Article 36 (1)(c)(i) of the "Regolamento Mercati" pursuant to which a quoted parent is required to verify that subsidiaries incorporated in a jurisdiction outside the European Union provide the independent auditors of the parent company the information necessary to carry out their annual and interim audit activities of the parent, is considered to be already adequately operational, as is the requirement to verify that subsidiaries incorporated in a jurisdiction outside of the European Union have an accounting system in place that is adequate for the regular submission of financial information necessary for preparation of the consolidated financial statements to the management and auditors of the parent company. In addition, activities are underway to ensure timely submission by Chrysler of the detailed information necessary for preparation of the notes to Fiat's 2011 consolidated financial statements.

INFORMATION ON INVESTMENTS, PRODUCT PLAN AND GEOGRAPHIC DIVERSIFICATION OF REVENUES FOR 2011

On 27 October 2011, in response to a request received by Fiat on 20 October 2011 from Consob, the Italian stock exchange regulator, for public disclosure of information pursuant to Article 114 of Legislative Decree 58/98, Fiat S.p.A. issued a press release, the text of which has been reproduced below.

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Investments for Fiat (excluding Chrysler)

Fiat's investment plan for the period 2010-2014 (as announced on 21 April 2010 and available on the corporate website)[1] projects investments in tangible and intangible assets, inclusive of capitalized R&D, totaling €19.7 billion, of which: €3.7 billion in 2010; €4.5 billion in 2011; €4.2 billion in 2012; €3.6 billion in 2013; €3.7 billion in 2014.

Investments in tangible and intangible assets, inclusive of capitalized R&D expenditure and R&D charged directly to profit and loss, total €22.0 billion. €4.1 billion in 2010; €4.9 billion in 2011; €4.7 billion in 2012; €4.1 billion in 2013; €4.2 billion in 2014. Out of such investments, €16 billion are planned in Italy, the portion attributable to Fiat of a total investment of €20 billion planned in Italy for Fiat and Fiat Industrial S.p.A.[2]

For Fiat excluding Chrysler, investments in tangible and intangible assets, inclusive of capitalized R&D expenditure, for the period 1 January to 30 September 2011 were €2.1 billion. Including R&D expenditure charged directly to profit and loss, the amount was €2.5 billion, broken down by geographic area as follows: Italy: €1.2 billion; Europe (excluding Italy): €0.7 billion; Latin America: €0.5 billion; other regions: €0.1 billion.

With the approval of its third quarter results, Fiat confirmed its investment target for 2011 (tangible and intangible assets, inclusive of capitalized R&D, as per market practice) of approximately €5.5 billion for Fiat including Chrysler. Investments totaling €2.1 billion for the nine months ended September 30 were substantially in line with the full-year target provided above, as well as with the previously announced target for Fiat excluding Chrysler.

Product Plan

Fiat confirms that, as of today, the information provided at the Sanford C. Bernstein Strategic Decisions Conference on September 20 remains valid. In particular, page 11 of the presentation (available on the corporate website)[3] contains an overview of new and substantially refreshed models planned over the 2010-2014 period, by brand and by year.

The product plan is subject to continuing review and revision based on trading conditions, market developments, cost and a number of other factors and, consequently, it is also subject to updates and modifications which Fiat reserves the right to introduce at any time.

Definition of the product plan and related investments is based on a strategy intended to maximize architecture convergence and standardization of components for the relative architectures (mini, small, compact, etc.) on which the various models are produced.

In consideration of the above, the plant allocation decision for individual models takes place in the months prior to production launch based on a series of considerations, including the characteristics of the site and other contingent investment considerations, in order to ensure the best utilization of available production capacity and the greatest potential for success of the investment.

This approach follows current best practice in the automotive industry aimed at reducing development and manufacturing costs and ensuring flexibility in the utilization of production capacity.

A summary of the criteria and objectives upon which Fiat's product plan is based is provided on pages 12 and 13 of the presentation given at the Fiat Investor Meeting on 28 June 2011 (available on the corporate website).[4]

Geographic breakdown of revenues for 2011

The estimate regarding the geographic diversification of revenues for Fiat Group for 2011 (pro forma for Fiat with Chrysler) updated to today's date is substantially confirmed as per page 4 of the presentation given at the Sanford C. Bernstein Strategic Decisions Conference on 20 September 2011 (available on the corporate website), with the only difference being that the portion of expected revenues attributable to Europe has been decreased by 2 percentage points and the portion of revenues expected for the rest of the world has been increased by 2 percentage points.[5]

[1] http://www.fiatspa.com/it-IT/investor_relations/investors/presentazioni/FiatDocuments/2010/Fiat_Analyst_investor_day_21_04_10/The_5-year_plan.pdf

[2] Address from Fiat CEO to Italian Parliament on 15 February 2011, page 36: http://www.fiatspa.com/en-US/media_center/FiatDocuments/2011/February/SM%20Audizione%20alla%20Camera_eng%20PJ.pdf

[3] http://www.fiatspa.com/it-IT/investor_relations/investors/presentazioni/FiatDocuments/2011/Sanford%20Bernstein%20Strategic%20Decisions%20Conference%20(Sep%2020,%202011)%20-%20Website.pdf

[4] http://www.fiatspa.com/it-IT/investor_relations/investors/presentazioni/FiatDocuments/2011/Fiat%20SpA%20-%20Investor%20meeting%20(June%2028%202011).pdf

[5] http://www.fiatspa.com/it-IT/investor_relations/investors/presentazioni/FiatDocuments/2011/Sanford%20Bernstein%20Strategic%20Decisions%20Conference%20(Sep%2020,%202011)%20-%20Website.pdf

INTERIM CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

at 30 September 2011

CONSOLIDATED INCOME STATEMENT

(€ million)	(Note)	3rd Quarter 2011(**)	3rd Quarter 2010(*)	01/01-30/09 2011(**)	01/01-30/09 2010(*)
Net revenues	(1)	17,552	8,444	39,915	26,428
Cost of sales	(2)	14,806	7,230	33,866	22,673
Selling, general and administrative costs	(3)	1,483	717	3,373	2,206
Research and development costs	(4)	416	253	1,026	739
Other income (expenses)	(5)	4	12	(23)	(17)
TRADING PROFIT/(LOSS)		**851**	**256**	**1,627**	**793**
Gains (losses) on the disposal of investments	(6)	-	-	7	2
Restructuring costs	(7)	61	-	103	21
Other unusual income (expenses)	(8)	4	(2)	1,097	(6)
OPERATING PROFIT/(LOSS)		**794**	**254**	**2,628**	**768**
Financial income (expenses)	(9)	(543)	(27)	(911)	(355)
Result from investments:	(10)	31	14	79	93
Share of the profit/(loss) of investees accounted for using the equity method		31	14	93	96
Other income (expenses) from investments		-	-	(14)	(3)
PROFIT/(LOSS) BEFORE TAXES		**282**	**241**	**1,796**	**506**
Income taxes	(11)	170	168	410	437
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**112**	**73**	**1,386**	**69**
Post-tax profit/(loss) from Discontinued Operations		-	117	-	213
PROFIT/(LOSS) FOR THE PERIOD		**112**	**190**	**1,386**	**282**
PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the parent		(46)	170	1,291	235
Non-controlling interests		158	20	95	47
PROFIT/(LOSS) FROM CONTINUING OPERATIONS FOR THE PERIOD ATTRIBUTABLE TO:					
Owners of the parent		(46)	63	1,291	40
Non-controlling interests		158	10	95	29
(in €)					
BASIC EARNINGS PER ORDINARY SHARE	(12)	**(0.037)**	**0.160**	**1.037**	**0.168**
BASIC EARNINGS PER PREFERENCE SHARE	(12)	**(0.037)**	**-**	**1.037**	**0.310**
BASIC EARNINGS PER SAVINGS SHARE	(12)	**(0.037)**	**0.013**	**1.145**	**0.323**
BASIC EARNINGS PER ORDINARY SHARE – CONTINUING OPERATIONS	(12)	**(0.037)**	**0.018**	**1.037**	**-**
BASIC EARNINGS PER PREFERENCE SHARE – CONTINUING OPERATIONS	(12)	**(0.037)**	**0.235**	**1.037**	**0.217**
BASIC EARNINGS PER SAVINGS SHARE – CONTINUING OPERATIONS	(12)	**(0.037)**	**0.235**	**1.145**	**0.217**

(*) In accordance with IFRS 5, as a result of the Demerger, which took effect on 1 January 2011, the figures for the third quarter and for the first nine months of 2010 have been reclassified.

(**) Amounts reported for Chrysler for the third quarter of 2011 include three months of operations and those for the first nine months of 2011 include only four months of operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ million)	Note	3rd Quarter 2011(*)	3rd Quarter 2010	01/01-30/09 2011(*)	01/01-30/09 2010
PROFIT/(LOSS) FOR THE PERIOD (A)		**112**	**190**	**1,386**	**282**
Gains/(Losses) on cash flow hedges	(23)	(53)	307	(37)	121
Gains/(Losses) on fair value of available-for-sale financial assets	(23)	(53)	2	(54)	(3)
Gains/(Losses) on exchange differences on translating foreign operations	(23)	229	(531)	113	545
Share of other comprehensive income of entities consolidated using the equity method	(23)	(18)	(53)	(92)	101
Income tax relating to components of Other comprehensive income	(23)	7	(42)	(3)	(2)
TOTAL OTHER COMPREHENSIVE INCOME, NET OF TAX (B)		**112**	**(317)**	**(73)**	**762**
TOTAL COMPREHENSIVE INCOME (A)+(B)		**224**	**(127)**	**1,313**	**1,044**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the parent		(202)	(99)	970	960
Non-controlling interests		426	(28)	343	84

(*) Amounts reported for Chrysler for the third quarter of 2011 include three months of operations and those for the first nine months of 2011 include only four months of operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (*)

(€ million)	Note	At 30 September 2011(*)	At 31 December 2010
ASSETS			
Intangible assets	(13)	17,903	4,350
Property, plant and equipment	(14)	19,364	9,601
Investments and other financial assets:	(15)	2,542	1,653
Investments accounted for using the equity method		1,521	1,465
Other investments and financial assets		1,021	188
Leased assets	(16)	86	-
Defined benefit plan assets		90	20
Deferred tax assets	(11)	1,690	1,678
Total Non-current assets		**41,675**	**17,302**
Inventories	(17)	9,464	4,443
Trade receivables	(18)	3,029	2,259
Receivables from financing activities	(18)	3,541	2,866
Financial receivables from Discontinued Operations		-	5,626
Current tax receivables	(18)	570	353
Other current assets	(18)	1,899	1,528
Current financial assets:		795	735
Current investments		38	34
Current securities	(19)	199	185
Other financial assets	(20)	558	516
Cash and cash equivalents	(21)	17,853	11,967
Total Current assets		**37,151**	**29,777**
Assets held for sale and Discontinued Operations	(22)	76	34,854
Elimination of financial receivables from/debt payable to Discontinued Operations		-	(8,491)
TOTAL ASSETS		**78,902**	**73,442**
Total assets adjusted for asset-backed financing transactions		**78,164**	**64,588**

(*) Amounts reported at 30 September 2011 includes the consolidation of Chrysler from the date of acquisition of control.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(CONTINUED)

(€ million)	Note	At 30 September 2011(*)	At 31 December 2010
EQUITY AND LIABILITIES			
Equity:	(23)	11,762	12,461
Issued capital and reserves attributable to owners of the parent		8,564	11,544
Non-controlling interest		3,198	917
Provisions:	(24)	15,324	4,924
Employee benefits		6,813	1,704
Other provisions		8,511	3,220
Debt:	(25)	26,949	20,804
Asset-backed financing		738	533
Debt payable to the Discontinued Operations		-	2,865
Other debt		26,211	17,406
Other financial liabilities	(20)	396	255
Trade payables	(26)	14,791	9,345
Current tax payables		462	181
Deferred tax liabilities	(11)	1,294	135
Other current liabilities	(27)	7,919	3,908
Liabilities held for sale and Discontinued Operations	(22)	5	29,920
Elimination of financial receivables from/debt payable to Discontinued Operations		-	(8,491)
TOTAL EQUITY AND LIABILITIES		**78,902**	**73,442**
Total equity and liabilities adjusted for asset-backed financing transactions		**78,164**	**64,588**

(*) Amounts reported at 30 September 2011 includes the consolidation of Chrysler from the date of acquisition of control.

CONSOLIDATED STATEMENT OF CASH FLOWS

(€ million)	Note	01/01-30/09 2011(*)	01/01-30/09 2010(**)
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	(21)	**11,967**	**12,226**
B) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES DURING THE PERIOD:			
Profit/(loss) for Continuing Operations for the period		1,386	69
Amortisation and depreciation (net of operating lease)		2,308	1,627
(Gains) losses from disposal of non-current assets		(3)	(9)
Other non-cash items	(30)	(1,140)	-
Dividends received		81	62
Change in provisions		68	40
Change in deferred income taxes		(21)	(28)
Change in items due to buy-back commitments	(30)	34	35
Change in operating lease items	(30)	(28)	-
Change in working capital		(303)	(36)
Cash flows from (used in) the operating activities of Discontinued Operations		-	1,484
TOTAL		**2,382**	**3,244**
C) CASH FLOWS FROM (USED IN) INVESTMENT ACTIVITIES:			
Investments in:			
Property, plant and equipment and intangible assets (net of operating leases)		(3,070)	(1,838)
Investments in subsidiaries and other equity investments		(121)	(247)
Cash and cash equivalents from consolidation of Chrysler, net of consideration paid for the additional 16% ownership interest	(30)	5,624	-
Proceeds from the sale of non-current assets		314	44
Net change in receivables from financing activities		(879)	(651)
Change in other current securities		(16)	3
Other changes		(54)	77
Cash flows from (used in) the investing activities of Discontinued Operations		-	(521)
TOTAL		**1,798**	**(3,133)**
D) CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES:			
Bonds issued		2,500	-
Repayment of bonds		(1,325)	(1,071)
Issuance of medium-term borrowings		1,697	811
Repayment of medium-term borrowings		(3,576)	(586)
Changes in net financial receivables from Fiat Industrial group		2,761	-
Net change in other financial payables and other financial assets/liabilities		55	132
Capital increase		7	1
Dividends paid		(175)	(238)
(Purchase)/sale of ownership interests in subsidiaries	(30)	(438)	-
Cash flows from (used in) the financing activities of Discontinued Operations		-	1,078
TOTAL		**1,506**	**127**
Translation exchange differences		201	186
E) TOTAL CHANGE IN CASH AND CASH EQUIVALENTS		**5,887**	**424**
F) CASH AND CASH EQUIVALENTS		**17,854**	**12,650**
of which: cash and cash equivalents included in Assets held for sale and Discontinued Operations		**1**	**1,676**
F) CASH AND CASH EQUIVALENTS AT END OF PERIOD	(21)	**17,853**	**10,974**

