

FIAT GROUP

2010 FULL YEAR AND FOURTH QUARTER RESULTS

FIAT GROUP CLOSES 2010 WITH ALL KEY INDICATORS AHEAD OF UPGRADED GUIDANCE:

- Revenues of €56.3 billion were up 12.3% over 2009.
- Trading profit doubled to €2.2 billion (€1.1 billion for 2009) with trading margin at 3.9% (2.1% for 2009) and all businesses contributing positively.
- Net profit was €600 million (2009: loss of €488 million), a €1 billion improvement ex-unusual.
- Net industrial debt came in at €2.4 billion (2009: €4.4 billion).
- Liquidity increased to €15.9 billion (2009: €12.4 billion).
- The demerger of the capital goods businesses as Fiat Industrial was completed successfully in December 2010 and its public listing began on 3 January 2011.
- The Board of Directors is recommending a total dividend for 2010, for all 3 classes of Fiat S.p.A. shares, of €152 million (excluding own shares).
- The Group confirms the financial objectives set out for its businesses in the 2010-2014 Plan presented in April 2010. In particular, for 2011, Fiat and Fiat Industrial have set the following targets:
 - Revenues of ~€37 billion for Fiat and ~€22 billion for Fiat Industrial
 - Trading profit €0.9-1.2 billion for Fiat and €1.2-1.4 billion for Fiat Industrial
 - Net industrial debt of €1.5-1.8 billion for Fiat and €1.8-2.0 billion for Fiat Industrial
- The dividend policy for 2011, a transition year, is expected to remain unchanged, with an expected payout of 25% of consolidated income for each of Fiat and Fiat Industrial, with a minimum payout from the first of €50 million and €100 million from the second. The respective Boards will articulate a dividend policy for each of the two groups for later years within 2011.

FIAT GROUP Income Statement – Full Year		
(€ million)	2010	2009
Net revenues	56,258	50,102
% change	12.3	
Trading profit/(loss)	2,204	1,058
Change	1,146	
Trading margin (%)	3.9	2.1
Operating profit/(loss)	2,009	359
Change	1,650	
Profit/(loss) before taxes	1,282	(367)
Change	1,649	
Profit/(loss)	600	(848)
Change	1,448	
EPS (€)		
ordinary shares	0.410	(0.677)
preference shares	0.410	(0.677)
savings shares	0.565	(0.677)

The results presented in this press release relate to Fiat Group prior to the demerger that took legal effect on 1 January 2011. A breakdown between businesses remaining under Fiat S.p.A. after the demerger (Fiat Post Demerger or Continuing Operations) and those transferred to Fiat Industrial (Fiat Industrial or Discontinued Operations) is also provided.

- Group revenues were €56.3 billion, up 12.3% over 2009: the Automobiles and related Components businesses (Fiat Post Demerger) posted revenues of €35.9 billion (+9.8% year-on-year), while CNH, Iveco and related Powertrain activities (Fiat Industrial) recorded revenues of €21.3 billion (+18.8%).
- Trading profit came in at €2.2 billion (€1.1 billion for 2009): Fiat Post Demerger reported a trading profit of €1.1 billion and trading margin at 3.1% (€36 million and 2.3% for 2009), with Automobiles contributing €34 million (up €15 million y.o.y); Fiat Industrial posted a trading profit of €1.1 billion and trading margin at 5.1% (€22 million and 1.8% for 2009), with trading profit for CNH and Iveco more than double.
- Net profit was €600 million (net loss of €488 million for 2009), €222 million of which relates to Fiat Post Demerger and €378 million to Fiat Industrial. Net profit for the Group reflects €195 million in unusual charges (€99 million for 2009).
- Net industrial debt level was reduced significantly to €2.4 billion (year-end 2009: €4.4 billion), principally reflecting the positive operating performance for all businesses. The split in net industrial debt between Fiat Post Demerger and Fiat Industrial, which takes into account the effects deriving from the demerger which occurred on 1 January 2011, is €0.5 billion and €1.9 billion, respectively.
- Liquidity strengthened to €15.9 billion (year-end 2009: €12.4 billion): €12.2 billion for Fiat Post Demerger and €3.7 billion for Fiat Industrial.
- On the basis of 2010 net profit, the Board of Directors intends to recommend a total dividend for all 3 classes of Fiat S.p.A. shares of €152 million (excluding own shares).
- For 2011, top-line growth for Fiat is expected to be in the range of 2-3%, with trading profit in the range of €0.9-1.2 billion. For Fiat Industrial, the plan presented to the financial community in April 2010 is confirmed with 2011 revenues of ~€22 billion and trading profit in the range of €1.2-1.4 billion. Net industrial debt at the end of 2011 is expected at levels of €1.5-1.8 billion for Fiat and of €1.8-2.0 billion for Fiat Industrial.

FIAT GROUP Income Statement – 4 th Quarter		
(€ million)	2010	2009
Net revenues	15,017	13,601
% change	10.4	
Trading profit/(loss)	615	488
Change	127	
Trading margin (%)	4.1	3.6
Operating profit/(loss)	443	63
Change	380	
Profit/(loss) before taxes	316	(119)
Change	435	
Profit/(loss)	318	(283)
Change	601	
EPS (€)		
ordinary shares	0.242	(0.227)
preference shares	0.100	(0.227)
savings shares	0.242	(0.227)

Fiat Post Demerger (Continuing Operations)

- Revenues for Fiat Post Demerger were €35.9 billion, representing a 9.8% year-on-year increase.
 - Fiat Group Automobiles (FGA) achieved revenues of €27.9 billion, up 6.0% over 2009 (+0.5% at constant exchange rates), on a total of 2,081,800 cars and light commercial vehicles delivered (-3.2% over 2009). Share of the European passenger car market was down (-1.1 p.p. to 7.5%), with the phase-out of eco-incentives impacting demand for both smaller and CNG/LPG vehicles, particularly in Italy and Germany. Share in Italy declined 2.7 p.p. to 30.1% for passenger cars, while performance in the LCV segment was particularly positive (share up ~3 p.p. to 44.0%). Fiat maintained its leading position in Brazil, with an overall share of 22.8%.
 - Luxury and Performance brands reported significant year-on-year growth: Ferrari posted revenues of €1.9 billion, up 7.9% over 2009, and Maserati achieved a 30.8% increase to €0.6 billion.
 - Components and Production Systems had revenues of €10.9 billion, an increase of 23.6% over 2009.
- Full-year trading profit was €1.1 billion (€736 million for 2009).
 - FGA reported trading profit of €607 million (2009: €470 million), with a trading margin of 2.2% (2009: 1.8%). The increase was attributable to an improved product/market mix – with a notable recovery in demand for light commercial vehicles and a significant contribution from Brazil – in addition to continued improvements from World Class Manufacturing and purchasing efficiencies.
 - Luxury and Performance brands benefited from the performance of new models and optimization of cost structures: Ferrari had a €303 million trading profit, increasing €65 million for the year (trading margin of 15.8%), while trading profit for Maserati more than doubled to €24 million (trading margin of 4.1%).
 - Components and Production Systems nearly tripled trading profit to €249 million (trading margin of 2.3%), up €160 million from 2009, driven primarily by higher volumes and improved product mix.

Fiat Industrial (Discontinued Operations)

- Revenues for Fiat Industrial were €21.3 billion, up 18.8% over 2009.
 - Agricultural and Construction Equipment (CNH) posted revenues of €11.9 billion, up 17.8% (+12.0% in USD terms), with improved demand for agricultural equipment driven by increased global commodity prices and a healthy recovery in construction equipment demand, particularly in the Americas and Asia-Pacific markets.
 - Trucks and Commercial Vehicles (Iveco) reported revenues of €8.3 billion (+15.6%). Total deliveries were up 24.8% to 129,630 units, increasing 52.4% in Latin America, 41.6% in Eastern Europe and 17.3% in Western Europe, where, however, volumes remain modest compared to pre-crisis levels.
 - FPT Industrial achieved revenues of €2.4 billion, improving 52.8% over 2009.
- Trading profit was up significantly at €1.1 billion (2009: €322 million).
 - CNH recorded trading profit of €755 million (2009: €337 million), representing a trading margin of 6.3% (2009: 3.3%), due to higher sales volumes, increased capacity utilization in the Americas, and improved product mix and pricing.
 - Iveco posted a trading profit of €270 million (2009: €105 million), with a trading margin of 3.3% (2009: 1.5%). The improvement was primarily driven by higher sales volumes and production efficiencies.
 - FPT Industrial posted a €65 million trading profit (trading margin of 2.7%), a swing of €196 million over 2009 driven by the significant increase in sales volumes.

