PRESS RELEASE

**Information on 2014 guidance and cash flow, credit rating, access to Chrysler Group LLC's financial resources and corporate reorganization requested by Consob**

In a letter dated 13 February 2014, Consob requested that the Company make certain additional clarifying disclosures relating to the assumptions underlying its 2014 revenue and net industrial debt targets[1], free cash flow and financing activity in the same period, the effects of the recent ratings downgrade by Moody's, the ability to access Chrysler Group LLC's ("**Chrysler**") financial resources, the approval period for documentation relating to the recently announced corporate reorganization[2] and the tax effects associated with that reorganization.

The Company's response is as follows:

**Revenue target for 2014[3]**

The announced revenue target for 2014 is approximately €93 billion, representing a 7% increase over reported revenues for 2013.

It is expected that the increase will be primarily driven by commercial activities in NAFTA where, as illustrated in the financial results presentation given on 29 January 2014[1], the market is expected to register continued growth, albeit at a lower rate than for prior years, and where the Group expects revenue growth as sales of new models introduced over the past 12 months gain increased momentum, mainly the Jeep Cherokee and also the new Chrysler 200, which will be available in the second quarter of 2014.

The year-over-year revenue contribution from APAC is also expected to be higher in 2014, driven by both increased market demand and penetration in the Group's key markets in the region, particularly China and Australia.

For EMEA, the Group's volumes and revenues are expected to be substantially in line with 2013, primarily due to the industry outlook that overall demand will remain flat and that

[1] Press release for 2013 full-year and fourth-quarter results issued on 29 January 2014 (http://www.fiatspa.com/en-US/media_center/FiatDocuments/2014/Gennaio/FIAT_S_P_A_BOARD_OF_DIRECTORS_MEETING_2013_FULL_YEAR_AND_FOURTH_QUARTER_RESULTS.pdf) and "*Fiat S.p.A. Q4 & FY 2013 Results Review*" (http://www.fiatspa.com/en-US/investor_relations/investors/risultati_trimestrali/FiatDocuments/2013/Q4_FY_2013_Results.pdf)

[2] Press release "*Fiat S.p.A. reorganizes after completion of the purchase of Chrysler Group LLC*" issued on 29 January 2014 (http://www.fiatspa.com/en-US/media_center/FiatDocuments/2014/Gennaio/Fiat_S_p_A_reorganizes_after_completion_of_the_purchase_of_Chrysler_Group_LLC.pdf)

[3] The full text of the Consob request was as follows: "*the assumptions underlying the revenue projection for 2014 – increasing approximately 7% versus 2013 – with specific reference to: (i) assumptions for growth in Group market share in NAFTA and APAC, which, in order for global sales volumes in 2014 to be higher than 2013, must more than compensate for results in EMEA and LATAM, (ii) assumptions for volume growth in 2014 in both EMEA and LATAM, where Group market share in 2013 was lower than in 2012*"

competitive pricing pressures, particularly in the mass-market segments, will continue to be a key factor.

In Latin America, it is expected that overall car demand will remain at 2013 levels, with the Group expecting to maintain its market position substantially unchanged despite increased competition.

The Group's luxury brands are also expected to contribute to revenue growth in 2014 on the strength of volume growth for new models launched in 2013, particularly for Maserati.

**Net industrial debt target for 2014[4]**

The net industrial debt target for year-end 2014 is between €9.8 and €10.3 billion.

Excluding disbursements for the purchase of the VEBA interest in Chrysler, totaling €2.7 billion and the €0.3 billion negative effect from the consolidation of the debt related to joint operations due to the application of the new accounting standard IFRS 11,[5] cash used in investing activities for the period is expected to exceed cash from operating activities[6] in a range between €0.1 and €0.6 billion.

The targeted increase in EBITDA reflects the expectation for higher trading profit together with an increase in depreciation and amortization.

Working capital is expected to generate positive cash flow for the period, although below the 2013 level. The year-over-year comparison reflects an expected increase in export activity, resulting in higher finished inventories, and exceptional seasonality in 2013, which resulted in higher sales volumes and production levels for Chrysler in the fourth quarter, primarily relating to the launch of the new Jeep Cherokee.