(*) Cash flows for the first nine months of 2011 includes the consolidation of Chrysler from the date of acquisition of control.
(**) In accordance with IFRS 5, as a result of the Demerger, which took effect on 1 January 2011, the figures for the first nine months of 2010 have been reclassified.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ million)	Share capital	Treasury shares	Capital reserves	Earnings reserves	Cash flow hedge reserve	Cumulative translation adjustment reserve	Available-for-sale financial assets reserve	Cumulative share of OCI of entities consolidated under the equity method	Non-controlling interests	Total
AT 1 JANUARY 2010	6,377	(657)	682	3,804	(219)	393	2	(81)	814	11,115
Changes in equity for the first nine months of 2010										
Capital increase	-	-	-	-	-	-	-	-	1	1
Dividends distributed	-	-	-	(237)	-	-	-	-	(1)	(238)
Purchase and sale of shares in subsidiaries from/to non-controlling interests	-	-	(83)	-	-	-	-	-	(33)	(116)
Increase in the reserve for share based payments	-	-	-	15	-	-	-	-	-	15
Total comprehensive income for the period	-	-	-	235	117	515	(3)	96	84	1,044
Other changes	-	-	-	15	-	-	-	-	3	18
AT 30 SEPTEMBER 2010	**6,377**	**(657)**	**599**	**3,832**	**(102)**	**908**	**(1)**	**15**	**868**	**11,839**

(€ million)	Share capital	Treasury shares	Capital reserves	Earnings reserves	Cash flow hedge reserve	Cumulative translation adjustment reserve	Available for sale financial assets reserve	Cumulative share of OCI of entities consolidated under the equity method	Non-controlling interests	Total
AT 1 JANUARY 2011	6,377	(657)	601	4,145	(45)	1,111	(2)	14	917	12,461
Changes in equity for the first nine months of 2011										
Effects of the Demerger										
Direct effects of the Demerger	(1,913)	-	(457)	(1,216)	23	(398)	-	(31)	(724)	**(4,716)**
Effects of the demerger on Treasury shares and on the Reserve for Share based payments	-	368	-	(185)	-	-	-	-	-	**183**
Capital increase	-	-	-	-	-	-	-	-	2	**2**
Increase in share capital due to the exercising of stock options	2	-	3	-	-	-	-	-	-	**5**
Dividends accrued or/and distributed	-	-	-	(152)	-	-	-	-	(23)	**(175)**
Increase (Decrease) in the Reserve for share-based payments	-	-	-	2	-	-	-	-	-	**2**
Non-controlling interest arising from the consolidation of Chrysler	-	-	-	-	-	-	-	-	3,112	**3,112**
Purchase and sale of shares in subsidiaries from/to non-controlling interests	-	-	-	(12)	-	-	-	-	(426)	**(438)**
Total comprehensive income for the period	-	-	-	1,291	(81)	(94)	(54)	(92)	343	**1,313**
Other changes	-	-	-	16	-	-	-	-	(3)	**13**
AT 30 SEPTEMBER 2011	**4,466**	**(289)**	**147**	**3,889**	**(103)**	**619**	**(56)**	**(109)**	**3,198**	**11,762**

NOTES

SIGNIFICANT ACCOUNTING POLICIES

Accounting policies

This Quarterly report has 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 IFRS Interpretations Committee, formerly the Standing Interpretations Committee ("SIC") and then the International Financial Reporting Interpretations Committee ("IFRIC").

In particular, this Quarterly report has been prepared in accordance with IAS 34 - *Interim Financial Reporting* applying the same accounting principles and policies used in the preparation of the Consolidated financial statements for the year ended 31 December 2010, other than those discussed in the following paragraph "Accounting principles, amendments and interpretations adopted from 1 January 2011".

The preparation of the interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent assets and liabilities at the date of the interim financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. Reference should be made to the Section – Use of estimates in the Consolidated Financial Statements for the year ended 31 December 2010 for a detailed description of the more significant valuation procedures used by the Group.

Moreover, these valuation procedures, in particular those of a more complex nature regarding matters such as the impairment of non-current assets, are only carried out in full during the preparation of the annual financial statements, when all the information required is available, unless there are any indications of impairment when an immediate assessment is necessary, such as occurred during the first nine months of 2011 and described in further detail in the notes.

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.

The recognition of income taxes is based upon the best estimate of the actual tax rate expected for the full financial year for each entity included in the scope of consolidation.

In addition, in accordance with the requirements of IFRS 3, as discussed below in the Section – Investment in Chrysler - Acquisition of Control of Chrysler, in this Quarterly report the Group has recognised the identifiable assets acquired, the identifiable liabilities assumed, with certain exception as specified in the IFRS 3, and the non-controlling interests in Chrysler Group LLC at their respective fair values at the date of acquisition of control and has calculated the goodwill resulting from the operation as the residual balance with respect to such values. These values were calculated through a complex process of estimating the identifiable assets and liabilities and the fair value of Chrysler, which is still in being finalised and is expected to be concluded by the end of 2011; this process is based on assumptions believed to be reasonable and realistic with respect to the information currently available referring to the date of the acquisition of control and which affects the value at which the assets, liabilities, non-controlling interests and goodwill are recognised as well as the amount of income and expense for the period.

Accounting principles, amendments and interpretations adopted from 1 January 2011

The Group has adopted the following accounting principles from 1 January 2011.

On 4 November 2009, the IASB issued a revised version of IAS 24 - *Related Party Disclosures* that simplifies the disclosure requirements for government-related entities and clarifies the definition of a related party. Application of this amendment did not have any significant effects on the measurement of items in the Group's financial statements and had only limited effects on the disclosures for related party transactions provided in the Half-year financial report.

On 6 May 2010, the IASB issued a set of amendments to IFRSs ("Improvements to IFRSs") which include an improvement to IAS 34 – *Interim Financial Reporting*. Following the adoption of the improvement, certain additions were made to the information provided in this Quarterly report.

Standards, amendments and interpretations effective from 1 January 2011 but not applicable to the Group

The following amendments, improvements and interpretations have also been issued and are effective from 1 January 2011; these relate to matters that were not applicable to the Group at the date of this Quarterly report but which may affect the accounting for future transactions or arrangements:

- Amendment to IAS 32 – *Financial Instruments: Presentation, Classification of Rights Issues;*
- Amendment to IFRIC 14 – *Prepayments of a Minimum Funding Requirement;*
- IFRIC 19 – *Extinguishing Financial Liabilities with Equity Instruments;*
- Improvements to IAS/IFRS (2010).

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

On 12 November 2009, the IASB issued a new standard IFRS 9 – *Financial Instruments* that was amended on 28 October 2010. The standard, having an effective date for mandatory adoption of 1 January 2013, represents the completion of the first part of a project to replace IAS 39 and introduces new requirements for the classification and measurement of financial assets and financial liabilities and for the derecognition of financial assets. The new standard uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the many different rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments and the contractual cash flow characteristics of the financial assets. The most significant effect of the standard regarding the classification and measurement of financial liabilities relates to the accounting for changes in fair value attributable to changes in the credit risk of financial liabilities designated as at fair value through profit or loss. Under the new standard these changes are recognised in Other comprehensive income (loss) and are not subsequently reclassified to the Income statement.

On 7 October 2010, the IASB issued amendments to IFRS 7 – *Financial Instruments: Disclosures*. The amendments will allow users of financial statements to improve their understanding of transfers (“derecognition”) of financial assets, including an understanding of the possible effects of any risks that may remain with the entity that transferred the assets. The amendments also require additional disclosures if a disproportionate amount of a transfer transaction is undertaken at the end of a reporting period. Entities are required to apply the amendments for annual periods beginning on or after 1 July 2011.

On 20 December 2010, the IASB issued minor amendments to IFRS 1 – *First-time Adoption of International Financial Reporting Standards*. The first amendment replaces references to a fixed date of “1 January 2004” with the date of transition to IFRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation. These amendments are effective prospectively from 1 July 2011.

On 20 December 2010, the IASB issued minor amendments to IAS 12 – *Income Taxes* that require an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. As a result of the amendments, SIC-21 *Income Taxes – Recovery of Revalued Non-Depreciable Assets* no longer applies. These amendments are effective retrospectively from 1 January 2012.

On 12 May 2011, the IASB issued IFRS 10 – *Consolidated Financial Statements* replacing SIC-12 – *Consolidation-Special Purpose Entities* and parts of IAS 27 – *Consolidated and Separate Financial Statements* (which has been renamed *Separate Financial Statements* and addresses the accounting treatment of investments in separate financial statements). The new standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The standard is effective retrospectively from 1 January 2013.

On 12 May 2011, the IASB issued IFRS 11 – *Joint Arrangements* superseding IAS 31 – *Interests in Joint Ventures* and SIC-13 – *Jointly-controlled Entities-Non-monetary Contributions by Venturers.* The new standard provides the criteria for identifying joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form and requires a single method to account for interests in jointly-controlled entities, the equity method. The standard is effective retrospectively from 1 January 2013. Following the issue of the new standard, IAS 28 – *Investments in Associates* has been amended to include accounting for investments in jointly-controlled entities in its scope of application (from the effective date of the standard).

On 12 May 2011, the IASB issued IFRS 12 – *Disclosure of Interests in Other Entities*, a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates, special purpose vehicles and other unconsolidated vehicles. The standard is effective for annual periods beginning after 1 January 2013.

On 12 May 2011, the IASB issued IFRS 13 – *Fair Value Measurement,* clarifying the determination of the fair value for the purpose of the financial statements and applying to all IFRSs permitting or requiring a fair value measurement or the presentation of disclosures based on fair value. The standard is effective prospectively from 1 January 2013.

On 16 June 2011, the IASB issued an amendment to IAS 1 – *Presentation of Financial Statements* requiring companies to group together items within Other Comprehensive income (loss) that may be reclassified to the profit or loss section of the income statement. The amendment is applicable for periods beginning on or after 1 July 2012.

On 16 June 2011, the IASB issued an amended version of IAS 19 – *Employee Benefits.* The amendments make improvements to the previous version by eliminating the option to defer the recognition of gains and losses, known as the "corridor method", and by requiring the fund's deficit or surplus to be presented in the statement of financial position, the components of cost relating to service and net interest to be recognised in profit or loss and actuarial gains and losses arising from the remeasurement of assets and liabilities to be recognised in Other comprehensive income (loss). In addition, the return on assets included in net interest costs must now be calculated using the discount rate applicable to liabilities and no longer the expected return on the assets. The amendments also introduce the requirement for additional disclosures to be provided in the notes. The amended version of IAS 19 is applicable on a retrospective basis from 1 January 2013.

The European Union had not yet completed its endorsement process for these standards and amendments at the date of this Quarterly report.

FIAT DEMERGER AND DISCONTINUED OPERATIONS

During 2010, the Group initiated and completed a strategic project to separate the Agricultural and Construction Equipment (CNH – Case New Holland sector) and Trucks and Commercial Vehicles (Iveco sector) activities, as well as the "Industrial & Marine" business line of FPT Powertrain Technologies (FPT Industrial sector), from the Automobile and Automobile-related Components and Production Systems activities, which include the sectors Fiat Group Automobiles, Maserati, Ferrari, Magneti Marelli, Teksid, Comau and the "Passenger & Commercial Vehicles" business line of FPT Powertrain Technologies ("Fiat Powertrain"). The separation of those businesses, in the form of their demerger from Fiat S.p.A. and transfer to Fiat Industrial S.p.A. (the "Demerger" – a S*cissione Parziale Proporzionale* pursuant to Article 2506-bis of the Italian Civil Code), resulted in the creation of the Fiat Industrial Group (consisting of CNH, Iveco and FPT Industrial) on 1 January 2011. From that date until the date of the consolidation of Chrysler, which is discussed below, Fiat Group consisted of Fiat Group Automobiles, Maserati, Ferrari, Magneti Marelli, Fiat Powertrain, Teksid and Comau.

Since the Demerger became highly probable in December 2010, in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* the businesses transferred to Fiat Industrial were qualified and presented as Discontinued Operations in the Consolidated Financial Statements for the year ended 31 December 2010. As a consequence, the Consolidated Income Statement and Consolidated Statement of Cash Flow for the third quarter and first nine months of 2010 presented here for comparative purposes have been reclassified with respect to those previously published as follows:

- All revenues and costs relating to Discontinued Operations are reported in the Income Statement as Post-tax profit/(loss) from Discontinued Operations.
- All cash flows arising from Discontinued Operations are presented in the Statement of Cash Flows as separate line items under cash flows from operating, investing and financing activities.

No change has been made to the figures included in the Statement of Financial Position at 31 December 2010 presented here for comparative purposes. Details of the methods used to prepare that statement may be found in the paragraph "Fiat Demerger and Discontinued Operations" in the Consolidated financial statements for the year ended 31 December 2010.

Further, as the Demerger is considered a "business combination involving entities or businesses under common control", it is outside the scope of application of IFRS 3 and IFRIC 17. It has accordingly been accounted for in the consolidated financial statements of Fiat Group in this Quarterly report without adjusting the carrying amounts of assets and liabilities.

Key income statement data for Discontinued Operations for the third quarter and first nine months of 2010 are as follows:

(€ million)	3rd Quarter 2010	01/01-30/09 2010
Net revenues	5,240	15,392
Operating profit/(loss)	**329**	**797**
Profit/(loss) before taxes	**194**	**460**
Income taxes	77	247
Profit/(loss) for the period	**117**	**213**

SCOPE OF CONSOLIDATION

There were the following main changes in the scope of consolidation during the first nine months of 2011, in addition to those relating to the Demerger:

- TCA Tecnologia em Componentes Automotivos SA, a subsidiary in the Fiat Group Automobiles sector located in the Brazilian state of Pernambuco, was consolidated on a line-by-line basis from 1 January 2011;
- Comau (Kunshan) Automation Co. Ltd, a subsidiary in the Comau sector, was established during the first quarter of 2011 and consolidated on a line-by-line basis;
- on 24 May 2011, Fiat subscribed to an additional 16% (on a fully diluted basis[1]) of the capital of Chrysler Group LLC, ("Chrysler") increasing its interest to 46% (on a fully diluted basis). As a result of the potential voting rights associated with options that became exercisable on that date, Fiat was deemed to have acquired control of Chrysler for purposes of consolidation under IAS 27 – *Consolidated and Separate Financial Statements*. Accordingly, Chrysler has been consolidated on a line-by-line basis by Fiat with effect from that date. Subsequently, on 21 July 2011, Fiat completed the purchase of the 6.031% and 1.508% fully diluted ownership interests held in Chrysler by the U.S. Treasury and by the Canadian government, respectively. As a result of these transactions, at 30 September 2011 Fiat holds 53.5% of Chrysler's outstanding equity (on a fully diluted basis). The acquisition of control of Chrysler and the acquisition of the subsequent non-controlling interests are described below in the Section – Investment in Chrysler;
- on 29 June 2011, the acquisition of a 50% interest in VM Motori group was finalised; this is a joint venture with General Motors in the Fiat Powertrain sector specialising in the production of auto engines, industrial engines and spare parts. The interest was consolidated using the equity method from that date.