FIAT GROUP Income Statement Continuing/Discontinued Operations – Full Year						
(€ million)	2010			2009		
	Fiat Post Demerger	Fiat Industrial	Fiat Group Pre Demerger(*)	Fiat Post Demerger	Fiat Industrial	Fiat Group Pre Demerger(*)
Net revenues	35,880	21,342	56,258	32,684	17,968	50,102
% change	9.8	18.8	12.3			
Trading profit/(loss)	1,112	1,092	2,204	736	322	1,058
Change	376	770	1,146			
Trading margin (%)	3.1	5.1	3.9	2.3	1.8	2.1
Operating profit/(loss)	992	1,017	2,009	378	(19)	359
Change	614	1,036	1,650			
Profit/(loss) before taxes	706	576	1,282	103	(470)	(367)
Change	603	1,046	1,649			
Profit/(loss)	222	378	600	(345)	(503)	(848)
Change	567	881	1,448			

(*) Net of eliminations between Fiat Post Demerger and Fiat Industrial

Group results

Fiat Group **revenues** for **2010** totaled €56.3 billion, a 12.3% increase over 2009, when overall trading conditions were particularly weak. Fiat Post Demerger posted revenues of €35.9 billion (+9.8%). The Automobiles business recorded €30.1 billion (+6.3%): increased sales of light commercial vehicles, and by Ferrari and Maserati, in addition to positive currency effects, more than offset the decline in passenger cars for FGA, following the phase-out of eco-incentives in major European markets. Components & Production Systems achieved a 23.6% increase in revenues to €10.9 billion on the back of higher demand. Fiat Industrial recorded revenues of €21.3 billion, up 18.8% over 2009, with significant volume recoveries for all businesses.

FIAT GROUP Revenues by business – Full Year		
(€ million)	2010	2009
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	30,130	28,351
% change	6.3	
Components and Production Systems (Fiat Powertrain ⁽¹⁾ , Magneti Marelli, Teksid, Comau)	10,865	8,789
% change	23.6	
Other Businesses	1,159	1,047
% change	10.7	
Eliminations	(6,274)	(5,503)
Fiat Post Demerger (Continuing Operations)	35,880	32,684
% change	9.8	
Agricultural and Construction Equipment (CNH)	11,906	10,107
% change	17.8	
Trucks and Commercial Vehicles (Iveco)	8,307	7,183
% change	15.6	
FPT Industrial ⁽¹⁾	2,415	1,580
% change	52.8	
Eliminations and Others	(1,286)	(902)
Fiat Industrial (Discontinued Operations)	21,342	17,968
% change	18.8	
Eliminations between Continuing and Discontinued Operations	(964)	(550)
Fiat Group total Revenues	56,258	50,102
% change	12.3	

(1) Fiat Powertrain and FPT Industrial include, respectively, the activities of the Passenger & Commercial Vehicles and Industrial & Marine business lines of the former FPT Powertrain Technologies sector.

For the **fourth quarter**, the Group recorded €15.0 billion in **revenues**, up 10.4% year-on-year, driven primarily by CNH (€3,023 million, +27.0% over Q4 2009) and Iveco (€2,538 million, +16.9%). Revenues for the Automobiles business (€7,779 million) were stable compared with 2009 levels.

Fiat Group posted **2010 trading profit** of €2,204 million (€1,058 million for 2009). Trading profit for Fiat Post Demerger was €1,112 million (trading margin: 3.1%), compared with €736 million for 2009 (trading margin: 2.3%), and Fiat Industrial reported a trading profit of €1,092 million (trading margin: 5.1%), up from €322 million for 2009 (trading margin: 1.8%). Overall, the improvements were driven

by higher volumes, with the exception of passenger cars for FGA, better product mix and continued focus on costs and industrial efficiencies.

FIAT GROUP Trading profit/(loss) by business – Full Year		
(€ million)	2010	2009
Automobiles (Fiat Group Automobiles, Maserati, Ferrari)	934	719
<i>Change</i>	215	
Components and Production Systems (Fiat Powertrain ⁽¹⁾ , Magneti Marelli, Teksid, Comau)	249	89
<i>Change</i>	160	
Other Businesses and Eliminations	(71)	(72)
<i>Change</i>	1	
Fiat Post Demerger (Continuing Operations)	1,112	736
<i>Change</i>	376	
Agricultural and Construction Equipment (CNH)	755	337
<i>Change</i>	418	
Trucks and Commercial Vehicles (Iveco)	270	105
<i>Change</i>	165	
FPT Industrial ⁽¹⁾	65	(131)
<i>Change</i>	196	
Eliminations and Others	2	11
<i>Change</i>	-9	
Fiat Industrial (Discontinued Operations)	1,092	322
<i>Change</i>	770	
Fiat Group total Trading Profit	2,204	1,058
<i>Change</i>	1,146	

(1) Fiat Powertrain and FPT Industrial include, respectively, the activities of the Passenger & Commercial Vehicles and Industrial & Marine business lines of the former FPT Powertrain Technologies sector.

Trading profit for the **fourth quarter** was €615 million (trading margin: 4.1%), compared with €488 million for the same period in 2009 (trading margin: 3.6%). The improvement was essentially due to the performance of Fiat Industrial Sectors.

For **2010**, Fiat Group recorded **operating profit** of €2,009 million (€359 million in 2009), which included €195 million (€699 million in 2009) in net unusual expenses, mainly due to restructuring costs across all Sectors (€176 million), inclusive of related asset write-offs. Operating profit for Fiat Post Demerger was €992 million (€378 million for 2009): the increase reflects the improvement in trading profit (+€376 million) and a reduction in net unusual expense (€120 million for 2010 compared with a €358 million charge for 2009). Operating profit for Fiat Industrial was €1,017 million: the increase over the €19 million loss for 2009 was due to improved trading performance (+€770 million) and a reduction in net unusual expense (€75 million for 2010 compared with a €341 million charge for 2009).

Net financial expense for 2010 for Fiat Group totaled €905 million (€753 million for 2009) with the increase primarily due to the cost of maintaining a higher level of liquidity. For Fiat Post Demerger, net financial expense was €400 million (€352 million for 2009) and included a €111 million gain in the

mark-to-market value of two stock option-related equity swaps (a €117 million gain for 2009). For Fiat Industrial, net financial expense totaled €505 million (€401 million for 2009).

Fiat Group recorded **profit before taxes** of €1,282 million (loss before taxes of €367 million for 2009), €706 million of which related to Fiat Post Demerger (profit before taxes of €103 million for 2009) and reflected the higher operating result (+€614 million), as well as an increase in investment income (+€37 million), partially offset by a €48 million increase in net financial expense. Fiat Industrial closed 2010 with a profit before taxes of €576 million, compared to a loss before taxes of €470 million for 2009. The increase reflects the higher operating result (+€1,036 million) and an increase in investment income (+€114 million), partially offset by a €104 million increase in net financial expense.

Income taxes for Fiat Group totaled €682 million (€481 million for 2009) and related to the taxable income of companies operating outside Italy and employment-related taxes (IRAP) in Italy. Income taxes totaled €484 million (€448 million for 2009) for Fiat Post Demerger and €198 million (€33 million for 2009) for Fiat Industrial.