**Free cash flow and financing activity in 2014[7]**

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[4] The full text of the Consob request was as follows: "*basis for determination of the net industrial debt target for 2014 – set at between €9.8 and €10.3 billion – with particular reference to the assumptions underlying EBITDA growth and change in Working Capital, which is expected to generate cash at a level at least equivalent to 2013, considering also (i) planned capital expenditure for 2014 (approximately €8 billion, as indicated during the Conference Call of 29 January), (ii) the assumption for growth in sales volumes in 2014, as well as (iii) 2014 targets for trading profit and net profit*"

[5] Adoption of IFRS 11- Joint arrangements effective January 1, 2014 resulted in the partial consolidation of some entities that were previously accounted for using the equity method

[6] Cash from operating activities consists of EBITDA less interest and cash taxes expected for the year in addition to changes in working capital and provisions

[7] The full text of the Consob request was as follows: "*assumptions concerning the Group's capacity to generate positive free cash flow in 2014 and how the Company intends to obtain the financial resources necessary to satisfy the projected requirements*"

Excluding the acquisition of the minority interest in Chrysler from VEBA, the Group expects that investment activity for 2014 will be more than covered by cash from operating activities, before interest.

On the basis of the Group's available liquidity, credit lines in place and available for investment in industrial activities (particularly in Latin America), in addition to the ability to access capital markets, as demonstrated by the recent successful bond issuances, the Group believes its capital resources are more than adequate to meet the projected funding requirements.



**Impact of ratings downgrade by Moody's[8]**

The one notch downgrade by Moody's on 11 February 2014 from Ba3 to B1 with a stable outlook does not trigger any early repayment of existing borrowings or any increase in funding costs, with the exception of a marginal increase in commitment fees on a revolving credit line of €2.1 billion for Fiat, which is currently undrawn. Any impact of this ratings downgrade on future borrowings is expected to be limited.

**Restrictions on Fiat S.p.A.'s ability to access the financial resources of Chrysler Group LLC following the acquisition of the VEBA equity interest[9]**

Chrysler's financial documentation allows distributions to the member within certain limits, customary for financings in the U.S. debt markets. Among the most significant is a cap on dividend distributions, other than distributions in respect of taxes, governed by a builder-basket equal to 50% of accumulated net income from 1 January 2012, in addition to a one-time basket of USD 500 million. Distributions are also subject to the condition that Chrysler's liquidity exceeds a minimum threshold of USD 3 billion (at year-end 2013 liquidity totalled USD 14.7 billion) which the Group does not believe will affect Chrysler's capacity to make distributions.

Intercompany financing is not restricted other than through the application of covenants requiring that transactions with related parties be conducted at arm's length terms or be approved by a majority of the "*disinterested*" members of the Board of Directors of Chrysler.

**Approval period for documentation relating to recently announced corporate reorganization and tax effects of the reorganization[10]**

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[8] The full text of the Consob request was as follows: "*the analysis of directors concerning the Moody's downgrade, with particular reference to (i) an increase in the cost of existing and new borrowings, including bond issuances, and (ii) the risk of early repayment*"

[9] The full text of the Consob request was as follows: "*in relation to the acquisition of the remaining equity interest in Chrysler Group held by the VEBA Trust, indication of remaining conditions and restrictions for Fiat S.p.A. subsequent to the transaction, that could limit access to Chrysler Group's financial resources*"

[10] The full text of the Consob request was as follows: *"in relation to the corporate reorganization approved on 29 January, (i) updates related to the expected timing for approval of the formal documentation and (ii) with reference to the tax aspects of the transfer of Fiat Chrysler Automobiles N.V.'s tax residency to the United Kingdom, the potential impact on taxation for the holding, the group and shareholders, given that, as stated in the press release announcing the*

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The corporate reorganization announced on 29 January 2014 requires approval of the relevant documentation by Fiat S.p.A.'s Board of Directors and by an extraordinary shareholders' meeting. Dates for the respective board and the extraordinary shareholders' meetings have not yet been set. As already announced, it is expected that the transaction will be completed before the end of 2014.

As stated in the press release issued on 29 January 2014, it is expected that FCA (Fiat Chrysler Automobiles N.V.) will be tax resident in the United Kingdom.

Tax residency in the United Kingdom is expected to have no significant impact on the level of taxation for the Group. The Group's operating companies, including those based in Italy, will continue to be subject to taxation in each jurisdiction in which they operate. Taxable income for the holding company is largely immaterial to the Group's overall tax position due to the nature of its activities.

In terms of the tax implication for shareholders, dividends distributed by companies that are tax resident in the United Kingdom are generally not subject to withholding tax, but ultimately dividends received will be subject to taxation pursuant to the rules applicable in the jurisdiction where shareholders are resident.

*This press release has been distributed in accordance with the procedure specified in Consob Regulation 11971/1999 Part III, Title II, Chapter I, as amended, in response to a request received by Fiat on 13 February 2014 from Consob, pursuant to Article 114 of Legislative Decree 58/98, to disclose information to the public.*

*This press release contains forward-looking statements, which have been provided at the request of Consob. 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, including possibility of new Eurozone sovereign debt crisis, 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.*

Turin, 17 February 2014

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*transaction, 'this is not expected to affect the taxes payable by Group companies in the jurisdictions in which their activities are carried out' "*