INVESTMENT IN CHRYSLER

Acquisition of control of Chrysler

As described in the Section – Scope of Consolidation on 24 May 2011 (the "Acquisition date"), Fiat subscribed an additional 16% (on a fully diluted basis) of the capital of Chrysler, increasing its interest to 46% (on a fully diluted basis). As a result of the potential voting rights associated with options that became exercisable on that date, Fiat was deemed to have acquired control of Chrysler under IAS 27 – *Consolidated and Separate Financial Statements*. Accordingly, Chrysler has been consolidated on a line-by-line basis by Fiat with effect from that date.

Chrysler Group designs, develops, produces, distributes and sells automobiles under the Chrysler, Jeep, Dodge and Ram brands and automobile service parts and accessories under the Mopar brand. The product portfolio consists of automobiles (including SUVs and Crossovers), minivans, pickups and medium-duty trucks which are sold in more than 120 countries worldwide.

At 31 December 2010, Fiat held 200,000 Class B Membership Interests in Chrysler representing a 20% ownership interest. Those Membership Interests were granted to Fiat, pursuant to the Chrysler organisational document forming part of the broader strategic alliance entered into between Fiat and Chrysler in 2009, as consideration for technology contributed. No cash consideration was required under the agreement.

Under the Chrysler organisational documents, Fiat was granted the opportunity of increasing its ownership interest in Chrysler by a further 15% (with the number of Class B Membership Interests remaining unchanged at 200,000) subject to the occurrence of three specific events (the "Performance Events"). The Performance Events are as follows:

- Technology Event: consisting of receipt of regulatory approval by Chrysler to produce an engine in the U.S. based on Fiat's FIRE (Fully Integrated Robotised Engine) family and an irrevocable commitment by Chrysler to begin commercial production of the engine;
- Distribution Event: consisting of Chrysler (i) achieving cumulative revenues, subsequent to 10 June 2009, of $1.5 billion or more attributable to sales outside the NAFTA Region, (ii) executing distribution agreements in the European Union and South America under which at least 90% of Fiat Group Automobiles dealers will have the right to carry one or more Chrysler products and obligating Chrysler and Fiat to pool their vehicle fleets in the European Union for CO_2 emissions ratings, and (iii) executing a technology license agreement under which Chrysler is compensated for use of its technology by Fiat outside of the NAFTA Region; and

[1] This percentage gives effect to the dilution of the Class A Membership Interests held by all members (including Fiat) arising from the occurrence of the final Performance Event (or "Class B Event") contemplated by the organisational document of Chrysler (the "Ecological Event"). The additional interest without giving effect to the final Class B Event is 17.23%, which will be diluted to 16% upon the occurrence of the Ecological Event.

- Ecological Event: consisting of receipt of regulatory approval by Chrysler for an automobile based on a Fiat platform or vehicle technology that has a combined unadjusted fuel efficiency rating of at least 40 miles per gallon and an irrevocable commitment by Chrysler to begin commercial-scale assembly in the U.S.

Following occurrence of the Technology Event and the Distribution Event, the rights associated with Fiat's Class B Membership Interests increased from 20% to 25% in January 2011 and to 30% in April 2011, respectively. As of the date of this Quarterly report, the Ecological Event had not yet occurred, Fiat and Chrysler, though, expect that Ecological Event will occur before the end of 2011. Assignment of these additional ownership interests did not, and for those not yet assigned will not, require payment of any cash consideration by Fiat or commitment to fund Chrysler in the future.

Under the Chrysler organisational documents, Fiat was also granted the following additional call options on Class A Membership Interests in Chrysler:

- the Alternative Call Option to acquire additional Class A Membership Interests up to the equivalent of a 15% ownership interest in Chrysler, should the Performance Events not occur;

- the Incremental Equity Call Option pursuant to which Fiat was entitled to acquire additional Class A Membership Interests enabling it to increase its ownership interest in Chrysler by up to 16% (fully diluted) in the aggregate. This option was only exercisable provided that the sum of the outstanding principal and unfunded commitments arising from the U.S. Treasury loans and the Export Development Canada loans did not exceed approximately $4 billion. The Incremental Equity Call Option was originally exercisable during the period from 1 January 2013 to 30 June 2016. However, Fiat could exercise the option prior to 1 January 2013 if the government loans referred to above were repaid in full. In addition, prior to full repayment of those loans Fiat's total ownership interest in Chrysler could not exceed 49.9%;

- the VEBA Trust Call Option, pursuant to which Fiat has the option to acquire 40% of the interest in Chrysler originally issued to the VEBA Trust on 10 June 2009 (the "Covered Interest") which on a diluted basis represents 41.5% of Chrysler's capital, exercisable from 1 July 2012 to 30 June 2016 provided that Fiat is entitled to purchase no more than 8% of such membership interests in any six-month period;

- the UST Call Option, pursuant to which Fiat was entitled to purchase the entire interest held in Chrysler by the U.S. Treasury, exercisable for a period of 12 months following the full repayment by Chrysler of the U.S. Treasury loans. Prior to an Initial Public Offering ("IPO"), the exercise price was to be based on the equity value of Chrysler agreed between Fiat and the U.S. Treasury or, absent agreement, a price established by the average of the closest values determined by two of three investment banks appointed by the parties. If an IPO had occurred, the price was to be based on the trading price for Chrysler's ordinary shares.

For the Alternative Call Option, the Incremental Equity Call Option and the VEBA Trust Call Option, prior to an IPO the exercise price is to be determined using a defined market based multiple (i.e., the average multiple of a reference group of automotive manufacturers, not to exceed the trading multiple for Fiat) applied to Chrysler's reported EBITDA for the most recent four financial quarters less Chrysler's net industrial debt. If there has been an IPO, the price is to be based on the trading price for Chrysler's ordinary shares.

As described in the Section – Scope of Consolidation on 24 May 2011, Fiat exercised the Incremental Equity Call Option concurrently with Chrysler's repayment of its loans to the U.S. Treasury and Export Development Canada which was achieved through Chrysler's refinancing in the market, the utilisation of available liquidity and the $1,268 million cash consideration Chrysler received from Fiat in connection with the subscription of 261,225 Class A Membership Interests, representing a 16% ownership interest in Chrysler on a fully diluted basis, and increased its interest to 46% (on a fully diluted basis). As a result of the potential voting rights associated with options that became exercisable on that date, Fiat was deemed to have acquired control of Chrysler under IAS 27 – *Consolidated and Separate Financial Statements*. Accordingly, Chrysler has been consolidated on a line-by-line basis by Fiat with effect from that date.

Subsequent acquisition of non-controlling interests

Subsequent to the acquisition of control, on 21 July 2011, as contemplated by the agreements entered into with the U.S. Treasury in early June for the exercising of the UST Call Option and after the fulfilment of applicable regulatory approval requirements, Fiat completed the purchase of the 6.031% fully-diluted ownership interest held in Chrysler by the U.S. Treasury at a price of $500 million. Under those same agreements, on the same date, the U.S. Treasury also assigned to Fiat its rights under the Equity Recapture Agreement, in exchange for cash in the amount of $75 million, $15 million of which was paid to the Canadian government in accordance with arrangements between the U.S. Treasury and Canadian government.

As the holder of the rights under the Equity Recapture Agreement, Fiat is entitled to any economic benefits associated with the VEBA Trust's ownership interest in Chrysler that exceed the threshold amount of $4.25 billion plus interest equal to 9% per annum from 1 January 2010. Based on this agreement, any proceeds received by the VEBA Trust on its ownership interest in Chrysler in excess of that threshold amount shall be transferred to the holder together with all remaining interests. In addition, the holder has the right to acquire VEBA Trust's entire membership interest in Chrysler at a price equivalent to the specified threshold amount, less any proceeds already received by VEBA Trust on that interest.

Finally, on 21 July 2011, Fiat acquired the 1.508% fully-diluted ownership interest in Chrysler held by Canadian government. The consideration for such interest was $125 million fully paid at the same date. As a result of these transactions Fiat's ownership interest in Chrysler at 27 October 2011 was 53.5% (on a fully diluted basis). From an accounting standpoint, the acquisition of these additional non-controlling interests has been accounted for within equity.

Accounting effect of the acquisition of control

From an accounting standpoint, the acquisition of the control of Chrysler represents a business combination achieved in stages and falls under the scope of IFRS 3 - *Business Combinations*. The accounting treatment for the business combination is as follows (effects in dollars translated into euros using the exchange rate of 1.4385 at the Acquisition date):

- the previously held 30% ownership interest in Chrysler initially recognised at zero by Fiat was remeasured at fair value at the date on which control was acquired and the resulting gain of €1,729 million ($2,487 million) has been recognised in profit or loss under Unusual income/(expense). For the purpose of establishing the fair value of Chrysler in order to calculate that gain, given that no active market price for Chrysler shares was available, in accordance with IFRS 3 it was deemed reasonable to use the equity value of $ 8,290 million (€5,763 million) for Chrysler implied in the price agreed between Fiat and the U.S. Treasury in early June 2011 for exercising of the call option on the U.S. Treasury's 6.031% ownership interest (on a fully diluted basis) in Chrysler. This value does not differ significantly from that obtained from the exercise price of the Incremental Equity Call Option.

- the identifiable assets acquired and identifiable liabilities assumed, as detailed below, were measured at their acquisition date fair value, with the exception of certain contingent liabilities existing prior to acquisition whose value was not determinable, deferred taxes and certain obligations associated with employee benefits, all of which were recognised in accordance with the applicable standard, as required by IFRS 3:

	At the Acquisition date	
	($ million)	(€ million)
Intangible assets	5,059	3,517
Property, plant and equipment	13,863	9,637
Investments and other financial assets	435	302
Leased assets	331	230
Defined benefit plan assets	90	63
Deferred tax assets	65	45
Total Non-current assets	**19,843**	**13,794**
Inventories	5,651	3,928
Trade receivables	1,765	1,227
Receivables from financing activities	21	15
Current tax receivables	123	86
Other current assets	993	690
Current financial assets	127	88
Cash and cash equivalents	9,358	6,505
Total Current assets	**18,038**	**12,539**
Assets held for sale	-	-
Total assets acquired (a)	**37,881**	**26,333**
Provisions	14,130	9,823
Debt	13,659	9,495
Other financial liabilities	112	78
Trade payables	8,298	5,769
Current tax payables	21	15
Deferred tax liabilities	1,586	1,103
Other current liabilities	5,058	3,516
Liabilities held for sale	-	-
Total liabilities assumed (b)	**42,864**	**29,799**
Net assets acquired (liabilities assumed) (a)-(b)	**(4,983)**	**(3,466)**

Although measurement of the assets acquired and liabilities assumed has been performed in an exhaustive manner for the purpose of this Quarterly report, those provisional amounts could be subject to further analysis and possible adjustment within 12 months of the transaction, as required by IFRS 3.

- Non-controlling interests of 54% on a fully diluted basis, were recognised at €3,112 million ($4,477 million) at the Acquisition date, based on the above-stated equity value of Chrysler of $8,290 million (€5,763 million) in accordance with paragraph 19(a) of IFRS 3.

- Goodwill arising from the acquisition was determined as follows:

		At the Acquisition date	
		($ million)	(€ million)
Consideration paid for the acquisition of the additional 16% ownership interest	+	1,268	881
Fair value of the previously held ownership interest (30%)	+	2,487	1,729
Value attributed to non-controlling interests	+	4,477	3,112
Net assets acquired /(net liabilities assumed)	-	(4,983)	(3,466)
Goodwill	**=**	**13,215**	**9,188**

The goodwill is primarily attributable to the favourable earnings expectations for Chrysler, as set out in the 2010-2014 business plan presented in November 2009 by Chrysler and validated by subsequent results, in addition to synergies achievable through increased integration with Fiat.

- Fiat's contractual right to receive an additional 5% ownership interest in Chrysler upon occurrence of the Ecological Event, previously recognised in the Consolidated financial statements at zero, was recognised under Other investments and financial assets at fair value on the date of acquisition of control. The resulting gain of €288 million ($415 million) has been recognised in the income statement as Unusual income/(expense). Fair value was also based on the above-stated fair value of Chrysler's equity of $8,290 million (€5,763 million).
- The consideration paid excludes costs related to acquisition of control totalling approximately €5 million which have been recognised in the income statement under Unusual income/(expense).
- The consideration paid for this acquisition and the related net cash flows were as follows:

	At the Acquisition date	
	($ million)	(€million)
Consideration paid	1,268	881
Consideration due	-	-
Total Consideration paid	**1,268**	**881**
Net cash outflows/(inflows) on acquisition:		
Consideration paid	1,268	881
Cash and cash equivalents acquired	(9,358)	(6,505)
Total Net cash outflows/(inflows) on acquisition	**(8,090)**	**(5,624)**

With reference to the amount of identifiable assets acquired, the receivables acquired, which principally comprise trade receivables and have a fair value of $1,765 million (€1,227 million) had gross contractual amounts of $1,850 million (€1,286 million) of which $85 million (€59 million) is expected to be uncollectible.

Chrysler is subject to various legal proceedings, claims and governmental investigations pending on a wide range of topics, including: vehicle safety; emissions and fuel economy; dealer, supplier and other contractual relationships; intellectual property rights; product warranties and environmental matters where the risk of loss is not probable. These contingent liabilities were not recognised as their acquisition date fair value could not be reliably measured due to the uncertainty in timing and the amount, or ranges of amounts, for which these contingencies may ultimately be settled. Other matters, where the risk of loss is probable and the timing and amount of potential obligation is reliably estimable, have been recognised at their acquisition date fair value as a component of Provisions for risks and charges.

- Finally, the acquired business contributed net revenues to Fiat Group of €8,848 million and €12,058 million for the third quarter and for the first nine months 2011 respectively and a profit of €322 million and €179 million for the third quarter and the first nine months of 2011 respectively.

- Had the acquisition of control of Chrysler under IAS 27 taken place on 1 January 2011, assuming that Chrysler had also repaid its U.S. Treasury and Canadian government loans and completed the concurrent refinancing on that date, Fiat Group would have reported revenues of approximately €55 billion and a profit of approximately €1.8 billion for the first nine months of 2011.

FINANCIAL RISK FACTORS

The Group is exposed to operational financial risks: credit risk, liquidity risk and market risk (relating mainly to exchange rates and interest rates). This Quarterly report does not include all the information and notes on financial risk management required in the preparation of annual financial statements. For a detailed description of this information for the Fiat Group excluding Chrysler, reference should be made to the Section – Risk management and Note 32 – Information on financial risks of the consolidated financial statements of the Fiat Group for the year ended 31 December 2010.

The Chrysler sector uses financial instruments to hedge its exposure to foreign currency exchange risk resulting from transactions in currencies other than the functional currency in which it operates and to hedge its exposure to the commodity price risk associated with buying certain raw materials used in the ordinary course of the operations. Such risk management activities, which are similar to those adopted by the Fiat Group, are managed by Chrysler.

OTHER INFORMATION

Other sections of this Report provide information on significant events which have occurred after 30 September 2011 and the business outlook.