For 2010, Fiat Group recorded **net profit** of €600 million (loss of €848 million for 2009), €222 million for Fiat Post Demerger (loss of €345 million for 2009) and €378 million for Fiat Industrial (loss of €503 million for 2009).

Net industrial debt for Fiat Group totaled €2.4 billion, a reduction of €2.0 billion over year-end 2009 driven by strong operating performance for all businesses and continued disciplined working capital management. The split in net industrial debt between Fiat Post Demerger and Fiat Industrial, which takes into account the effects deriving from the demerger which occurred on 1 January 2011, is €0.5 billion and €1.9 billion, respectively.

At 31 December 2010, Group **liquidity** was €15.9 billion (€12.4 billion at year-end 2009), €12.2 billion of which related to Fiat Post Demerger and €3.7 billion to Fiat Industrial. In January 2011, Fiat Industrial drew down newly obtained credit facilities to the extent necessary to repay amounts owed to Fiat's central treasury. Had this taken place at year end, liquidity would have been €1 billion higher for Fiat Post Demerger, with Fiat Industrial's liquidity and cash balances unchanged while still having access to an additional €2 billion of committed undrawn credit facilities.

FIAT GROUP
Key Balance Sheet Data

(€ million)	At 31.12.2010	At 31.12.2009
Total assets	73,442	67,235
Total equity	12,461	11,115

FIAT GROUP
Net Debt

(€ million)	At 31.12.2010 (*)		At 31.12.2009	
	Fiat Post Demerger	Fiat Industrial	Fiat Group Pre Demerger	Fiat Group Pre Demerger
Financial debt	(20,804)	(18,695)	(31,008)	(28,527)
- Asset-backed financing	(533)	(8,321)	(8,854)	(7,086)
- Other debt	(17,406)	(4,748)	(22,154)	(21,441)
- Financial payables of Fiat Industrial to Fiat Post Demerger	-	(5,626)	-	-
- Financial payables of Fiat Post Demerger to Fiat Industrial	(2,865)	-	-	-
Current financial receivables from financial services companies under joint control ⁽¹⁾	12	-	12	14
Financial receivables of Fiat Industrial from Fiat Post Demerger	-	2,865	-	-
Financial receivables of Fiat Post Demerger from Fiat Industrial	5,626	-	-	-
Financial payables, net of intersegment balances and current financial receivables from jointly controlled Financial Services entities	(15,166)	(15,830)	(30,996)	(28,513)
Other financial assets/(liabilities) ⁽²⁾	261	(59)	202	172
Liquidity	12,152	3,710	15,862	12,443
Net Debt	(2,753)	(12,179)	(14,932)	(15,898)
Industrial Activities	(542)	(1,900)	(2,442)	(4,418)
Financial Services	(2,211)	(10,279)	(12,490)	(11,480)

(*) The split between Fiat Post Demerger and Fiat Industrial takes into account the effects deriving from the demerger which occurred on 1 January 2011
(1) This includes current financial receivables from the JV FGA Capital
(2) This includes the positive and negative fair value of derivative financial instruments

FIAT GROUP
Change in Net Industrial Debt

(€ million)	2010	2009
Cash from Operating Activities before change in working capital	3,998	1,937
Cash from Operating Activities	5,884	4,501
Net Industrial Cash Flow ⁽¹⁾	2,096	1,644
Change in net industrial debt	1,976	1,531

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

Dividends

The Board of Directors, on the basis of expected income available for distribution by Fiat S.p.A. and pending formal approval of the Group's 2010 financial statements on 18 February 2011, intends to propose to Shareholders at the Annual General Meeting a total dividend, for all 3 classes of Fiat S.p.A. shares, of €155.1 million (€151.6 million excluding own shares currently held).

The proposed distribution by share class will be as follows:

- €0.09 per ordinary share, representing a total distribution of €98.3 million (€94.8 million excluding own shares currently held);
- €0.31 per preference share, representing a total distribution of €32 million;
- €0.31 per savings share, representing a total distribution of €24.8 million.

AUTOMOBILES Net revenues – Full Year		
(€ million)	2010	2009
Fiat Group Automobiles	27,860	26,293
% change	6.0	
Maserati	586	448
% change	30.8	
Ferrari	1,919	1,778
% change	7.9	
Eliminations	(235)	(168)
Total	30,130	28,351
% change	6.3	

AUTOMOBILES Trading profit/(loss) – Full Year		
(€ million)	2010	2009
Fiat Group Automobiles	607	470
Change	137	
Maserati	24	11
Change	13	
Ferrari	303	238
Change	65	
Total	934	719
Change	215	
Trading margin (%)	3.1	2.5

AUTOMOBILES Net revenues – 4 th Quarter		
(€ million)	2010	2009
Fiat Group Automobiles	7,120	7,247
% change	-1.8	
Maserati	151	129
% change	17.1	
Ferrari	570	491
% change	16.1	
Eliminations	(62)	(52)
Total	7,779	7,815
% change	-0.5	

AUTOMOBILES Trading profit/(loss) – 4 th Quarter		
(€ million)	2010	2009
Fiat Group Automobiles	139	190
Change	-51	
Maserati	8	5
Change	3	
Ferrari	111	62
Change	49	
Total	258	257
Change	1	
Trading margin (%)	3.3	3.3

Fiat Sectors

Automobiles

Fiat Group Automobiles

Fiat Group Automobiles (FGA) posted **revenues** of €27.9 billion for the year, representing a 6% increase over 2009 (+0.5% at constant exchange rates), with the impact of the decline in passenger car volumes (-8.2%) compensated for by the significant increase for light commercial vehicles (+27%).

In total, FGA delivered 2,081,800 cars and light commercial vehicles, down 3.2% over the prior year.

For passenger cars only, FGA delivered 1,691,400 vehicles, an 8.2% decrease over 2009. In Europe, deliveries were down 15.1% to 963,000 vehicles with the reduction also reflecting measures to realign dealer inventory levels to market demand. Deliveries in Italy (-16.3%) and Germany (-53.2%) were heavily impacted by the significant decline in demand for smaller and CNG/LPG vehicles, following the phase-out of eco-incentives. Deliveries were also down in the United Kingdom (-17.5%), but remained stable in France (+0.9%) and were up in Spain (+48.3%), against particularly low 2009 volumes. Notable results were achieved in several of the Sector's smaller markets including the Netherlands (+59.3%), Belgium (+40.9%), Portugal (+35.1%) and Denmark (+78.7%).

Within the first few months of launch, deliveries for the new Alfa Romeo Giulietta in Europe reached a total of around 40,000 units, in line with expectations.

For 2010, deliveries also included some 13,500 Chrysler, Jeep® and Dodge vehicles. The rollout of distribution of these brands through FGA's European network – implemented gradually during the year – is now complete.

The European passenger vehicle market experienced an overall decrease of 4.9% over 2009 levels to approximately 13.8 million vehicles. Demand in the first part of the year was still positively influenced by government incentive programs. However, beginning in the second quarter, registrations fell off significantly with a year-on-year decline of approximately 11% being recorded for the second half.

In Germany, the first European market to completely phase out these incentives, demand was down 23.4% for the year. In Italy, the market declined 9.2% for the full year, with the fall off in demand being particularly pronounced in the second half (-22.7%). The decrease in France was more contained (-2.2%), as incentives were phased out progressively during the year. Modest growth was experienced in the United Kingdom (+1.8%) and Spain (+3.1%). In Brazil, demand for passenger cars continued to increase (+6.9% year-on-year) despite the phase out of incentives during the first part of the year.

FGA's European market share for 2010 was impacted by the decision to reschedule the cadence of new product launches to the second half of 2011 in view of the contraction in market demand envisioned for the second half of 2010 and the first half of 2011.