COMPOSITION AND PRINCIPAL CHANGES

1. Net revenues

An analysis of Net revenues (net of intra-Group transactions) by sector for Fiat Group for the third quarter and for the first nine months of 2011 and for Continuing Operations for the third quarter and first nine months of 2010 is as follows:

(€ million)	3rd Quarter 2011	3rd Quarter 2010 (*)	01/01-30/09 2011	01/01-30/09 2010(*)
Fiat Group Automobiles	6,442	6,506	20,876	20,564
Chrysler(**)	8,848	-	12,058	-
Maserati	118	119	378	381
Ferrari	520	433	1,560	1,308
Magneti Marelli	906	812	2,805	2,406
Fiat Powertrain	128	133	514	405
Teksid	182	150	534	418
Comau	261	181	723	553
Other Businesses	147	110	467	393
Total Net revenues	**17,552**	**8,444**	**39,915**	**26,428**

(*) In accordance with IFRS 5, the figures for the third quarter and for the first nine months of 2010 have been reclassified and no longer include amounts relating to businesses transferred to the Fiat Industrial Group and classified within the Post-tax profit (loss) from Discontinued operations.

(**) Amounts reported for Chrysler for the third quarter of 2011 include three months of operations and those for the first nine months of 2011 include only four months of operations.

2. Cost of sales

Cost of sales for Fiat Group for the third quarter and for the first nine months of 2011 and for Continuing Operations for the third quarter and for the first nine months of 2010 comprises the following:

(€ million)	3rd Quarter 2011	3rd Quarter 2010(*)	01/01-30/09 2011	01/01-30/09 2010(*)
Interest cost and other financial charges from financial services companies	39	26	111	63
Other cost of sales	14,767	7,204	33,755	22,610
Cost of sales	**14,806**	**7,230**	**33,866**	**22,673**

(*) In accordance with IFRS 5, the figures for the third quarter and for the first nine months of 2010 have been reclassified and no longer include amounts relating to businesses transferred to the Fiat Industrial Group and classified within Post-tax profit (loss) from Discontinued operations.

3. Selling, general and administrative costs

Selling costs amount to €949 million and €2,164 million in the third quarter and for the first nine months of 2011, respectively (€439 million and €1,354 million in the corresponding periods of 2010 for Continuing Operations) and comprise mainly marketing, advertising and sales personnel costs.

General and administrative costs amount to €534 million and €1,209 million in the third quarter and for the first nine months of 2011, respectively (€278 million and €852 million in the corresponding periods of 2010 for Continuing Operations) and comprise mainly administrative expenses which are not attributable to sales, production and research and development functions.

4. Research and development costs

In the third quarter of 2011, Research and development costs of €416 million (€253 million in the third quarter of 2010 for Continuing Operations) mainly comprise all expensed research and development costs amounting to €255 million (€104 million in the third quarter of 2010 for Continuing Operations), the amortisation of capitalised development costs of €160 million (€145 million in the third quarter of 2010 for Continuing Operations). During the third quarter, the Group recognised new capitalised development costs of €432 million (€204 million in the third quarter of 2010 for Continuing Operations).

In the first nine months of 2011, Research and development costs of €1,026 million (€739 million in the same period of 2010 for Continuing Operations) mainly comprise all expensed research and development costs amounting to €559 million (€305 million in the first nine months of 2010 for Continuing Operations), and the amortisation of capitalised development costs of €466 million (€429 million in the first nine months of 2010 for Continuing Operations). During the period, the Group recognised new capitalised development costs of €955 million (€623 million in the first nine months of 2010 for Continuing Operations).

5. Other income (expenses)

Other income amounting to €4 million and other expenses amounting to €23 million in the third quarter and for the first nine months of 2011, respectively (other income of €12 million and other expenses of €17 million in the corresponding periods of 2010 for Continuing Operations) consists of miscellaneous operating costs not ascribable to specific functional areas, such as accruals to miscellaneous provisions and indirect taxes and duties, net of other income which is not attributable to the typical sales and services operations of the Group.

6. Gains (losses) on the disposal of investments

Gain on the disposal of investments of €7 million in the first nine months of 2011 (€2 million in the first nine months of 2010 for Continuing Operations) consist of the net gains and losses arising on the disposal of certain minor investments in other companies.

7. Restructuring costs

In the third quarter and in the first nine months of 2011, Restructuring costs amounted to €61 million and €103 million respectively and relate mainly to the Fiat Group Automobiles sector.

In the third quarter and in the first nine months of 2010 Restructuring costs for Continuing Operations amounted to nil and to €21 million relating to the Fiat Group Automobiles sector.

8. Other unusual income (expenses)

Other unusual income amounted to €2,018 million in the first nine months of 2011. Of this, €1,729 million relates to the gain resulting from the measurement at fair value of the investment of 30% in Chrysler held before the acquisition of control and €288 million to the valuation of the right to receive interest of 5% following the occurrence of the Ecological Event, as discussed in the Section – Investment in Chrysler.

Other unusual expenses, amounting to €921 million in the first nine months of 2011, comprise €220 million relating to the revaluation of the inventories of Chrysler on initial consolidation as the consequence of measuring the identifiable assets acquired and identifiable liabilities assumed at fair value, this item was recognised as an expense in the income statement in June as the result of the rapid turnover of stocks. The amount of €701 million arising from the other sectors (mainly Fiat Group Automobiles) is principally the result of the process for the strategic realignment of the manufacturing and commercial activities of Fiat with those of Chrysler, which accelerated further following the increase in Fiat's holding, in the second quarter of 2011, as well as the realignment of certain minor activities. Write-downs in the above-mentioned amount, which arise from the updating of the economic valuations and estimates made during the first-half of the year, consist of the write-down of goodwill by €223 million and of development costs by €110 million as discussed in further detail in Note 13, and the write-down of certain other assets of €219 million as discussed in Note 14.

9. Financial income (expenses)

In addition to the items forming part of the specific line of the income statement, the following analysis of Financial income (expenses) also takes into account the income from financial services companies included in Net revenues for €61 million and €173 million in the third quarter and first nine months of 2011 respectively (€45 million and €109 million in the corresponding periods of 2010) and the costs incurred by financial services companies included in Interest cost and other financial charges from financial services companies included in Cost of sales for €39 million and €111 million in the third quarter and first nine months of 2011 respectively (€26 million and €63 million in the corresponding periods of 2010). A reconciliation to the income statement is provided at the foot of each column of the following table.

(€ million)	3rd Quarter 2011	3rd Quarter 2010(*)	01/01-30/09 2011	01/01-30/09 2010(*)
Financial income:				
Interest earned and other financial income	91	104	248	177
Interest income from customers and other financial income of financial services companies	61	45	173	109
Interest income receivable from Discontinued Operations	-	66	-	205
Gains on disposal of securities	1	1	2	8
Total financial income	**153**	**216**	**423**	**499**
of which:				
Financial income, excluding financial services companies (a)	92	167	250	381
Interest and other financial expenses:				
Interest expense and other financial expenses	497	252	1,106	777
Interest expense payable to Discontinued Operations	-	13	-	31
Write-downs of financial assets	13	-	37	29
Losses on disposal of securities	3	4	8	10
Interest costs on employee benefits provisions	33	12	61	36
Total interest and other financial expenses	**546**	**281**	**1,212**	**883**
Net (income) expenses from derivative financial instruments and exchange differences	128	(61)	60	(84)
Total interest and other financial expenses, net (income) expenses from derivative financial instruments and exchange differences	**674**	**220**	**1,272**	**799**
of which:				
Interest and other financial expenses, effects resulting from derivative financial instruments and exchange differences, excluding financial services companies (b)	635	194	1,161	736
Net financial income (expenses) excluding financial services companies (a)-(b)	**(543)**	**(27)**	**(911)**	**(355)**

(*) In accordance with IFRS 5, the figures for the third quarter and first nine months of 2010 have been reclassified and no longer include amounts relating to businesses transferred to the Fiat Industrial Group and classified within Post-tax profit (loss) from Discontinued operations.

Net financial expenses for the third quarter and first nine months of 2011, excluding those of the financial services companies, amounted to €543 million and €911 million, respectively. This amount includes the net financial expenses of Chrysler of €209 million in the third quarter of 2011 and of €279 million in the first nine months of 2011 (of which interest costs on employee benefits provisions of €23 million in the third quarter of 2011 and €30 million in the first nine months of 2011), and net financial expenses of €138 million in the third quarter of 2011and €115 million in the first nine months of 2011 arising from the equity swaps on a basket of Fiat S.p.A. and Fiat Industrial S.p.A. ordinary shares relating to certain stock option plans. Net financial expenses of €27 million for the third quarter of 2010 and of €355 million for the first nine months of 2010 included net financial income of €58 million and €26 million, respectively, arising from the equity swaps on Fiat S.p.A. ordinary shares.

10. Result from investments

For the third quarter and first nine months of 2011, this item includes the Group's interest in the net profit or loss of companies accounted for using the equity method being a profit of €31 million and a profit of €93 million respectively (profit of €14 million and profit of €96 million for Continuing Operations for the corresponding periods in 2010). The item also includes write-downs for the impairment of financial assets, any reversals, accruals to provisions against investments and dividends.

The Result from investments in the third quarter of 2011 is a gain amounting to €31 million (gain of €14 million in the third quarter of 2010) and consists of (amounts in € million): Fiat Group Automobiles sector Companies 29 (19 in the third quarter of 2010); Magneti Marelli sector Companies -1 (-1 in the third quarter of 2010) and other companies 3 (-4 in the third quarter of 2010).

The Result from investments in the first nine months of 2011 is a gain of €79 million (gain of €93 million in the first nine months of 2010) and consists of (amounts in € million): Fiat Group Automobiles sector Companies 96 (106 in the first nine months of 2010); Magneti Marelli sector Companies -15 (-5 in the first nine months of 2010) and other companies -2 (-8 in the first nine months of 2010).

11. Income taxes

Income taxes recognised in the consolidated income statement consist of the following:

(€ million)	3rd Quarter 2011	3rd Quarter 2010 (*)	01/01-30/09 2011	01/01-30/09 2010 (*)
Current taxes:				
IRAP	16	20	52	54
Other taxes	143	128	404	408
Total current taxes	**159**	**148**	**456**	**462**
Deferred taxes for the period	11	23	(25)	(24)
Taxes relating to prior periods	-	(3)	(21)	(1)
Total Income taxes	**170**	**168**	**410**	**437**

(*) In accordance with IFRS 5, the figures for the third quarter and first nine months of 2010 have been reclassified and no longer include amounts relating to businesses transferred to the Fiat Industrial Group and classified within Post-tax profit (loss) from Discontinued operations.

The income tax charge for the third quarter of 2011 is substantially unchanged compared to the corresponding period of 2010. More specifically, the increase in taxes connected with the consolidation of Chrysler has been offset by the effect of the lower results achieved in certain countries other than Italy. The decrease in the income tax charge in the first nine months of 2011 compared to the corresponding period of 2010 is mainly the consequence of the recovery of taxes relating to prior years.

Net deferred tax assets at 30 September 2011 consist of Deferred tax assets, net of Deferred tax liabilities that have been offset, where permissible, by the individual consolidated companies and may be analysed as follows:

(€ million)	At 30 September 2011	At 31 December 2010
Deferred tax assets	1,690	1,678
Deferred tax liabilities	(1,294)	(135)
Total	**396**	**1,543**

Deferred tax assets net of deferred tax liabilities decreased by €1,147 million at 30 September 2011 mainly as the result of recognising the deferred liabilities of Chrysler (€995 million).

12. Earnings per share

As explained in Note 23 to the Consolidated Financial Statements at 31 December 2010, the share capital of Fiat S.p.A. is represented by three classes of shares (ordinary shares, preference shares and savings shares) each of which has different dividend rights. In the first nine months of 2011 and in the third quarter and first nine months of 2010, the Profit(loss) for the period attributable to each class of share has been determined in accordance with the share's contractual right to receive dividends. For this purpose, the Profit (loss) for the period attributable to the owners of the parent has been adjusted by the amount of the dividends that would be contractually due to each class of shares in the theoretical event of a total distribution of profits. In the third quarter 2011, the loss for the period attributable to the equity holders of the parent has been allocated equally to all three classes of shares.

The following tables show for the third quarter and for the first nine months of 2011, together with the corresponding comparative periods in 2010, the reconciliation between the net Profit (loss) attributable to owners of the parent and the profit (loss) attributable to each class of shares, as well as the weighted number of shares outstanding:

		3rd Quarter 2011				3rd Quarter 2010			
		Ordinary shares	Preference shares	Savings shares	Total	Ordinary shares	Preference shares	Savings shares	Total
Profit (loss) attributable to owners of the parent	€ million				(46)				170
Theoretical preference right	€ million	-	-	-	-	-	-	-	-
Result attributable to all classes of shares	€ million	(39)	(4)	(3)	(46)	169	-	1	170
Total Profit/(loss) attributable to each class of shares	€ million	**(39)**	**(4)**	**(3)**	**(46)**	**169**	**-**	**1**	**170**
Average number of shares outstanding	thousands	**1,054,111**	**103,292**	**79,913**	**1,237,316**	**1,053,679**	**103,292**	**79,913**	**1,236,884**
Basic earnings/(loss) per share	euros	**(0.037)**	**(0.037)**	**(0.037)**		**0.160**	**-**	**0.013**	

		01/01-30/09 2011				01/01-30/09 2010			
		Ordinary shares	Preference shares	Savings shares	Total	Ordinary shares	Preference shares	Savings shares	Total
Profit/(loss) attributable to owners of the parent	€ million				1,291				235
Theoretical preference right	€ million	-	23	17	40	-	32	25	57
Result attributable to all classes of shares	€ million	1,093	84	74	1,251	177	-	1	178
Profit/(loss) attributable to each class of shares	€ million	**1,093**	**107**	**91**	**1,291**	**177**	**32**	**26**	**235**
Average number of shares outstanding	thousands	**1,053,972**	**103,292**	**79,913**	**1,237,177**	**1,053,679**	**103,292**	**79,913**	**1,236,884**
Basic earnings/(loss) per share	euros	**1.037**	**1.037**	**1.145**		**0.168**	**0.310**	**0.323**	

For the third quarter and first nine months of 2010 the following tables show the same amounts used in the determination of the earnings per share for Continuing Operations. These figures have been calculated by taking into account the dividend rights established for Fiat S.p.A. shares after the Demerger.

		3rd Quarter 2010				01/01-30/09 2010			
		Ordinary shares	Preference shares	Savings shares	Total	Ordinary shares	Preference shares	Savings shares	Total
Profit/(loss) from Continuing Operations attributable to owners of the parent	€ million				63				40
Total Profit/(loss) attributable to each class of shares	€ million	20	24	19	63	-	23	17	40
Weighted average number of shares	thousand	1,053,679	103,292	79,913	1,236,884	1,053,679	103,292	79,913	1,236,884
Basic Earnings/(loss) per share – Continuing Operations	€	0.018	0.235	0.235		-	0.217	0.217	

For the first nine months of 2011 and for the third quarter and first nine months of 2010, the average number of outstanding ordinary shares has been increased to additionally take into consideration the effect that would arise if the stock options on Fiat S.p.A. shares were to be exercised and the stock grants on Fiat S.p.A. shares were assigned. The stock option and stock grant plans of Fiat S.p.A. were not taken into consideration in the calculation of diluted earnings per share in the third quarter of 2011 as this would have had an antidilutive effect.

The following tables set out for the third quarter and for the first nine months of 2011, together with the corresponding comparative periods in 2010, the weighted number of shares outstanding used in the calculation of diluted earnings per share and diluted earnings per share by class of share.

		3rd Quarter 2011				3rd Quarter 2010			
		Ordinary shares	Preference shares	Savings shares	Total	Ordinary shares	Preference shares	Savings shares	Total
Profit/(loss) attributable to each class of shares	€ million	(39)	(4)	(3)	(46)	169	-	1	170
Average number of shares considered for the diluted earnings per share	thousands	1,054,111	103,292	79,913	1,237,316	1,059,620	103,292	79,913	1,242,825
Diluted earnings/(loss) per share	€	(0.037)	(0.037)	(0.037)		0.159	-	0.012	

		01/01-30/09 2011				01/01-30/09 2010			
		Ordinary shares	Preference shares	Savings shares	Total	Ordinary shares	Preference shares	Savings shares	Total
Profit/(loss) attributable to each class of shares	€ million	1,094	106	91	1,291	177	32	26	235
Average number of shares considered for the diluted earnings per share	thousands	1,064,611	103,292	79,913	1,247,816	1,058,597	103,292	79,913	1,241,802
Diluted earnings/(loss) per share	€	1.028	1.028	1.136		0.167	0.310	0.322	

13. Intangible assets

(€ million)	Net of amortisation at 31 December 2010	Additions	Amortisation	Change in consolidation scope	Foreign exchange effects and other changes	Net of amortisation At 30 September 2011
Goodwill	1,080	-	-	9,188	378	**10,646**
Development costs	2,909	955	(466)	-	(179)	**3,219**
Other	361	82	(133)	3,517	211	**4,038**
Total Intangible assets	**4,350**	**1,037**	**(599)**	**12,705**	**410**	**17,903**

Goodwill principally consists of the balance arising on the acquisition of Chrysler at the Acquisition date, amounting to €9,188 million (€9,788 million at 30 September 2011) and that of €786 million arising on the acquisition of certain interests in Ferrari in previous years (€786 million at 31 December 2010). At 31 December 2010, this item also comprised €135 million relating to investments held by Comau (Pico Group and other minor companies), €121 million on certain companies in the Magneti Marelli sector, €18 million on certain companies in the Fiat Group Automobiles sector, and €18 million on certain companies in the Teksid sector.

With regard to goodwill, for the purpose of preparing the Half-year financial statements, given that impairment indicators existed, the recoverability of goodwill of the Comau sector, allocated to the Pico, System, and Comau Mexico businesses, was tested by calculating their value in use, meaning the present value of an estimate of future cash flows based on operating cash flows deriving from the respective 2010-2014 strategic plans, suitably revised by management to take account of expected developments and also the integration of Fiat with Chrysler, extrapolated to subsequent years and discounted using a rate substantially aligned with that used at 31 December 2010, which took into consideration the specific risk of the individual cash-generating units. Following the realignment of certain minor activities, as discussed earlier, a similar testing process was conducted on goodwill of a lesser amount recognised by the Group in connection with previous acquisitions, principally in the Magneti Marelli sector. These revised economic valuations and estimates led to the write-down of goodwill by €223 million, fully recognised in the income statement in the second quarter of 2011 under Other unusual income (expenses), of which €129 million relates to the Comau sector, €69 million to the Magneti Marelli sector and €17 million to the Fiat Group Automobiles sector. The same impairment testing also led to the write-down in the Magneti Marelli and Teksid sectors of assets included in Property, plant and equipment.

Other changes also include the write-down by €110 million of certain previously capitalised development costs. This write-down also arose during the second quarter of 2011 from assessments based on the effects of a convergence towards the use of a reduced number of platforms common to Fiat and Chrysler, which were accelerated in the period by the fact that the conditions were met for the exercise of control of Chrysler by Fiat.

The addition to Other intangible assets of €82 million in the first nine months of 2011 relates mainly to software. The change in the scope of consolidation refers to Chrysler's intangible assets, which are mainly trademarks.

The Change in scope of consolidation of €12,705 million relates to the impact of the acquisition of Chrysler in the second quarter of 2011. See Section – Investment in Chrysler for additional information.

Foreign exchange gains of €741 million in the first nine months of 2011 principally reflect changes in the Euro/US dollar rate since the end of May 2011, when Chrysler was consolidated for the first time.

14. Property, plant and equipment

(€ million)	Net of depreciation at 31 December 2010	Additions	Depreciation	Foreign exchange effects	Change in consolidation scope	Disposals and other changes	Net of depreciation at 30 September 2011
Total Property plant and equipment	**9,601**	2,033	(1,709)	157	9,652	(370)	**19,364**

Additions of €2,033 million in the first nine months of 2011 mainly refer to the sectors Fiat Group Automobiles, Chrysler, Magneti Marelli, Ferrari and Fiat Powertrain. Foreign exchange gains of €157 million in the first nine months of 2011 arise principally from the strengthening of the US Dollar against the Euro compared to the end of May 2011, when Chrysler was consolidated for the first time, partially offset by the weakening of the Brazilian Real and Polish Zloty against the Euro.

The change in scope of consolidation amounting to €9,652 million includes the impact of the acquisition of Chrysler in the second quarter of 2011 for €9,637 million.

Disposals and other changes include the write-down of assets by a total of €93 million, recognised as a result of the above-mentioned process of updating the economic valuations and estimates of certain assets in the Magneti Marelli and

Teksid sectors. This item also includes a write-down by €136 million of certain plant and machinery in connection with the process for the strategic realignment of manufacturing and commercial activities with Chrysler, of which €126 million recognised in Other unusual income (expenses).

15. Investments and other financial assets

(€ million)	At 30 September 2011	At 31 December 2010
Investments accounted for using the equity method	1,521	1,465
Investments measured at fair value:		
Investments at fair value with changes directly in Other comprehensive income	103	17
Investments at fair value with changes in profit or loss	128	-
Investments at cost	69	62
Total Investments	1,821	1,544
Non-current financial receivables	318	62
Other securities and other financial assets	403	47
Total Investments and other financial assets	**2,542**	**1,653**

Investments accounted for using the equity method

At 30 September 2011, Investments accounted for using the equity method totalling €1,521 million (€1,465 million at 31 December 2010) includes, amongst others, the following (€ million): FGA Capital S.p.A. 723 (700 at 31 December 2010), Tofas Turk Otomobil Fabrikasi A.S. 238 (304 at 31 December 2010), Sevelnord Société Anonyme 92 (95 at 31 December 2010), Sevel S.p.A. 96 (99 at 31 December 2010), GAC Fiat Automobiles Co. Ltd. 103 (50 at 31 December 2010), Rizzoli Corriere della Sera MediaGroup S.p.A. 100 (101 at 31 December 2010).

Investments measured at fair value

At 30 September 2011, Investments at fair value with changes recognised directly in Other comprehensive income, include the investment in Fiat Industrial S.p.A. for €88 million, the investment in Fin. Priv. S.r.l. for €13 million (€14 million at 31 December 2010), and the investment in Assicurazioni Generali S.p.A. for €2 million (€3 million at 31 December 2010).

For the investment in Fiat Industrial S.p.A., on the Demerger Fiat S.p.A. was allotted 38,568,458 ordinary shares in Fiat Industrial S.p.A., without consideration, corresponding to the number of Treasury shares it held. Following this allotment, the portion of the cost of Treasury shares recognised in equity and attributable to the Fiat Industrial S.p.A. shares, amounting to €368 million, was reclassified as an asset in the Statement of financial position. This allocation was calculated on the basis of the weighting of the stock market prices of Fiat and Fiat Industrial shares on the first day of quotation of the Fiat Industrial S.p.A. shares. At the same time, in accordance with IAS 39 and its interpretations, the investment was measured at fair value (€347 million) with a corresponding entry made to Earnings Reserves. The investment is being measured at fair value following initial recognition.

In addition, as described in Note 23 to the Consolidated Financial Statements at 31 December 2010, with regard to the changes made to stock option and stock grant plans outstanding at 31 December 2010, following the Demerger there were 23,021,250 Fiat Industrial ordinary shares allotted to Fiat S.p.A. that will service the above-mentioned plans and that therefore were considered linked to the Liability for share-based payments recognised in the Statement of Financial Position as the result of changes to the plans (see Note 24). As a consequence, the portion of the fair value measurement of the Fiat Industrial S.p.A. shares attributable to the shares that will service the stock option and stock grant plans has been recognised in the income statement, together with the effects of the remeasurement of the related liability. The remaining Fiat Industrial shares outstanding (15,627,208 shares at 1 January 2011) are measured at fair value with changes recognised directly in in Other comprehensive income.

At 30 September 2011, the investment in Fiat Industrial S.p.A. consists of 38,215,333 ordinary shares (corresponding to 3.0% of the share capital of the company), for an amount of €216 million, of which 22,575,625 shares of Fiat Industrial S.p.A. will serve the stock option and stock grant plans and are therefore measured at fair value through profit and loss for an amount of €128 million, and 15,639,708 shares are classified as available-for-sale and measured at fair value through in Other comprehensive income, for an amount of €88 million.

Changes in Investments during the first nine months of 2011 are as follows:

(€ million)	At 31 December 2010	Revaluations (write-downs)	Changes in the scope of consolidation	Other Changes	At 30 September 2011
Investments	1,544	72	74	131	**1,821**

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

Changes in the scope of consolidation include €35 million arising from the effects of consolidating V.M. Motori, a joint venture acquired on 29 June 2011, and €26 million relating to other investments of Chrysler.

Other changes consisting of a net increase of €131 million are made up as follows: a reclassification of €368 million representing the proportion of the carrying amount of Treasury shares recognised as a reduction of equity in order to recognise the Fiat Industrial S.p.A. shares arising from the Demerger; foreign exchange losses of €56 million; purchases and capitalisations of €83 million (of which €49 million mainly relating to the capital increase carried out by the equally held jointly-controlled entity GAC Fiat Automobiles Co. Ltd. and 7 million relating to the capital increase carried out by the equally held jointly-controlled entity Fiat India Automobiles Limited); dividends of €81 million distributed by companies accounted for using the equity method (of which €41 million received form the joint venture Tofas-Turk Otomobil Fabrikasi Tofas A.S. and €26 million received from the joint venture FGA Capital); and other decreases of €183 million (including mainly the negative fair value adjustment of €129 million relating to investments classified as available-for-sale and the negative changes of €30 million in the cash flow hedge reserve of Tofas-Turk Otomobil Fabrikasi Tofas A.S.).

Other securities and other financial assets

Other securities and other financial assets include for €363 million the value of Fiat's contractual right to receive an additional 5% ownership interest in Chrysler upon occurrence of the Ecological Event ($415 million), and the value of the contractual rights arising from the acquisition of the Equity Recapture Agreement ($75 million).

16. Leased assets

Leased assets totalling €86 million at 30 September 2011 relates to the Chrysler sector.

17. Inventories

(€ million)	At 30 September 2011	At 31 December 2010
Raw materials, supplies and finished goods	9,264	4,308
Gross amount due from customers for contract works	200	135
Total Inventories	**9,464**	**4,443**

Inventories at 30 September 2011 include assets sold with a buy-back commitment by Fiat Group Automobiles and Chrysler for a total amount of €1,807 million (€637 million at 31 December 2010). Excluding these amounts and changes resulting from the initial consolidation of Chrysler, totalling €3,050 million, Inventories rose by €801 million during the first nine months of 2011 mainly in connection with the development of new production and sales activities in North America and South America.

The amount due from customers for contract work mainly relates to the Comau sector and can be analysed as follows:

(€ million)	At 30 September 2011	At 31 December 2010
Aggregate amount of costs incurred and recognised profits (less recognised losses) to date	1,238	1,233
Less: Progress billings	(1,127)	(1,203)
Construction contracts, net of advances on contract work	**111**	**30**
Gross amount due from customers for contract work as an asset	200	135
Less: Gross amount due to customers for contract work as a liability included in Other current liabilities	(89)	(105)
Construction contracts, net of advances on contract work	**111**	**30**

At 30 September 2011 and at 31 December 2010, the amount of retentions by customers on contract work in progress was not significant.

18. Current receivables and Other current assets

(€ million)	At 30 September 2011	At 31 December 2010
Trade receivables	3,029	2,259
Receivables from financing activities	3,541	2,866
Current tax receivables	570	353
Other current assets:		
Other current receivables	1,536	1,410
Accrued income and prepaid expenses	363	118
Total other current assets	1,899	1,528
Total Current receivables and Other current assets	**9,039**	**7,006**

Other current receivables include amounts due from the tax authorities, security deposits and miscellaneous receivables.

Receivables from financing activities include the following:

(€ million)	At 30 September 2011	At 31 December 2010
Dealer financing	2,061	1,724
Retail financing	915	731
Finance leases	393	243
Supplier financing	51	48
Current financial receivables from jointly-controlled financial services entities	18	12
Financial receivables from companies under joint control, associates and unconsolidated subsidiaries	50	49
Other	53	59
Total Receivables from financing activities	**3,541**	**2,866**

Receivables from financing activities increased by €675 million over the period. Excluding translation exchange losses of €227 million (arising mainly from the decrease of the Brazilian Real exchange rate against the Euro) and changes resulting from consolidation of Chrysler, totalling €15 million, the item increased €887 million due to the increase in financing activities for the non-European financial services companies of Fiat Group Automobiles, also driven by positive sales performance in South America.

Financial receivables from jointly-controlled financial services entities includes financial receivables due from the FGA Capital group.

19. Current securities

At 30 September 2011, Current securities include mainly short-term or marketable securities which represent temporary investments readily convertible into cash, but which do not satisfy the requirements for being classified as Cash and cash equivalents.

20. Other financial assets and Other financial liabilities

These items include the measurement at fair value of derivative financial instruments at 30 September 2011.

In particular, the overall change in Other financial assets (from €516 million at 31 December 2010 to €558 million at 30 September 2011), and in Other financial liabilities (from €255 million at 31 December 2010 to €396 million at 30 September 2011), net of the effects arising from the consolidation of Chrysler (showing at 30 September 2011 Other financial assets of €139 million and Other financial liabilities of €98 million), is mainly due to the changes in exchange rates and interest rates over the period, as well as to the change in the fair value of the equity swaps on Fiat S.p.A. and Fiat Industrial S.p.A. ordinary shares.

The change in the value of hedging instruments is offset by the change in the value of the hedged item.

21. Cash and cash equivalents

Cash and cash equivalents include cash at banks, units in liquidity funds and other money market securities that are readily convertible into cash and are subject to an insignificant risk of changes in value, and amount to €17,853 million, of which €7,001 million related to cash and cash equivalents of Chrysler.

At 30 September 2011, the item includes approximately €15 million (€10 million at 31 December 2010) of restricted cash.

22. Assets and liabilities held for sale

Assets and liabilities held for sale at 30 September 2011 include the investment in a minor company in Brazil, which was classified as held for sale on acquisition, certain buildings and factories of the Comau and Fiat Group Automobiles sectors and the assets and liabilities of a Ferrari sector investment.