In Europe, Fiat Group Automobiles closed 2010 with a market share of 7.5% (down 1.1 percentage points over 2009). In Italy, share was 30.1%, a decrease of 2.7 percentage points. Excluding the effect of the sharp reduction in demand for CNG/LPG vehicles (-25%), where FGA is market leader, share would have been in line with 2009. At 3.0% (-1.7 percentage points), share performance in Germany was impacted by the significant decline in demand (over 40%) in FGA's core market segments. Modest decreases in share were experienced in France (-0.3 percentage points to 4.0%) and the United Kingdom (-0.5 percentage points to 3.0%). By contrast, market share in Spain was up 0.5 percentage points to 3.0%. With regard to other European markets, notable performance was achieved in the Netherlands, where FGA's eco-performing product range benefited from CO₂ emissions-based incentives, resulting in a 44% increase in registrations and a 0.8 percentage point gain in market share to 6.4%.

The Fiat brand's market share decreased to 6.0% in Europe (-1.0 percentage point over 2009). The Fiat Panda and the Fiat 500 retained the top two positions in the A segment, with the Fiat 500 achieving a net gain in share of 2.5 percentage points. In Europe, market share for the Lancia brand was 0.7% (-0.1 percentage points), while Alfa Romeo, with a 0.8% share, maintained registration levels, despite a contraction in the market, due to the positive contribution of the new Giulietta during the second half of the year.

For light commercial vehicles, a total of 390,400 units were delivered, representing a 27.1% year-on-year increase. In Europe, Fiat Professional increased deliveries 19.7% to 183,300 units, achieving double-digit growth in all major markets: Italy (+14.5%), France (+21.7%), Germany (+24.9%), the UK (+66.1%) and Spain (+46.9%).

Demand in the European light commercial vehicle market was up 9.2% for the year, reflecting a partial recovery over the extremely low levels experienced in 2009. Increases were recorded in all major markets: France (+10.7%), Italy (+6.2%), Germany (+14.0%), the UK (+18.7%) and Spain (+9.5%). Growth in LCV demand was particularly significant in Brazil (+29.5% over 2009), driven by the strong performance of the domestic economy.

In Italy, Fiat Professional achieved a 44.0% market share, gaining approximately 3 percentage points over 2009. This increase was primarily attributable to the brand's expanded product offer. The success of the CNG-powered Fiorino in the first part of the year, the contribution of the new Doblò (Van of the Year 2011) for the full year and excellent performance for the Ducato all underpinned the brand's continued strong competitive position in Europe, where it recorded a 12.8% share (stable vs. 2009).

In Brazil, Fiat Group Automobiles maintained its leadership position, delivering a total of 761,400 passenger cars and light commercial vehicles, representing a year-on-year increase of 1.6%. With the overall market growing 10.6%, FGA achieved a 22.8% share for the year (-1.7 percentage points). Of note was the significant success of the "Novo Uno", with some 110,000 units being delivered since its launch in the second quarter of 2010. For light commercial vehicles, the Strada was once again the most sold model in the Brazilian market and, in December, the Ducato was no. 1 in its segment.

In Argentina, overall market demand was up 28.8% (27% for passenger cars; 36% for light commercial vehicles) and FGA increased its share 0.3 percentage points to 10.4%. A total of 69,100 vehicles were delivered, representing a 44% increase over 2009.

Fiat Group Automobiles recorded a €607 million **trading profit** for 2010 (trading margin of 2.2%), compared to the €470 million figure for 2009 (1.8% margin). The improved trading performance was attributable to a better product/market mix, linked to the performance of light commercial vehicles and the Brazilian business, in addition to continued improvements from World Class Manufacturing and purchasing efficiencies.

Fourth quarter revenues totaled €7.1 billion, down 1.8% over the same period for 2009 (-5.6% at constant exchange rates). Volume declines were partially compensated for by the improved sales mix, the contribution from Chrysler, Jeep® and Dodge brand products. **Trading profit** was €139 million for the fourth quarter (2% trading margin), compared with €190 million for the same period in 2009 (2.6% trading margin), with the decrease attributable to lower sales volumes.

FGA delivered a total of 513,800 passenger cars and light commercial vehicles for the fourth quarter, down 7.6% over the same period in 2009. Passenger car deliveries were down 12.6%, while deliveries of light commercial vehicles were up 17.9% over the same period for the prior year. In Europe, deliveries totaled 270,700 units, a 19.3% contraction over Q4 2009.

The European passenger car market continued a downward trend (-8.9% over Q4 2009) and in Italy demand was down 23.8% over the same period of the prior year, which fully benefited from the remaining phase of eco-incentives.

Fiat Group Automobiles had a 28.5% share in Italy (-3.0 percentage points over Q4 2009) and a 6.8% share in Europe (-1.5 percentage points).

For Alfa Romeo, 2010 was the year of the Giulietta, which was premiered at the Geneva Motor Show. Offering the maximum in technology and performance, following initial launch, two low consumption/emissions engines were added to the offer (one diesel and one gasoline), along with the innovative Alfa TCT transmission. The Giulietta was awarded 5 stars for safety by Euro NCAP (scoring 87/100) and the Unione Italiana Giornalisti dell'Automotive (UIGA) named the car "Auto Europa 2011". The Alfa TCT transmission is also available in the Alfa MiTo, whose new BlackLine Collection was presented at the Bologna Motorshow.

In anticipation of the major new product launches scheduled for 2011, in 2010 Lancia enriched its existing product line-up with the presentation of the special series Hard Black Delta, featuring several style and content enhancements, a Delta equipped with highly responsive Euro 5 MultiAir Turbo and Start&Stop as standard, the limited edition LPG/gasoline Ypsilon ELLE and the elegant Musa "5th Avenue".

Major product refreshes for Fiat included the 500 and 500C, equipped with the new 2-cylinder TwinAir, which offers up to a 30% reduction in CO₂ emissions with equivalent performance. Another major release was the new MyLife version of the Punto, with original styling and advanced technology. Other product launches during the year include the Doblò Natural Power, the 2011 Model Year Fiat Qubo and the 2011 range of the Fiat Panda.

Also of note was the launch of the "Novo Uno" in Brazil. Four versions of this model were presented in May, since which excellent sales volumes have been achieved and the vehicle has won a number of awards, including the prestigious "Carro do Ano 2011".

Fiat also returned to the North American market in 2010 with the 500, which debuted at the Los Angeles Auto Show where it was enthusiastically received with 500 vehicles sold in just 2 hours.

In March 2010, the Fiat brand was recognized by Jato, for the third year running, as having the lowest average CO₂ emissions in Europe at 127.8 g/km per car sold in 2009. The brand was also recognized as the most ecological in Europe again for the first half of 2010, with average CO₂ emissions per vehicle sold coming in at just 123.5 g/km.

Fiat Professional was awarded “International Van of the Year 2011” for the new Doblò Cargo, it expanded the Fiat Scudo line-up to include the new 2.0 MultiJet (Euro 5) and launched the 2011 Model Year Fiorino.

For Abarth, product developments in 2010 included the release of the Abarth Punto Evo with 165 hp MultiAir and the Abarth 500C, the first convertible released by the brand since its relaunch. And in competitive racing, Abarth took first place in the 2010 European Rally Championship.

Production milestones included the 5,000,000th vehicle produced at the Melfi plant in Italy in May and the 500,000th Fiat 500 built in Tychy, Poland, just 31 months after its commercial launch.

Maserati

For 2010, **Maserati** reported €586 million in **revenues**, an increase of 30.8% over 2009, primarily attributable to excellent sales performance for the new GranCabrio. A total of 5,675 cars were delivered to the network during the year, an increase of 26.4%, with positive performance in the majority of Maserati's 59 national markets. In the USA, Maserati's no. 1 market, volumes were up 45% over the prior year. Excellent results were also achieved in the United Kingdom (+72%) and China (+128%), which has become Maserati's 4th largest market after the USA, Italy and the United Kingdom.

For 2010, Maserati had a **trading profit** of €24 million (trading margin: 4.1%). The sharp increase over the €11 million trading profit for 2009 (trading margin: 2.5%) is attributable to both higher sales volumes and continued optimization of operating costs.