In addition to including certain buildings and factories of the Fiat Group Automobiles sector and to the above-mentioned investment in a minor company in Brazil, at 31 December 2010 the Assets and liabilities held for sale and Discontinued Operations included the assets and liabilities of businesses transferred to the Fiat Industrial Group through the Demerger. Further details about of amounts shown as Discontinued Operations may be found in the Section – Assets and liabilities held for sale and Discontinued Operations in the Consolidated financial statements at 31 December 2010.

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

(€ million)	At 30 September 2011	At 31 December 2010
Property, plant and equipment	8	3
Investments and other financial assets	58	65
Inventory	7	-
Trade receivables	-	-
Other receivables	2	-
Cash and cash equivalents	1	-
Total Assets held for sale	**76**	**68**
Assets classified as Discontinued Operations	**-**	**34,786**
Other payables	5	-
Total Liabilities held for sale	**5**	**-**
Liabilities classified as Discontinued Operations	**-**	**29,920**

23. Equity

Consolidated shareholders' equity at 30 September 2011 decreased by €699 million over 31 December 2010, mainly due to the Demerger for €4,533 million, a decrease of €152 million resulting from the distribution of dividends by Fiat S.p.A., and a decrease arising from exercising of the UST Call Option on the 6.031% fully diluted ownership interest in Chrysler and the acquisition of the 1.508% fully diluted ownership interest in Chrysler held by the Canadian government (totalling €438 million). These decreases were partially offset by the recognition, at the date of the acquisition of control, of the non-controlling interests of Chrysler amounting to €3,112 million and by the profit for the period of €1,386 million.

Share capital

At 30 September 2011, fully paid-up share capital amounts to €4,466 million (€6,377 million at 31 December 2010) and consists of 1,275,885,720 shares (1,275,452,595 shares at 31 December 2010) as follows:

- 1,092,680,610 ordinary shares;
- 103,292,310 preference shares;
- 79,912,800 savings shares;

All shares have a par value of €3.50 each (€5.00 each at 31 December 2010).

During the first nine months of 2011, the number of shares issued by Fiat S.p.A. increased by 433,125 and share capital increased by €2 million as certain managers exercised the options granted to them under the November 2006 stock option plan. The decrease in the share capital of Fiat S.p.A. resulting from the Demerger (which was carried out by reducing par value for all share classes from €5.00 per share to €3.50 per share) amounted to €1,913 million.

As a result of this reduction in par value per share for all share classes pursuant to the Demerger, the distribution entitlement for each class of shares was adjusted on a pro rata basis. The allocation of annual profit for Fiat S.p.A. will be as follows:

- to the legal reserve, 5% of net profit until the amount of the reserve is equal to one-fifth of share capital;
- to savings shares, a dividend of up to €0.217 per share;
- further allocations to the legal reserve, and allocations to the extraordinary reserve and/or to the retained earnings reserve as may be resolved by Shareholders;
- to preference shares, a dividend of up to €0.217 per share;
- to ordinary shares, a dividend of up to €0.1085 per share;
- to savings shares and ordinary shares, in equal amounts, an additional dividend of up to €0.1085 per share;
- to each ordinary, preference and savings share, in equal amounts, any remaining profit, which Shareholders may resolve to distribute.

When the dividend paid to savings shares in any year amounts to less than €0.217, the difference shall be added to the preferred dividend to which shareholders are entitled in the following two years.

If the savings shares are delisted, any bearer shares shall be converted into registered shares with entitlement to a dividend that is €0.1225, rather than €0.1085, higher than the dividend paid on ordinary and preference shares.

If the ordinary shares are delisted, holders of savings shares shall be entitled to a dividend that is €0.140 higher than the dividend paid on ordinary and preference shares.

In the event of a winding-up, the Company's assets shall be distributed in the following order of priority: repayment of savings shares up to their par value, repayment of preference shares up to their par value, repayment of ordinary shares up to their par value; any balance remaining, in an equal pro rata amount to shares of all three classes.

Treasury shares

Treasury shares consist of 38,568,458 Fiat S.p.A. ordinary shares for an amount of €289 million (€657 million at 31 December 2010).

The reduction in the carrying amount of Treasury shares over 31 December 2010 is a consequence of the Demerger and the Fiat S.p.A. allotment of 38,568,458 ordinary shares in Fiat Industrial S.p.A., recognised as an asset in the Statement of Financial Position at an initial amount of €368 million as discussed in Note 15.

These Treasury shares were purchased under an original authorisation for the purchase of treasury shares (the "Programme") renewed by Shareholders in general meeting on 27 March 2009 and already granted by the general meeting on 31 March 2008. The authorisation provided for the purchase of a maximum number of shares, for all three classes combined, not to exceed 10% of share capital or a purchase value of €1.8 billion, inclusive of existing restricted reserves of €657 million. In order to maintain the necessary operating flexibility over an adequate time period and given that their authorisation expired on 27 September 2010, on 26 March 2010 Shareholders in general meeting extended the term permitted for the purchase and disposal of treasury shares, including transactions carried out through subsidiary companies, by a further 18 months period, at the same time revoking the authorisation given by them in the general meeting of 27 March 2009 to the extent not exercised at that date. The authorisation provided for the purchase of a maximum number of shares, for all three classes combined, not to exceed 10% of share capital or a purchase value of €1.8 billion, inclusive of the €657 million in Fiat shares already held by the Company.

At the extraordinary general meeting of 16 September 2010, in consideration of the reduction in the par value of Fiat S.p.A. shares from €5.00 to €3.50 per share as a result of the Demerger, Shareholders approved a reduction in the authorisation for the purchase of treasury shares to a maximum value of €1.2 billion, without altering the condition that the total number of shares, in all three classes, may not exceed 10% of share capital or any of the other provisions approved by Shareholders on 26 March 2010, and without amending the authorisation expiry date of 26 September 2011. Reaffirming that the share buy-back programme has been placed on hold, the Board of Directors, in order to maintain the necessary operating flexibility for an adequate period, made a proposal to Shareholders at the Annual General Meeting on 30 march 2011, which was approved, for the authorisation for the purchase be renewed for a period of 18 months and for the maximum amount of shares for the three classes not to exceed the legally established percentage of share capital, and €1.2 billion including the existing restricted reserve for treasury shares, which after the effects of the Demerger discussed earlier amounts to €289 million.

Capital reserves

At 30 September 2011, Capital reserves amounting to €147 million (€601 million at 31 December 2010) were reduced by €457 million as a consequence of the Demerger.

Earnings reserves

The main earnings reserves are as follows:

- the legal reserve of Fiat S.p.A. of €523 million at 30 September 2011 (€716 million at 31 December 2010) which was reduced by €215 million as a consequence of the Demerger;
- retained earnings of €2,025 million at 30 September 2011 (retained earnings of €2,796 million at 31 December 2010);
- the income attributable to owners of the parent of €1,291 million at 30 September 2011 (income of €520 million for the year ended 31 December 2010);
- the share-based payments reserve totalling €50 million at 30 September 2011 (€113 million at 31 December 2010).

  As discussed in Note 23 to the Consolidated Financial Statements at 31 December 2010, on the Demerger the underlying of the stock option and the stock grant plans outstanding at 31 December 2010 was changed by allowing the beneficiaries of the options or stock grants to receive one ordinary Fiat share and one ordinary Fiat Industrial share for each right held, with the option exercise price (for stock option plans) and the free grant of shares (for the stock grant plan) remaining unchanged. In accordance with IFRS 2 – *Share based payments*, this change required that the stock option and stock grant plans be accounted for as compound financial instruments and in particular that the Reserve for share-based payments at that date be separated into a liability component (the counterparty's right to receive one Fiat Industrial S.p.A. share) and an equity component (the counterparty's right to receive one Fiat S.p.A. share). All stock option and stock grant plans, with the exception of the portion of the 2006 Plan relating to managers for which a capital increase was approved, will be serviced with Treasury shares already held by Fiat S.p.A. and Fiat Industrial ordinary shares that were allotted as a result of the Demerger. The alignment of the underlying of the plans described above led to the reclassification of a portion of this reserve (amounting to €62 million) to Liabilities for share-based payments (Note 24). On the day on which the Fiat Industrial S.p.A. shares were first quoted, this amount represented the portion of the book value of the Reserve for share-based payments attributable to each plan and relating to the component of the plans which will be serviced by Fiat Industrial S.p.A. shares, calculated on the basis of the weighting of the quotations of the two shares at that date.

Other comprehensive income

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

(€ million)	3rd Quarter 2011	3rd Quarter 2010	01/01-30/09 2011	01/01-30/09 2010
Gains/(Losses) on cash flow hedges arising during the period	(98)	272	(45)	(140)
Reclassification adjustment for gains/(losses) on cash flow hedges included in income statement	45	35	8	261
Gains/(Losses) on cash flow hedges	**(53)**	307	**(37)**	121
Gains/(Losses) on fair value of available-for-sale financial assets arising during the period	(53)	2	(54)	(3)
Reclassification adjustment for gains/(losses) on fair value of available-for-sale financial assets included in income statement	-	-	-	-
Gains/(Losses) on fair value of available-for-sale financial assets	**(53)**	2	**(54)**	(3)
Gains/(Losses) on exchange differences on translating foreign operations arising during the period	229	(531)	113	545
Gains/(Losses) on exchange differences on translating foreign operations included in income statement	-	-	-	-
Gains/(Losses) on exchange differences on translating foreign operations	**229**	(531)	**113**	545
Share of Other comprehensive income of entities consolidated by using the equity method arising during the period	(9)	(50)	(66)	85
Reclassification adjustment for the share of Other comprehensive income of entities consolidated by using the equity method	(9)	(3)	(26)	16
Share of Other comprehensive income of entities consolidated by using the equity method	**(18)**	(53)	**(92)**	101
Income tax relating to components of Other comprehensive income	**7**	(42)	**(3)**	(2)
Total Other comprehensive income for the year, net of tax	**112**	(317)	**(73)**	762

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

(€ million)	3rd Quarter 2011 Before tax amount	3rd Quarter 2011 Tax (expense) benefit	3rd Quarter 2011 Net-of-tax amount	3rd Quarter 2010 Before tax amount	3rd Quarter 2010 Tax (expense) benefit	3rd Quarter 2010 Net-of-tax amount
Gains/(Losses) on cash flow hedges	(53)	7	(46)	307	(42)	265
Gains/(Losses) on fair value of available-for-sale financial assets	(53)	-	(53)	2	-	2
Gains/(Losses) on exchange differences on translating foreign operations	229	-	229	(531)	-	(531)
Share of other comprehensive income of entities consolidated by using the equity method	(18)	-	(18)	(53)	-	(53)
Total Other comprehensive income	**105**	**7**	**112**	**(275)**	**(42)**	**(317)**

(€ million)	01/01-30/09 2011 Before tax amount	01/01-30/09 2011 Tax (expense) benefit	01/01-30/09 2011 Net-of-tax amount	01/01-30/09 2010 Before tax amount	01/01-30/09 2010 Tax (expense) benefit	01/01-30/09 2010 Net-of-tax amount
Gains/(Losses) on cash flow hedges	(37)	(4)	(41)	121	(2)	119
Gains/(Losses) on fair value of available-for-sale financial assets	(54)	1	(53)	(3)	-	(3)
Gains/(Losses) on exchange differences on translating foreign operations	113	-	113	545	-	545
Share of other comprehensive income of entities consolidated by using the equity method	(92)	-	(92)	101	-	101
Total Other comprehensive income	**(70)**	**(3)**	**(73)**	764	(2)	762

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

24. Provisions

(€ million)		At 30 September 2011		At 31 December 2010
Employee benefits		6,813		1,704
Other provisions:				
Warranty provision	3,366		970	
Restructuring provision	383		202	
Investment provision	25		26	
Other risks	4,737		2,022	
Total Other provisions		8,511		3,220
Total Provisions		**15,324**		**4,924**

Provisions for Employee benefits include provisions for both pension plans and other post-employment benefits. The significant increase in Provisions for Employee benefits is attributable to the initial consolidation of Chrysler provisions totalling €5,044 million.

At 30 September 2011, Employee benefits include €97 million relating to Liabilities for share-based payment plans arising on the alignment of the underlying of the stock option and stock grant plans due to the Demerger and discussed in Note 23. As discussed above, in accordance with IFRS 2 and IAS 39 the component of the plans which will be serviced by Fiat Industrial S.p.A. shares was initially reclassified from the equity account Reserve for share-based payments and measured on the basis of the proportion of the book value of the Reserve for share-based payments, calculated by taking into account the weighting of the stock market prices of Fiat and Fiat Industrial shares on the day on which the Fiat Industrial S.p.A. shares were first quoted. At the same time the liability was aligned to fair value (€164 million) with a corresponding entry being made to Earnings reserves. For the stock grant plan the fair value of the liability is equal to the market price (stock market price) of the Fiat Industrial shares. For the stock option plans it was considered appropriate to calculate this amount by allocating a strike price to the options equal to the nominal value of the Fiat Industrial shares. After initial recognition any changes in the fair value of this liability and the notional charge yet to vest for the stock grants are recognised in the income statement.

Reserves for risks and charges and other reserves amount to €4,737 million at 30 September 2011 (€2,022 million at 31 December 2010) and include provisions for contractual, commercial and legal risks. The significant increase in Provisions for risk and charges is attributable to the initial consolidation of Chrysler provisions, of a similar nature to those of Fiat Group excluding Chrysler, totalling €2,374 million.

25. Debt

(€ million)	At 30 September 2011	At 31 December 2010
Asset-backed financing	738	533
Other debt:		
Bonds	12,602	9,019
Borrowings from banks	7,202	6,657
Payables represented by securities	4,622	247
Other	1,785	1,483
Total Other debt	26,211	17,406
Debt payable to the Discontinued Operations	-	**2,865**
Total Debt	**26,949**	**20,804**

The increase of €6,145 million in Debt over 31 December 2010, is mainly attributable to the initial consolidation of Chrysler debt totalling €9,495 million. Excluding the consolidation of the Chrysler debt and the repayment of an amount of €2,865 million of debt to Discontinued Operations, Debt fell by €485 million. During the period the Group issued new bonds for €2,500 million and repaid bonds on maturity for €1,325 million. Medium and long term borrowings and credit lines that were repaid or transferred to the Fiat Industrial treasuries amount to €3,576 million, and the medium and long term borrowings that were issued amounted to €1,697 million. In addition, Fiat closed in July 2011 a syndicated credit line amounting to €1,750 million available to the treasuries entities of the Fiat Group excluding Chrysler. This facility was syndicated and increased by €200 million at the beginning of October.