Maserati reported €151 million in **revenues** for **Q4 2010**, up 17.1% over the same period for the prior year. **Trading profit** was €8 million for the quarter compared with €5 million for the fourth quarter of 2009.

During the year, the Company released the new GranTurismo MC Stradale, the fastest, lightest and most powerful model in the marque's product range: a top-of-the-line coupé that embodies Maserati's vast experience gained on the racetrack. Other models presented were the limited edition Quattroporte Sport GTS Awards Edition and the GranTurismo MC Trofeo, for which Maserati has organized a single-make championship.

Ferrari

For 2010, **Ferrari** reported €1,919 million in **revenues**, up 7.9% over 2009, mainly reflecting higher sales volumes driven by the new 458 Italia and 599 GTO, as well as the positive contribution from the customization program.

A total of 6,573 cars were delivered to the network during the year (+5.4% over 2009), an all-time record which beat the previous record achieved in 2008 in decidedly more favorable market conditions. In particular, 2010 sales benefited from the full roll-out of the 458 Italia in all markets and the continued success of the Ferrari California. Together these two models accounted for 87% of total deliveries. Sales performance for the limited edition 599 GTO was also excellent.

Ferrari closed 2010 with a **trading profit** of €303 million (trading margin: 15.8%), compared to €238 million for 2009 (trading margin: 13.4%). The increase was attributable to higher sales volumes, excellent results from the customization program and efficiency gains.

For **Q4 2010**, Ferrari recorded **revenues** of €570 million, up 16.1% over the same period for the prior year. **Trading profit** was €111 million, a significant increase over the €62 million trading profit for Q4 2009 attributable to higher sales volumes, the significant impact of customization programs and efficiency gains.

During 2010, Ferrari launched the 599 GTO, the highest performance road car ever produced by the Maranello-based company. The car is powered by a 12-cylinder, 6 liter engine and has a maximum speed of more than 335 kilometers per hour. That was followed by the 458 Challenge, a model derived from the 458 Italia that will be the protagonist of Ferrari's new single-make trophy. Also in the new product line-up was the Ferrari SA Aperta, a special series of 80 vehicles, for which the order book was filled almost immediately, the Ferrari California with Start&Stop, and US and right-hand drive versions of the 458 Italia and the HY-Kers concept car. The second of these two models is a GT hybrid (electric plus traditional engine) that employs eco-performing technology solutions developed on the F1 circuit, demonstrating the carmaker's ability to combine eco-performance with pure driving pleasure.

COMPONENTS AND PRODUCTION SYSTEMS Net revenues – Full Year		
(€ million)	2010	2009
Fiat Powertrain	4,211	3,372
% change	24.9	
Components (Magnetit Marelli)	5,402	4,528
% change	19.3	
Metallurgical Products (Teksid)	776	578
% change	34.3	
Production Systems (Comau)	1,023	728
% change	40.5	
Eliminations	(547)	(417)
Total	10,865	8,789
% change	23.6	

COMPONENTS AND PRODUCTION SYSTEMS Trading profit/(loss) – Full Year		
(€ million)	2010	2009
Fiat Powertrain	140	104
Change	36	
Components (Magnetit Marelli)	98	25
Change	73	
Metallurgical Products (Teksid)	17	(12)
Change	29	
Production Systems (Comau)	(6)	(28)
Change	22	
Total	249	89
Change	160	
Trading margin (%)	2.3	1.0

Components and Production Systems

Fiat Powertrain

For 2010, **Fiat Powertrain** (the Passenger & Commercial Vehicles business line of the former FPT Powertrain Technologies Sector) reported €4,211 million in **revenues**, an increase of 24.9% over the previous year. This includes the effect of full consolidation of Fiat-GM Powertrain Polska following acquisition of the JV partner's 50% stake during the year. On a like-for-like basis, the increase in revenues was 11.1%. Sales to Fiat Group companies accounted for 87% of revenues (90% on a comparable scope of operations; 92% for 2009), with the remainder primarily consisting of diesel engines sold to external customers. A total of 2,347,000 engines (+2.5% on a like-for-like basis) and 2,233,000 transmissions (+1.1%) were sold during the year.

Fiat Powertrain closed 2010 with a **trading profit** of €140 million, compared to €104

million for 2009. This improvement was primarily attributable to a more favorable sales mix and increased purchasing and manufacturing efficiencies.

For **Q4 2010**, Fiat Powertrain reported **revenues** of €1,091 million, an increase of 19.8% (+5.4% on a like-for-like basis) over the same period of the prior year. Fiat Powertrain recorded a **trading profit** of €41 million, an increase over the €32 million in trading profit for Q4 2009.

At the 2010 Geneva Motor Show, Fiat Powertrain presented an absolute first in gasoline engine technology: the new 85 hp 2-cylinder TwinAir, which combines the revolutionary MultiAir system with fluid-dynamic technology for optimized combustion. Lighter and smaller than a 4-cylinder with the same performance characteristics, this new engine offers a significant reduction in CO₂ emissions and has received international recognition, being named "Technobest 2010" by an international panel of judges. The 1.4 Turbo, the

COMPONENTS AND PRODUCTION SYSTEMS Net revenues – 4 th Quarter		
(€ million)	2010	2009
Fiat Powertrain	1,091	911
% change	19.8	
Components (Magnetit Marelli)	1,446	1,280
% change	13.0	
Metallurgical Products (Teksid)	207	172
% change	20.3	
Production Systems (Comau)	285	205
% change	39.0	
Eliminations	(146)	(115)
Total	2,883	2,453
% change	17.5	

COMPONENTS AND PRODUCTION SYSTEMS Trading profit/(loss) – 4 th Quarter		
(€ million)	2010	2009
Fiat Powertrain	41	32
Change	9	
Components (Magnetit Marelli)	29	43
Change	-14	
Metallurgical Products (Teksid)	2	(2)
Change	4	
Production Systems (Comau)	(7)	(4)
Change	-3	
Total	65	69
Change	-4	
Trading margin (%)	2.3	2.8

first engine to be fitted with the MultiAir system, was also named “Best New Engine 2010”. The TwinAir debuted on the Fiat 500 and 500C in September.

2010 also saw the launch of the new 120 hp 1.4 16v T-Jet CNG/gasoline engine (Euro 5) on the Natural Power version of the new Doblò.

Also in Geneva, Fiat Powertrain presented another major new development in transmission technology, the "Alfa TCT" (Twin Clutch Technology) mounted on the Alfa Romeo MiTo and Giulietta in combination with the Start&Stop system. This innovative transmission incorporates 23 patented technologies.

In the area of diesel technology, the 75 and 95 hp MultiJet II versions of the 1.3 Small Diesel Engine, already available on the Punto Evo, were developed for application on the Fiorino and Qubo in combination with the Start&Stop system.

In South America, the 1.0 Fire Low Friction and Flexfuel versions of the 1.4

Fire Evo2 and the 1.6 & 1.8 E-Torq were launched during the year.

Magnetit Marelli

Magnetit Marelli reported 2010 **revenues** of €5,402 million, representing a 19.3% increase over 2009.

For Europe overall, the increase reflected strong performance for light commercial vehicles and recovery in the medium-large passenger car segments, which were particularly hard hit in 2009. In Italy and Poland, revenues reflected the overall decline for A and B-segment cars following the elimination of government eco-incentives. The Sector

experienced strong performance in both China and Brazil and a significant recovery in the NAFTA region, where volume growth was primarily driven by new product launches.

All business lines recorded an increase in production volumes. The Lighting business achieved significant growth linked to the recovery of its core European markets and volume increases in Asian markets and the NAFTA region. The Suspension Systems business also saw a strong recovery, with volume increases primarily concentrated in Brazil and the USA. Sales were also up for Electronics Systems in China and Brazil.

Magneti Marelli reported **trading profit** of €98 million for 2010 compared with €25 million for 2009. The improvement in trading performance was driven by increased sales volumes, combined with cost containment actions and manufacturing efficiencies.