Bonds

The principal bond issues outstanding at 30 September 2011 are as follows:

	Currency	Face value of outstanding bonds (in million)	Coupon	Maturity	Outstanding amount (€ million)
Global Medium Term Notes:					
Fiat Finance and Trade Ltd S.A. (1)	EUR	123	(2)	(2)	123
Fiat Finance and Trade Ltd S.A. (1)	EUR	1,000	5.625%	15 November 2011	1,000
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,250	9.000%	30 July 2012	1,250
Fiat Finance and Trade Ltd S.A. (3)	EUR	200	5.750%	18 December 2012	200
Fiat Finance and Trade Ltd S.A. (3)	EUR	900	6,125%	8 July 2014	900
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,250	7.625%	15 September 2014	1,250
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,500	6.875%	13 February 2015	1,500
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,000	6.375%	1st April 2016	1,000
Fiat Finance North America Inc. (3)	EUR	1,000	5.625%	12 June 2017	1,000
Fiat Finance and Trade Ltd S.A. (3)	EUR	600	7.375%	9 July 2018	600
Others (4)					7
Total Global Medium Term Notes					**8,830**
Other bonds:					
Fiat Finance and Trade Ltd S.A. (3)	EUR	1,000	6.625%	15 February 2013	1,000
Chrysler Group LLC	USD	1,500	8.000%	15 June 2019	1,111
Chrysler Group LLC	USD	1,700	8.250%	15 June 2021	1,259
Total Other bonds					**3,370**
Hedging effect and amortised cost valuation					**402**
Total Bonds					**12,602**

(1) Bonds listed on the Mercato Obbligazionario Telematico of the Italian stock exchange (EuroMot). In addition, the majority of the bonds issued by the Fiat Group are also listed on the Luxembourg stock exchange.

(2) “Fiat Step-Up Amortizing 2001-2011” bonds repayable at face value in five equal annual instalments each for 20% of the total issued (€617 million) due beginning from the sixth year (7 November 2007) by reducing the face value of each bond outstanding by one-fifth. The last instalment will be repaid on 7 November 2011. The bonds pay coupon interest equal to: 4.40% in the first year (7 November 2002), 4.60% in the second year (7 November 2003), 4.80% in the third year (7 November 2004), 5.00% in the fourth year (7 November 2005), 5.20% in the fifth year (7 November 2006), 5.40% in the sixth year (7 November 2007), 5.90% in the seventh year (7 November 2008), 6.40% in the eighth year (7 November 2009), 6.90% in the ninth year (7 November 2010), 7.40% in the tenth year (7 November 2011).

(3) Bond for which a listing on the Irish Stock Exchange was obtained.

(4) Bonds with amounts outstanding equal to or less than the equivalent of €50 million.

Changes in bonds during the first nine months of 2011 are mainly due to:

- the repayment on maturity of a bond having a nominal value of €1,300 million issued by Fiat Finance and Trade Ltd S.A. in 2001 as part of the Global Medium Term Notes Programme;
- the issue by Fiat Finance and Trade Ltd. S.A. as part of the Global Medium Term Notes Programme of a note, having a principal of €1,000 million, due in April 2016 and bearing fixed interest of 6.375%; a €900 million note due in July 2014 bearing fixed interest of 6.125% and a €600 million note due in July 2018 bearing fixed interest of 7.375%. All these notes were issued at par;
- the inclusion of Chrysler in the scope of consolidation, which resulted in the recognition of the notes issued by Chrysler (the “Chrysler Senior Secured Notes”) having a nominal value of $1,500 and $1,700 million and falling due in 2019 and in 2021 respectively.

Further information about bonds issued by Fiat Finance and Trade Ltd S.A. and by Fiat Finance North America Inc. is included in Note 26 to the Consolidated Financial Statements at 31 December 2010. The prospectuses and offering circulars, or their abstracts, relating to the principal bond issues are available on the Group’s website at www.fiatspa.com under “Investor Relations – Financial Reports”. These documents are unaudited.

The Fiat Group intends to repay the bonds issued by Fiat Finance and Trade Ltd S.A. and by Fiat Finance North America Inc. in cash at maturity by utilising available liquid resources. In addition, the companies in the Fiat Group may from time to time buy back bonds on the market that have been issued by the Group, also for purposes of their cancellation. Such buybacks, if made, depend upon market conditions, the financial situation of the Group and other factors which could affect such decisions.

Chrysler’s Senior Secured Notes are secured by liens junior to the Senior Credit Facilities on substantially all of Chrysler Group LLC’s assets and the assets of the subsidiary guarantors, including 100% of the equity interests in Chrysler’s U.S.

subsidiaries and 65% of the equity interests in non U.S. subsidiaries held directly by Chrysler and the subsidiary guarantors.

Borrowing from banks

At 30 September 2011, the item Borrowings from banks includes for €2,242 million, a $3 billion term loan ("Tranche B Term Loan") that is payable in equal quarterly instalments of $7.5 million, with the remaining balance due in May 2017.

Medium/Long term Committed credit lines (expiring after twelve months) available to the treasury of Fiat Group excluding Chrysler amount to approximately €2.9 billion at 30 September 2011, of which €1.8 billion were undrawn. This amount does not include additional €0.6 billion committed credit lines dedicated to future investments of operating entities which expire beyond twelve months and were also undrawn at 30 September 2011.

At 30 September 2011, Chrysler has an undrawn secured revolving credit facility ("Revolving Credit Facility") amounting to $1.3 billion (€1 billion).

Chrysler's Senior Credit Facilities, which include the above mentioned Tranche B Term Facility and the Revolving Credit Facility, are secured by a senior priority security interest in substantially all of Chrysler Group LLC's assets and the assets of the subsidiary guarantors under the Senior Credit Facilities (subject to certain exceptions, including certain assets that may secure a proposed credit facility with the Department of Energy in connection with the Advanced Technology Vehicles Manufacturing Loan Program), including 100% of the equity interests in Chrysler's U.S. subsidiaries and 65% of the equity interests in non U.S. subsidiaries held directly by Chrysler and the subsidiary guarantors under the Senior Credit Facilities.

Payables represented by securities

At 30 September 2011, the item Payables represented by securities includes the VEBA Trust Note of €3,663 million, which represents Chrysler's financial liability to the United Automobile, Aerospace, and Agricultural Implement Workers of America ("UAW") Retiree Medical Benefits Trust ("VEBA Trust") having a face value of $4,836 million (€3,581 million). This financial liability was recognised by Chrysler in connection with the settlement of obligations related to postretirement healthcare benefits for certain UAW retirees. The VEBA Trust Note has an implied interest rate of 9.0% and requires annual payments of principal and interest through 15 July 2023.

At 30 September 2011, Chrysler's Payables represented by securities also includes the Canadian Health Care Trust Notes totalling €749 million, which represents Chrysler's financial liability to the Canadian Health Care Trust arising from the settlement of postretirement health care benefits for certain employees, retirees and dependants of Chrysler Canada represented by the National Automobile, Aerospace, Transportation and General Workers Union of Canada ("CAW"). These notes were issued in four tranches maturing between 2012 and 2024.

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Fiat Group Debt secured by collateral, with exception of borrowing relating to the *Senior Credit Facilities* of Chrysler described in greater detail above, totalled €670 million at 30 September 2011 (€324 million at 31 December 2010). This amount includes balances of €496 million (€286 million at 31 December 2010) due to creditors for assets acquired under finance leases, of which €201 million related to Chrysler.

26. Trade payables

Trade payables of €14,791 million at 30 September 2011 increased €5,446 million over 31 December 2010 mainly due to the consolidation of Chrysler.

27. Other current liabilities

At 30 September 2011, Other current liabilities included €2,205 million of amounts payable to customers relating to buy-back agreements (€822 million at 31 December 2010) and accrued expenses and deferred income of €1,714 million (€806 million at 31 December 2010). The increase over 31 December 2010 consists of €3,516 million attributable to the consolidation of Chrysler.

28. Guarantees granted, commitments and other contingent liabilities

Guarantees granted

At 30 September 2011, the Group had outstanding guarantees on the debt or commitments of third parties or unconsolidated subsidiaries or jointly-controlled entities totalling €75 million (€51 million at 31 December 2010).

In addition, at 30 September 2011 completion was taking place of the transfer of certain guarantees issued by Fiat S.p.A. on behalf of Banco CNH Capital S.A. in Brazil, for loans made by Banco Nacional de Desenvolvimento Econômico e Social (BNDES) and by Agência Especial de Financiamento Industrial (FINAME) to Banco CNH Capital S.A. for a total of €678 million. In respect of those guarantees, Fiat S.p.A. has moreover obtained advance agreement from the creditors for the transfer of their balances to Fiat Industrial S.p.A., and has additionally obtained indemnity from Fiat Industrial S.p.A. for the commitments relating to the guarantees pledged.

Other commitments and significant contractual rights

The Fiat Group has significant commitments and rights deriving from outstanding agreements. Rights concerning the investment in Chrysler Group LLC are described in Section – Investment in Chrysler. In addition, for the first nine months of 2011, there were no changes relating to Fiat's relationship with Renault in connection with the subsidiary Teksid (see Note 29 of the Consolidated Financial Statements at 31 December 2010).

Additionally, following its acquisition of the 50% interest in VM Motori group, the Fiat Group is party to a put and call agreement with GM under which two years after the date of this acquisition Fiat will have the right to buy the residual interest in VM Motori from General Motors. Furthermore, General Motors has a put option to sell its interest in VM Motori to Fiat if certain conditions occur.

Lawsuits and controversies

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

Sales of receivables

The Group has discounted receivables and bills without recourse having due dates beyond 30 September 2011 amounting to €3,126 million (€3,524 million at 31 December 2010, with due dates beyond that date), which refer to trade receivables and other receivables for €2,330 million (€2,761 million at 31 December 2010) and financial receivables for €796 million (€763 million at 31 December 2010). The amount includes receivables, mostly due from the sales network, of €2,169 million (€2,376 million at 31 December 2010) sold to jointly-controlled financial services companies (FGA Capital).

29. Information by sector

As communicated on 28 July 2011, as a result of the acquisition of majority ownership of Chrysler Group and consistent with the objective of enhancing the operational integration of Fiat S.p.A. and Chrysler Group, Fiat S.p.A. announced significant organizational changes effective beginning of September 2011. The effects of such organizational changes on the composition of the Fiat Group operating segments will be reflected on the information by sector, under IFRS 8, once all necessary economic and financial information has been determined and is available. Changes in information by sector have therefore not been reflected in this note.

In accordance with IFRS 8 – *Operating Segments*, as a result of the Demerger which took place on 1 January 2011 and the acquisition of the control of Chrysler which occurred on 24 May 2011, the Group's disclosures by operating segment have been improved to reflect the current internal reporting used by the Group's Chief Executive Officer to make strategic decisions. As a result of the Demerger and the classification of the Industrial & Marine activities of the FPT Powertrain Technologies as Discontinued Operations in the Consolidated financial statements for the year ended 31 December 2010, this sector is no longer presented separately, while the Fiat Powertrain sector (which includes the Passenger & Commercial Vehicles business line) is presented separately as part of Continuing Operations and the FPT Industrial sector (which includes the Industrial & Marine business line) is presented separately as part of Discontinued Operations. The comparative figures for the third quarter of 2010 and the first nine months of 2010 presented in this Quarterly report have been accordingly restated.

In addition, following the inclusion of Chrysler in the scope of consolidation of the Fiat Group, the operating segment representing Chrysler has been added to the operating segments of the Continuing Operations of the Fiat Group (Fiat Group Automobiles, Maserati, Ferrari, Fiat Powertrain, Magneti Marelli, Teksid, and Comau). This operating segment generates its revenues from the design, development, production, distribution and sale of automobiles under the Chrysler, Jeep, Dodge and Ram brand names, together with the related parts and accessories (under the Mopar brand name). The segment's product line consists of cars (including SUVs and crossovers), minivans, pick-ups and medium-duty trucks.

The Group continues to assess the performance of its operating segments on the basis of the Trading profit/(loss), Operating profit/(loss) and Result from investments of those segments. Revenues for each reported segment are those directly generated by or attributable to the segment as the result of its usual business activities and include revenues from transactions with third parties as well as those deriving from transactions with other segments, recognised at normal market prices. For those operating segments which also provide financial services activities, revenues include interest income and other financial income deriving from those activities. Segment expenses represent expenses deriving from each segment's business activities both with third parties and other operating segments or which may otherwise be directly attributable to it. Expenses deriving from business activities with other segments are recognised at normal market prices. For those operating segments which also carry out financial services activities, expenses include interest expense and other financial expense deriving from those activities.

The measure used to assess profit and loss for each operating segment is Operating profit/(loss). Trading profit/(loss) is reported as a specific part of the Operating profit/(loss) to separate the income and expense that is non-recurring in the ordinary operations of the business, such as gains and losses from the disposals of investments or restructuring costs, from profit or loss attributable to the segments. Financial income and expense and taxes are recognised centrally in the management of the Fiat Group excluding Chrysler, as they are not directly attributable to the performance of the operating segments and are subject to the overall assessment by the Chief Executive Officer: they are therefore reported under Unallocated items and adjustments. Financial income (expenses) and taxes is allocated to the Chrysler sector income statement line items since the Fiat Group and the Chrysler group have, and are expected to continue to have separate fiscal and treasury management, including funding and cash management.

Profit and loss items are recognised in accordance with the same accounting principles used in the preparation of the Group's consolidated financial statements.

The Income statement by sector for the Fiat Group for the third quarter of 2011 and for Continuing Operations for the third quarter of 2010 is as follows:

(€ million)	FGA	Maserati	Ferrari	Magneti Marelli	Fiat Powertrain	Teksid	Comau	Other Businesses	Unallocated items & adjustments	Fiat Group excluding Chrysler	Chrysler	Elim. and adjust	FIAT Group
3rd Quarter 2011													
Segment revenues	6,520	142	525	1,374	1,002	229	371	277	(1,627)	8,813	9,284	(545)	17,552
Revenues from transactions with other operating segments (**)	(78)	(24)	(5)	(468)	(874)	(47)	(110)	(130)	1,627	(109)	(436)	545	-
Revenues from external customers	6,442	118	520	906	128	182	261	147	-	8,704	8,848	-	17,552
Trading profit/(loss)	128	8	77	43	29	12	4	(12)	6	295	556	-	851
Unusual income/(expense)	(60)	-	-	-	-	-	-	1	(1)	(60)	3	-	(57)
Operating profit/(loss)	68	8	77	43	29	12	4	(11)	5	235	559	-	794
Financial income/(expense)									(334)	(334)	(209)	-	(543)
Interest in profit/(loss) of joint ventures and associates accounted for using the equity method	29	-	-	(1)	(5)	-	-	1	1	25	6	-	31
Other profit/(loss) from investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Result from investments	29	-	-	(1)	(5)	-	-	1	1	25	6	-	31
Profit/(loss) before taxes									-	(74)	356	-	282
Income taxes									136	136	34	-	170
Profit/(loss) from Continuing Operations									-	(210)	322	-	112

(€ million)	FGA	Maserati	Ferrari	Magneti Marelli	Fiat Powertrain	Teksid	Comau	Other Businesses	Unallocated items & adjustments	Fiat Group excluding Chrysler	Chrysler	Elim. and Adjust	FIAT Group
3rd Quarter 2010 (*)													
Segment revenues	6,550	134	446	1,283	1,014	197	254	173	(1,607)	8,444	-	-	8,444
Revenues from transactions with other operating segments (**)	(44)	(15)	(13)	(471)	(881)	(47)	(73)	(63)	1,607	-	-	-	-
Revenues from external customers	6,506	119	433	812	133	150	181	110	-	8,444	-	-	8,444
Trading profit/(loss)	130	4	76	24	45	9	-	(34)	2	256	-	-	256
Unusual income/(expense)	(1)	-	-	-	-	-	-	-	(1)	(2)	-	-	(2)
Operating profit/(loss)	129	4	76	24	45	9	-	(34)	1	254	-	-	254
Financial income/(expense)									(27)	(27)	-	-	(27)
Interest in profit/(loss) of joint ventures and associates accounted for using the equity method	19	-	-	-	(8)	-	-	3	-	14	-	-	14
Other profit/(loss) from investments	-	-	-	(1)	-	-	-	2	(1)	-	-	-	-
Result from investments	19	-	-	(1)	(8)	-	-	5	(1)	14	-	-	14
Profit/(loss) before taxes									-	241	-	-	241
Income taxes									168	168	-	-	168
Profit/(loss) from continuing operations									-	73	-	-	73

(*) In accordance with IFRS 5, the figures for the third quarter of 2010 have been reclassified and no longer include amounts relating to the business transferred to the Fiat Industrial Group and classified within the Post-tax profit (loss) from Discontinued operations.

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

The Income statement by sector for the Fiat Group for the first nine months of 2011 and for Continuing Operations for the first nine months of 2010 is as follows:

(€ million)	FGA	Maserati	Ferrari	Magneti Marelli	Fiat Powertrain	Teksid	Comau	Other Businesses	Unallocated items & adjustments	Fiat Group excluding Chrysler	Chrysler (+)	Elim. and Adjust	FIAT Group
01/01-30/09 2011													
Segment revenues	**21,085**	**445**	**1,605**	**4,400**	**3,438**	**705**	**1,004**	**830**	**(5,499)**	**28,013**	**12,609**	**(707)**	**39,915**
Revenues from transactions with other operating segments (**)	(209)	(67)	(45)	(1,595)	(2,924)	(171)	(281)	(363)	5,499	**(156)**	(551)	707	**-**
Revenues from external customers	**20,876**	**378**	**1,560**	**2,805**	**514**	**534**	**723**	**467**	**-**	**27,857**	**12,058**	**-**	**39,915**
Trading profit/(loss)	**445**	**26**	**212**	**127**	**98**	**26**	**8**	**(36)**	**15**	**921**	**706**	**-**	**1,627**
Unusual income/(expense)	1,556	-	-	(153)	2	(18)	(129)	(23)	(14)	**1,221**	(220)	-	**1,001**
Operating profit/(loss)	**2,001**	**26**	**212**	**(26)**	**100**	**8**	**(121)**	**(59)**	**1**	**2,142**	**486**	**-**	**2,628**
Financial income/(expense)									(632)	**(632)**	(279)	-	**(911)**
Interest in profit/(loss) of joint ventures and associates accounted for by the equity method	95	-	-	(2)	(11)	2	-	1	2	**87**	6	-	**93**
Other profit/(loss) from investments	1	-	-	(13)	-	-	-	(2)	-	**(14)**	-	-	**(14)**
Result from investments	**96**	**-**	**-**	**(15)**	**(11)**	**2**	**-**	**(1)**	**2**	**73**	**6**	**-**	**79**
Profit/(loss) before taxes									**-**	**1,583**	**213**	**-**	**1,796**
Income taxes									376	**376**	34	-	**410**
Profit/(loss) from continuing operations									**-**	**1,207**	**179**	**-**	**1,386**

(€ million)	FGA	Maserati	Ferrari	Magneti Marelli	Fiat Powertrain	Teksid	Comau	Other Businesses	Unallocated items & adjustments	Fiat Group excluding Chrysler	Chrysler	Elim. and Adjust	FIAT Group
01/01-30/09 2010 (*)													
Segment revenues	**20,740**	**435**	**1,349**	**3,956**	**3,120**	**569**	**738**	**590**	**(5,069)**	**26,428**	**-**	**-**	**26,428**
Revenues from transactions with other operating segments (**)	(176)	(54)	(41)	(1,550)	(2,715)	(151)	(185)	(197)	5,069	-	-	-	-
Revenues from external customers	**20,564**	**381**	**1,308**	**2,406**	**405**	**418**	**553**	**393**	**-**	**26,428**	**-**	**-**	**26,428**
Trading profit/(loss)	**468**	**16**	**192**	**69**	**99**	**15**	**1**	**(76)**	**9**	**793**	**-**	**-**	**793**
Unusual income/(expense)	(26)	-	-	1	-	-	-	1	(1)	(25)	-	-	(25)
Operating profit/(loss)	**442**	**16**	**192**	**70**	**99**	**15**	**1**	**(75)**	**8**	**768**	**-**	**-**	**768**
Financial income/(expense)									(355)	(355)	-	-	(355)
Interest in profit/(loss) of joint ventures and associates accounted for by the equity method	107	-	-	(2)	(6)	-	-	(5)	2	96	-	-	96
Other profit/(loss) from investments	(1)	-	-	(3)	-	-	-	2	(1)	(3)	-	-	(3)
Result from investments	**106**	**-**	**-**	**(5)**	**(6)**	**-**	**-**	**(3)**	**1**	**93**	**-**	**-**	**93**
Profit/(loss) before taxes									**-**	**506**	**-**	**-**	**506**
Income taxes									437	437	-	-	437
Profit/(loss) from Continuing operations									**-**	**69**	**-**	**-**	**69**

(+) Amounts reported for Chrysler for for the first nine months of 2011 include only four months of operations.

(*) In accordance with IFRS 5, the figures for the first nine months of 2010 have been reclassified and no longer include amounts relating to the business transferred to the Fiat Industrial Group and classified within the Post-tax profit (loss) from Discontinued operations.

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

In the Statement of Financial Position, segment operating assets are those assets employed by each segment in carrying out its usual activities or those which may be reasonably allocated to it on the basis of its usual activities, including the carrying amount of investments in joint ventures and associates. Segment liabilities are those liabilities arising directly from each segment's usual activities or which may be reasonably allocated to it on the basis of its usual activities. As stated above, treasury and fiscal activities in the Fiat Group excluding Chrysler remain the responsibility of corporate because they are not directly attributable to the performance of the operating segments and are subject to global assessment by the Chief Executive Officer; these assets and liabilities are therefore not included in the assets and liabilities allocated to the segments, but are instead reported under Unallocated items and adjustments. In particular, treasury assets include amounts receivable from financing activities, other non-current receivables, securities and other financial assets, and cash and cash equivalents of the Group's industrial entities. Treasury liabilities, on the other hand, include debt and other financial liabilities of the Group's industrial entities, net of current financial receivables from jointly-controlled financial services entities. As the segment Profit/(loss) includes the Interest income and other financial income and Interest expense and other financial expense of the financial services entities, the segment operating assets of Fiat Group Automobiles and Ferrari also include the financial assets (predominantly the loan portfolio) of their financial services companies. Similarly, liabilities for those segments include the debt of the financial services companies. The unallocated Group debt accordingly solely represents the debt of the industrial entities of the Fiat Group excluding Chrysler. The tax and treasury activities, including funding and cash management, of Chrysler on the other hand are and are expected to continue to be maintained separately, and are therefore fully allocated to the sector's assets and liabilities.

Total Assets and Liabilities by sector at 30 September 2011 and at 31 December 2010 are as follows:

(€ million)	FGA	Maserati	Ferrari	Magneti Marelli	Fiat Powertrain	Teksid	Comau	Other Businesses	Unallocated items & adjustments	FIAT Group excluding Chrysler	Chrysler	Elim. and Adjust	FIAT Group
At 30 September 2011													
Segment operating assets	21,750	421	1,920	3,209	3,256	547	802	9,811	(9,582)	**32,134**	30,264	(5,077)	**57,321**
Tax assets									2,165	**2,165**	95	-	**2,260**
Receivables from financing activities, Non-current Other receivables and Securities of industrial companies									*617*	***617***	*267*	-	**884**
Cash and cash equivalents, Current securities and Other financial assets of industrial companies									*11,296*	***11,296***	*7,140*	-	**18,436**
Cash and cash equivalents, included in assets held for sale									*1*	**1**	-	-	**1**
Total Treasury assets (unallocated for Fiat Group excluding Chrysler sector)									11,914	**11,914**	**7,407**	-	**19,321**
Total Group assets (unallocated for Fiat Group excluding Chrysler sector)									14,079	**14,079**	**7,502**	-	**21,581**
Total assets allocated to sectors	**21,750**	**421**	**1,920**	**3,209**	**3,256**	**547**	**802**	**9,811**	**4,497**	**46,213**	**37,766**	**(5,077)**	**78,902**
Total Assets										**46,213**	**37,766**	**(5,077)**	**78,902**
Segment operating liabilities	15,459	367	1,464	1,675	2,120	311	633	1,025	(1,343)	**21,711**	**19,978**	(774)	**40,915**
Tax liabilities									677	**677**	1,340	-	**2,017**
Treasury liabilities									14,180	**14,180**	10,028	-	**24,208**
Total liabilities (unallocated for Fiat Group excluding Chrysler sector)									14,857	**14,857**	11,368	-	**26,225**
Total liabilities allocated to sectors	**15,459**	**367**	**1,464**	**1,675**	**2,120**	**311**	**633**	**1,025**	**13,514**	**36,568**	**31,346**	**(774)**	**67,140**
Total Liabilities										**36,568**	**31,346**	**(774)**	**67,140**

(€ million)	FGA	Maserati	Ferrari	Magneti Marelli	Fiat Powertrain	Teksid	Comau	Other Businesses	Unallocated items & adjustments	FIAT Group excluding Chrysler	Chrysler	Elim. and Adjust	FIAT Group
At 31 December 2010													
Segment operating assets	**17,027**	**382**	**1,667**	**3,395**	**3,419**	**581**	**697**	**17,102**	**(17,501)**	**26,769**	**-**	**-**	**26,769**
Tax assets	-	-	-	-	-	-	-	-	2,031	**2,031**	-	-	**2,031**
Receivables from financing activities, Non-current Other receivables and Securities of industrial companies	-	-	-	-	-	-	-	-	*273*	**273**	-	-	**273**
Cash and cash equivalents, Current securities and Other financial assets of industrial companies	-	-	-	-	-	-	-	-	*12,380*	**12,380**	-	-	**12,380**
Total Treasury assets (unallocated for Fiat Group excluding Chrysler sector)									**12,653**	**12,653**	**-**	-	**12,653**
Total Group assets (unallocated for Fiat Group excluding Chrysler sector)									**14,684**	**14,684**	**-**	**-**	**14,684**
Total assets allocated to sectors	**17,027**	**382**	**1,667**	**3,395**	**3,419**	**581**	**697**	**17,102**	**(2,817)**	**41,453**	**-**	**-**	**41,453**
Assets included in Discontinued Operation										**31,989**	**-**	**-**	**31,989**
Total Assets										**73,442**	**-**	**-**	**73,442**
Segment operating liabilities	**14,796**	**350**	**1,141**	**2,045**	**1,826**	**293**	**513**	**1,162**	**1,125**	**23,251**	**-**	**-**	**23,251**
Tax liabilities	-	-	-	-	-	-	-	-	514	**514**	-	**-**	**514**
Treasury liabilities	-	-	-	-	-	-	-	-	12,922	**12,922**	-	**-**	**12,922**
Total liabilities (unallocated for Fiat Group excluding Chrysler sector)									13,436	**13,436**	-	**-**	**13,436**
Total liabilities allocated to sectors	**14,796**	**350**	**1,141**	**2,045**	**1,826**	**293**	**513**	**1,162**	**14,561**	**36,687**	**-**	**-**	**36,687**
Total Liabilities included in Discontinued Operation										**24,294**	-	**-**	**24,294**
Total liabilities										**60,981**	**-**	**-**	**60,981**

30. Explanatory notes to the Consolidated Statement of Cash Flows

The Statement of cash flows sets out changes in cash and cash equivalents during the year. As required by IAS 7 – *Statement of Cash Flows*, cash flows are separated into operating, investing and financing activities. The effects of changes in exchange rates on cash and cash equivalents are shown separately under the line item Translation exchange differences.

Cash flows from (used in) operating activities derive mainly from the Group's main revenue producing activities.

The cash flows generated by the sale of vehicles under buy-back commitments, net of the amounts included in Profit/(loss) for the year, are included under operating activities in a single line item which includes changes in working capital.

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.

For the first nine months of 2011, Other non-cash items (negative for € 1,140 million) include the reversal of the following non-cash profit and loss items:

- unusual income totalling €2,017 million arising from remeasurement of the 30% interest previously held in Chrysler and Fiat's right to receive an additional 5% on the occurrence of the final Performance Event, which is expected to take place in the final quarter of the year;
- unusual non-cash expenses totalling €772 million (of which €220 million relates to Chrysler);
- the negative change in fair value of €117 million arising from the equity swaps on a basket of Fiat S.p.A. and Fiat Industrial S.p.A. ordinary shares.

Other non-cash items were a net nil for the first nine months of 2010 and consisted mainly of the reversal of non-current assets impairment loss and of the reversal of a €22 million gain from the fair value measurement of the equity swaps on Fiat S.p.A. ordinary shares.

The item Cash and cash equivalents from the consolidation of Chrysler, net of consideration paid for the additional 16% ownership interest consists of the cash and cash equivalents arising from the consolidation of Chrysler at the Acquisition date, amounting to €6,505 million, net of the consideration paid for the acquisition of the additional 16% ownership interest in Chrysler, amounting to €881 million ($1,268 million), as explained in further detail in the Section – Investment in Chrysler.

Finally, following occurrence of the Technology Event and the Distribution Event, the rights associated with Fiat's Class B Membership Interests increased to 25% in January 2011 and to 30% in April 2011 without the payment of cash: these transactions were therefore not included in the statement of cash flows for the first nine months of 2011. The purchase of the additional 6.031% and 1.508% fully-diluted ownership interest in Chrysler from the U.S. Treasury and by the Canadian government, respectively at a price of $500 million and $125 million (€351 million and €87 million) has been classified under the item (Purchase)/sale of ownership interests in subsidiaries.

31. 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 euros were as follows:

	01/01-30/09 2011		At 31 December 2010	01/01-30/09 2010	
	Average	At 30 September		Average	At 30 September
US dollar	1.406	1.350	1.336	1.315	1.365
Brazilian real	2.294	2.507	2.218	2.341	2.320
Polish zloty	4.021	4.405	3.975	4.004	3.985
Argentine peso	5.744	5.677	5.303	5.115	5.403
Pound sterling	0.871	0.867	0.861	0.857	0.860
Swiss franc	1.234	1.217	1.250	1.400	1.329

32. Other information

Fiat Group excluding Chrysler had an average of 139,900 employees during the first nine months of 2011, compared to an average of 134,340 during the first nine months of 2010 for Continuing Operations. Chrysler had an average of 55,035 employees during the period June-September 2011.

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The manager responsible for preparing the Company's financial reports, Richard Palmer, declares, pursuant to Article 154-bis (2) of Legislative Decree 58/98, that the accounting information contained in this document corresponds to the results documented in the books, accounting and other records of the company.