For **Q4 2010**, Magneti Marelli reported **revenues** of €1,446 million (+13% over Q4 2009). **Trading profit** totaled €29 million, compared with €43 million for Q4 2009. The benefits of increased sales volumes, cost containment actions and manufacturing efficiencies were partially offset by supply constraints for electronic components attributable to an excess in demand.

New products presented during the year include components for the new Alfa Romeo Giulietta, such as the bixenon headlights and LED taillights, suspensions, exhaust and a new infotainment system, which incorporates navigator, dual tuner radio receiver, and CD/MP3 player with Blue&Me™ interface in a single device. Magneti Marelli collaborated with Fiat Powertrain on development of the Alfa TCT transmission and the TwinAir engine control unit. In Brazil, the Sector produced numerous components for the “Novo Uno”: headlights, instrument panels, control units and exhaust, suspension and shock absorber systems. Also in Brazil, the Sector began production of new shock absorbers for the Punto and Siena, as well as for models of other manufacturers. In addition, Magneti Marelli produced lighting systems, control unit, instrument panel and shock absorbers for the US version of the Fiat 500.

The Sector also developed numerous electronic, engine and lighting components for major global automakers, including navigation systems, GDI direct injection systems, intelligent lighting systems and devices for advanced telematic services (e.g., e-call). In addition, production of hydraulic components for the Freechoice™ robotized transmission began in China.

Teksid

Teksid reported **revenues** of €776 million for 2010, up 34.3% principally due to an increase over 2009 volumes, which were severely impacted by the market crisis. The Cast Iron business unit recorded a 21.8% increase in volumes, driven primarily by growth in components for heavy vehicles, with positive performance in the Mercosur and NAFTA regions, as well as in Europe. Volumes for the Aluminum business unit were up 15.3%.

Teksid closed the year with a **trading profit** of €17 million (trading loss of €12 million for 2009), reflecting the positive impact of volume increases.

For **Q4 2010**, Teksid had **revenues** of €207 million, up 20.3% over the same quarter for the prior year. **Trading profit** was €2 million compared with a trading loss of €2 million for Q4 2009.

Comau

Comau had **revenues** of €1,023 million for 2010, with the 40.5% increase over 2009 principally attributable to operations in China, Latin America and North America.

Order intake of €1,214 million for the period represented a 70% increase over 2009 and was principally attributable to the Powertrain Systems operations in North America and Service operations in Latin America. At 31 December 2010, the order backlog totaled €629 million, up 32% over year-end 2009.

Comau reported a **trading loss** of €6 million for 2010, compared with a trading loss of €28 million for 2009. The recovery was largely attributable to performance in Asian markets and the Robotics business.

For **Q4 2010**, Comau had **revenues** of €285 million (€205 million for the same period in 2009) and a **trading loss** of €7 million (trading loss of €4 million for Q4 2009).

Other Businesses

Other Businesses includes the contribution from the Group's publishing businesses, service companies and holding companies.

For **2010**, Other Businesses had **revenues** of €1,159 million, up 10.7% year-over-year.

Other Businesses reported a **trading loss** of €71 million, including eliminations and consolidation adjustments, compared to a €72 million loss for 2009.

For the **fourth quarter**, Other Businesses recorded **revenues** of €406 million, up 48.7% over the same period for the prior year, and a **trading loss** of €4 million compared with a trading loss of €19 million for Q4 2009.

Fiat Industrial Sectors

Agricultural and Construction Equipment

AGRICULTURAL AND CONSTRUCTION EQUIPMENT Revenues & Trading profit/(loss) – Full Year		
(€ million)	2010	2009
Net revenues	11,906	10,107
% change	17.8	
Trading profit	755	337
Change	418	
Trading margin (%)	6.3	3.3

AGRICULTURAL AND CONSTRUCTION EQUIPMENT Revenues & Trading profit/(loss) – 4 th Quarter		
(€ million)	2010	2009
Net revenues	3,023	2,381
% change	27.0	
Trading profit	150	99
Change	51	
Trading margin (%)	5.0	4.2

CNH – Case New Holland had revenues of €11.9 billion for 2010, an increase of 17.8% over 2009 (+12% in US dollar terms) on the back of improving agricultural and construction equipment demand in the Americas and Rest of World markets. Net sales in the Agricultural equipment segment increased 14% for the year (+8% in USD) as a result of solid trading conditions in the Americas due to increasing agricultural commodity prices and good harvest

conditions. Trading conditions in Europe were more difficult, largely due to poor harvest conditions in certain countries and tight credit markets. Full year 2010 net sales in the Construction equipment segment grew 46% (+39% in USD) as a result of significant market improvements in Latin America and Asia, and improved conditions in North America largely due to replacement of ageing fleets.

In 2010, worldwide agricultural industry retail unit sales increased 8% compared to prior year with improvements in all regions except Western Europe, where demand remained below historical norms. Global sales grew 8% for tractors and 2% for combines. North American tractor sales were up 5% and combine sales up 9% on strong commodity prices and very solid farm income. Latin America tractor sales increased 20% and combine sales were up 29% on good fundamentals and stability in government support to the Agricultural sector. Western European markets declined for the year with tractor sales down 9% and combines falling by 29%; demand showed signs of recovery in the fourth quarter of 2010 with tractor sales increasing 12% year-on-year. Rest of World markets reported a 13% growth in tractor sales while combines increased 3%.

CNH full year global market share for tractors was largely in line with prior year, maintaining position in Western Europe despite the industry decline and with a slight decrease in North America in under 40 hp and mid-sized utility tractors while transitioning to new and more competitive products. CNH improved its global market share for combines on strong performance in the Rest of World regions.

Global construction equipment industry unit sales rose 47% in the year, off a low basis in 2009, with light equipment up 35% and heavy equipment up 59%. North American

demand was up 20% for light equipment and grew 14% for heavy equipment largely as a result of ageing fleet replacement. Western European market rose as the industry began to rebuild from the prior year's low levels, with unit sales growing 23% for light equipment and 17% for the heavy segment. In Latin America, strong market performance was mainly driven by increased infrastructure activity, with sales growing 89% in the light equipment segment and 86% in heavy. Industry sales in Rest of World markets rose 50% for light equipment and 71% for heavy, driven by continued strong demand in the Asia-Pacific region, primarily in the heavy equipment segment in China.

CNH's full year market share was in line with growth in demand across all segments and regions with the exception of Latin America, which was down due to local manufacturing capacity constraints for CNH in both the heavy and light equipment. Capacity expansion plans have been initiated at two facilities to accommodate future market growth and in order to meet manufacturing localization targets.

CNH **trading profit** was €755 million for 2010, up €418 million from the €337 million for 2009, when performance was severely impacted by difficult trading conditions in the construction equipment segment. The improvement results from higher volumes, increased industrial utilization in the Americas, a favorable shift in product mix to higher powered tractor and combine segments, as well as better pricing and cost reductions from prior year restructuring initiatives. This positive performance was tempered by continued low demand levels for agricultural equipment in Western Europe, increased raw material prices and new product launch costs, primarily in the construction equipment sector during the fourth quarter.

CNH had **revenues** of €3.0 billion for **Q4 2010**, up 27.0% over the same period in 2009. In US dollar terms, revenues were up 16%, with increases in every region, especially in North America largely due to good harvest conditions and farming income.

Trading profit was €150 million, up €51 million from **Q4 2010** (€99 million) on increased volumes, better mix and improved production efficiencies.

2010 was an important year for new product launches and upgrades by the CNH brands.

The next generation of more powerful and fuel-efficient Steiger and Magnum tractors in North America, along with a range of new Puma 130-160 series models with Continuous Variable Transmission (CVT) were launched by the Case IH Agriculture brand. All models are equipped to meet Tier 4A/Stage IIIB emission standards. In the US, the brand also released the new Farmall A series tractor, with innovative styling. In Brazil, Case IH launched four new Axial-Flow combines, the Magnum 335 tractor and the Maxxum tractor with extended axle.



The new T7, T8 and T9 tractors with Tier 4A/Stage IIIB-compliant “Selective Catalytic Reduction” (SCR) engines, as well as the new Braud 9000L grape harvester were launched by the New Holland Agriculture brand. The brand introduced the Blue Power T7070 Autocommand and T7060 Power Command tractors in Europe and North America. In Europe, the T6000 Elite 6-cylinder, light-weight tractor with electronic engine and power boost and range from 116 to 140 hp was also launched. In North America, the hydrogen-fuelled NH2™ tractor has debuted.

During 2010 four new N Series loader backhoes in North America and a range of four Construction King T Series tractor loader backhoes in Europe were launched under the Case Construction brand. *Better Roads* magazine named the Case 650L crawler dozer one of the “Top 20 Rollouts”. Trade press presented Case Construction with an “Excellence in Equipment Engineering” award in the loader backhoe category for the 590 Super M+ Series 3 loader backhoe and recognition for the joystick steering in its Case E Series wheel loaders.

The first three models of its new range of wheeled excavators: the WE150, WE170 and WE190 were launched by New Holland Construction. The brand also introduced the new E10SR, the smallest mini–excavator in its range. US magazine *Construction Equipment* named the New Holland Construction B Series loader backhoe as one of the Top 100 Products of 2009.

TRUCKS AND COMMERCIAL VEHICLES Revenues and Trading profit/(loss) – Full Year		
(€ million)	2010	2009
Net revenues	8,307	7,183
% change	15.6	
Trading profit	270	105
Change	165	
Trading margin (%)	3.3	1.5

TRUCKS AND COMMERCIAL VEHICLES Revenues and Trading profit/(loss) – 4 th Quarter		
(€ million)	2010	2009
Net revenues	2,538	2,172
% change	16.9	
Trading profit	137	77
Change	60	
Trading margin (%)	5.4	3.5

Trucks and Commercial Vehicles

Iveco reported **revenues** of €8.3 billion for the year, up 15.6% over 2009, primarily as a result of higher sales volumes, which reflect a general recovery in demand, although remaining at modest levels in Western Europe.

Iveco delivered a total of 129,630 vehicles, an increase of 24.8% over 2009. Growth was recorded in all segments with light vehicles up 25.3%, medium up 51.3% and heavy up 27.6%. Total volumes for 2010 were, however, still considerably below pre-crisis levels. In Western Europe, a total of

78,326 vehicles were delivered (+17.3%), with increases in France (+22.3%), Germany (+31.9%), Spain (+40.8%) and the UK (+36.9%), but year-on-year performance for Italy flat (-0.1%). The trend was positive in Eastern Europe, with deliveries up 41.6%, and very strong in Latin America, increasing 52.4%.

In Western Europe, the trucks and commercial vehicles market (≥3.5 tons) grew 6.3% over 2009, with a recovery in demand in almost all major markets. There were increases for both light (+9.0%) and heavy vehicles (+3.5%), but a contraction for the medium segment (-1.5%). Registrations rose sharply in all major European markets: Germany (+15.7%), the UK (+9.2%), Spain (+5.9%), and France (+5.2%), with the exception of Italy where the market continued to decline (-3.2%).

Demand for trucks and commercial vehicles also increased in Eastern Europe (+13.5%), with the light and medium segments still experiencing a modest contraction (-1.9% and -0.6%, respectively), while the heavy segment, by contrast, grew 47.0% over 2009.

Iveco's market share in Western Europe was 13.2% (down 0.4 percentage points vs. 2009). Share was substantially unchanged in the light segment (-0.1 percentage points), with negative relative performance in the UK (-1.4 percentage points) offsetting increases in Spain and Germany (+1.7 and +1.4 percentage points, respectively). Share in the medium segment was down 0.4 percentage points, despite improvements in Spain (+11.6 percentage points), France (+1.0 percentage point) and Germany (+1.1 percentage points). Share decreased 0.9 percentage points in the heavy segment, with negative performances in Spain (-8.1 percentage points) and Germany (-1.3 percentage points)

partially compensated for by an increase in market share for Italy (+2.1 percentage points).

For 2010, Iveco posted a **trading profit** of €270 million (2009: €105 million). This improvement was primarily driven by higher sales volumes and production efficiencies.

Iveco's **fourth quarter revenues** were €2.5 billion, up 16.9% over the same period for 2009. **Trading profit** was €137 million, compared with €77 million for the fourth quarter of the prior year.

In April, Iveco presented the new Astra HHD8, a construction and mining vehicle with significant payload capacity that can adapt to even the most impenetrable terrain. In June, Iveco Magirus presented two new fire-fighting products, the high-performance Dragon 2 – especially designed for emergency response at airports – and a first-of-its-kind 60-meter ladder. Iveco also presented the Eurocargo hybrid, the mid-range vehicle equipped with parallel diesel/electric propulsion system and, for mass transit, the new Citelis bus, with a diesel/electric series hybrid engine.

At the Hannover Motor Show in September, Iveco presented the EcoStralis, the latest evolution of this heavy segment vehicle, which has been optimized to make it the most efficient, eco-performing vehicle in its class. Also on display were the Iveco Glider, a concept truck that proposes innovative productivity solutions for long-haul use, and an EcoDaily equipped with the integrated Blue&Me™ – TomTom® infotainment system. In addition, the first of 10 EcoDaily Electrics was delivered to a major international freight and logistics operator.

In Brazil, Iveco launched the new medium segment Vertis, while the first export sales of the Genlyon (the on-road heavy vehicle produced in China by the joint venture between Iveco and SAIC) began to Vietnam.

FPT INDUSTRIAL Revenues and Trading profit/(loss) – Full Year		
(€ million)	2010	2009
Net revenues	2,415	1,580
% change	52.8	
Trading profit/(loss)	65	(131)
Change	196	
Trading margin (%)	2.7	(8.3)

FPT INDUSTRIAL Revenues and Trading profit/(loss) – 4 th Quarter		
(€ million)	2010	2009
Net revenues	725	439
% change	65.1	
Trading profit/(loss)	30	6
Change	24	
Trading margin (%)	4.1	1.4

FPT Industrial

For 2010, **FPT Industrial** (the Industrial & Marine business line of the former FPT Powertrain Technologies Sector) reported €2,415 million in **revenues**, representing an increase of 52.8% over the previous year driven by a strong increase in volumes. Sales to external customers and joint ventures accounted for 32.3% (32.6% in 2009). A total of 423,000 engines (+58.1%) were sold, primarily to Iveco (34%), CNH (23%) and Sevel (25%), Fiat Group Automobiles' JV for light commercial vehicles. In addition, 66,000 transmissions

(+25.0%) and 139,000 axles (+32.1%) were also delivered.

2010 closed with a **trading profit** of €65 million. The improvement over the €131 million trading loss reported for 2009 was principally attributable to a significant increase in sales volumes.

For **Q4 2010**, FPT Industrial had **revenues** of €725 million, up 65.1% year-over-year. **Trading profit** was €30 million compared with a trading profit of €6 million for Q4 2009.

In 2010, development was completed on the new two-stage turbocharging Cursor 13 for agricultural applications (with power output of up to 660 hp), which is equipped with a new generation Common Rail system, capable of managing injection pressure up to 2,200 bars, and Selective Catalytic Reduction (SCR) system for reduction of nitrogen oxide emissions.

Other developments during the year included the commercial launch of the 176 hp F1C diesel engine, featuring SCR technology, and the start of production on the 81–129 kW versions of the F1C diesel, under the supply agreement with Daimler-Fuso.

For marine applications, the latest evolution of the C90, the 650 hp Pleasure version, was presented at the Genoa Motor Show in October 2010. Also of note were the victories chalked up by RED FPT, which won the U.I.M Marathon World Cup and the Harmsworth Trophy, the oldest motorboat racing trophy in the world.

Significant Events

Since the beginning of 2010, several events of major importance for the development of the Group's businesses and industrial capabilities marked the beginning of a new chapter in its history.

In April, John Elkann was appointed Chairman of Fiat, replacing Luca Cordero di Montezemolo and, on the same date, an Investor Day was held in Turin during which management presented the 2010-2014 Business Plan to the financial community. In addition to outlining the strategic growth plans and financial targets for each of the sectors within the Group, the Plan also contained a proposal to separate the trucks and commercial vehicles and agricultural and construction equipment activities from the automobiles and related components activities in order to yield each of these businesses the greatest potential for growth and strategic dexterity.

As a result, on 1 January 2011, two new groups came into being: Fiat (automobiles businesses) and Fiat Industrial (capital goods businesses), each with the strategic and financial clarity necessary to develop independently and with greater flexibility and focus on their respective core businesses. The ordinary, preference and savings shares of Fiat Industrial were accepted for listing on the Milan Stock Exchange (Mercato Telematico Azionario) and regular trading began on 3 January 2011.

An agreement was reached for the Giambattista Vico plant in Pomigliano d'Arco, where the future Panda is to be produced. Negotiations led to the signing of an agreement with the trade unions FIM, UILM, FISMIC and UGL on new work rules aimed at improving the efficiency and competitiveness of the plant.

On 23 December 2010, company representatives and the trade unions FIM, UILM, FISMIC and UGL signed an agreement for the relaunch of the Mirafiori plant. The plan calls for the establishment of a joint venture between Chrysler and Fiat to bring a new platform to Turin from the United States for production of large SUVs for the Jeep® and Alfa Romeo brands, with production expected to reach up to a maximum of 280,000 vehicles per year. The agreement, which was put to a referendum in January this year, received majority approval from workers.

Also in December, the foundation stone was laid for FGA's new plant in Pernambuco, Brazil. A total of BRL 3 billion is to be invested with initial production capacity to reach 200,000 vehicles per year by 2014.

In January 2011, Fiat increased its ownership in Chrysler Group LLC from 20% to 25% following achievement of the first of three Performance Events (beginning commercial production of the FIRE engine at Chrysler's Dundee, Michigan facility) stipulated in the

alliance agreement. In 2010, Fiat Group Automobiles and Chrysler Group LLC also took additional steps towards integration of their distribution activities in Europe. Starting in April, FGA commenced commercial activities to support the sale and service of Chrysler, Jeep® and Dodge branded products in several European markets. In May, the two companies began reorganization and integration of the Chrysler and Lancia sales networks. This integration will lead to the creation of a new network of over 1,000 dealerships across Europe by 2014 with a new mandate.

During 2010, the Group also continued with its strategy of targeted alliances, entering into several new agreements in the automobile and automobile-related components field, as well as in capital goods. For the Automobiles business, Fiat and the Russian company Sollers signed a memorandum of understanding to establish a global alliance for the production of passenger cars and SUVs. Fiat Group Automobiles and Adam Opel GmbH signed an agreement under which Fiat will supply vehicles based on the same platform as the Fiat Doblò. In China, the joint venture established by Magneti Marelli and Shanghai Automobile Gear Works (SAGW) opened a new plant near Shanghai to produce hydraulic components for around 300,000 transmissions annually. Magneti Marelli also inaugurated a new plant in Russia for the production of headlights and taillights for passenger cars. Finally, CNH and KAMAZ finalized a joint venture agreement for the production of agricultural and construction equipment in the Russian Federation. Once fully operational, the 50/50 joint venture CNH-KAMAZ Industry, will have an annual production capacity of 4,000 units.

International recognition received during the year included Fiat S.p.A. being named as a sustainability leader, for the second consecutive year, with its place being confirmed in the Dow Jones Sustainability World and Dow Jones Sustainability Europe indexes. The score assigned to Fiat by SAM, specialists in sustainability investing, was 93/100 compared to an average of 70/100 for the pool of “Automobiles” sector companies analyzed.

2011 Outlook

Fiat and Fiat Industrial confirm the 2011-14 Plan and the financial objectives that were set out in the presentation to the capital markets in April 2010.

In particular, the targets for each group for 2011 are set out below.

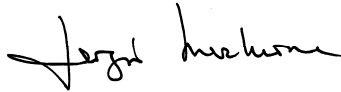
FIAT AND FIAT INDUSTRIAL 2011 Financial Objectives		
(€ billion)	Fiat	Fiat Industrial
Sales	~ 37	~ 22
Trading Profit	0.9-1.2	1.2-1.4
Net Income	~ 0.3	~ 0.6
Net Industrial Debt	1.5-1.8	1.8-2.0
Capex	4.0-4.5	~1.4

The capital expenditures programs are expected to increase substantially, especially for Fiat over the abnormally low levels of 2010, with the resumption of a normalized level of capital commitments across all Sectors.

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



John Elkann
Chairman



Sergio Marchionne
Chief Executive Officer

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

This press release, and in particular the section entitled "2011 Outlook", contains forward-looking statements. These statements are based on Fiat's current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: volatility and deterioration of capital and financial markets, changes in commodity prices, changes in general economic conditions, economic growth and other changes in business conditions, changes in government regulation (in each case, in Italy or abroad), and many other factors, most of which are outside of Fiat's control.

Turin, 27 January 2011

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

Consolidated Income Statement (*)

Unaudited

(€ million)	2010	2009
NET REVENUES	35,880	32,684
TRADING PROFIT/(LOSS)	1,112	736
Gains (losses) on the disposal of investments	12	3
Restructuring costs	118	168
Other unusual income (expenses)	(14)	(193)
OPERATING PROFIT/(LOSS)	992	378
Financial income (expenses)	(400)	(352)
Result from investments	114	77
PROFIT/(LOSS) BEFORE TAXES	706	103
Income taxes	484	448
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	222	(345)
Post tax profit/(loss) for Discontinued Operations	378	(503)
PROFIT/(LOSS)	600	(848)
PROFIT/(LOSS) ATTRIBUTABLE TO:		
Owners of the parent	520	(838)
Non-controlling interests	80	(10)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO:		
Owners of the parent	179	(374)
Non-controlling interests	43	29

(*) This income statement has been prepared in accordance with IFRS 5. Amounts relating to Continuing Operations (Fiat Post Demerger) are presented by individual line item, whereas the profit or loss for Fiat Industrial Group is reported as a single line item under "Post-tax profit/(loss) from Discontinued Operations". Figures for 2009 have been reclassified accordingly.

Change in Net Industrial Debt (**)

Unaudited

(€ million)	2010	2009
Net industrial debt at beginning of the year	(4,418)	(5,949)
- Profit/(loss)	600	(848)
- Amortization and depreciation (net of vehicles sold under buy-back commitments or leased)	2,846	2,667
- Change in provisions for risks and charges and similar	552	118
Cash from/(used in) operating activities during the year before change in working capital	3,998	1,937
- Change in working capital	1,886	2,564
Cash from/(used in) operating activities	5,884	4,501
- Investments in property, plant and equipment and intangible assets (net of vehicles sold under buy-back commitments)	(3,712)	(3,382)
Net cash from/(used in) operating activities, net of capital expenditures	2,172	1,119
- Change in consolidation scope and other changes	(76)	525
Net industrial cash flow	2,096	1,644
- Capital increases, (purchase)/disposal of own shares and dividends	(238)	(20)
- Currency translation differences	118	(93)
Change in net industrial debt	1,976	1,531
Net industrial debt at end of the year	(2,442)	(4,418)

(**) Figures relate to Fiat Group Pre Demerger.

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:

	Average 2010	At 31 December 2010	Average 2009	At 31 December 2009
US dollar	1.326	1.336	1.395	1.441
Pound sterling	0.858	0.861	0.891	0.888
Swiss franc	1.380	1.250	1.510	1.484
Polish zloty	3.995	3.975	4.328	4.105
Brazilian real	2.331	2.218	2.767	2.511
Argentine peso	5.183	5.303	5.201	5.473