



Fiat S.p.A. reorganizes after completion of the purchase of Chrysler Group LLC

Today, the Board of Directors of Fiat S.p.A. ("Fiat") approved a corporate reorganization and the formation of Fiat Chrysler Automobiles ("FCA") as a fully-integrated global automaker.

Following Fiat's acquisition of the minority equity interest in Chrysler Group LLC, previously held by the VEBA Trust, the Fiat Board of Directors has reviewed options for the most appropriate governance and corporate structure.

In order to establish a true peer to the major global automotive groups, in both scale and capital market appeal, the Board has decided to establish Fiat Chrysler Automobiles N.V., organized in the Netherlands, as the parent company of the Group. FCA's common shares will be listed in New York and Milan.

"A new chapter of our story begins with the creation of Fiat Chrysler Automobiles. A journey that started over a decade ago, as Fiat sought to ensure its place in an increasingly complex marketplace, has brought together two organizations each with a great history in the automotive industry and different but complementary geographic strengths. FCA allows us to face the future with a renewed sense of purpose and vigor," said John Elkann, Chairman of Fiat.

Sergio Marchionne, CEO of Fiat and Chairman/CEO of Chrysler Group said: "Today is one of the most important days in my career at Fiat and Chrysler. Five years ago we began to cultivate a vision that went beyond industrial cooperation to include full cultural integration at all levels. We have worked tenaciously and single-mindedly to transform differences into strengths and break down barriers of nationalistic or cultural resistance. Today we can say that we have succeeded in creating solid foundations for a global automaker with a mix of experience and know-how on a level with the best of our competitors. An international governance structure and listings will complete this vision and improve the Group's access to global markets bringing obvious financial benefits."

Under the proposal approved by the Fiat Board, Fiat shareholders will receive one FCA common share for each Fiat share they hold and the FCA common shares will be listed on the New York Stock Exchange (NYSE) with an additional listing on the *Mercato Telematico Azionario* (MTA) in Milan. FCA is expected to be resident for tax purposes in the United Kingdom, but this is not expected to affect the taxes payable by Group companies in the jurisdictions in which their activities are carried out.

In order to foster the development and continued involvement of a core base of long-term shareholders, FCA will adopt a loyalty voting structure, under which Fiat shareholders who are present or represented by proxy at the Fiat shareholder meeting called to vote on the proposal and who continue to hold their shares until the closing, regardless of how they vote, are eligible to receive special voting shares equivalent in number to the newly-issued FCA common shares they receive. The special voting shares will be subject to specific terms and conditions.

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After the closing, shareholders who hold their FCA common shares for at least three years would also be entitled to participate in the loyalty voting structure.

FCA shareholders will be eligible for loyalty voting until they transfer their common shares. This structure is intended to facilitate a stable shareholder base and reward long-term share ownership, while allowing the Group enhanced flexibility to pursue strategic opportunities.

The proposed transaction is subject to approval of the final documentation by Fiat's Board of Directors and shareholders.

The transaction would also be subject to limited closing conditions, including listing on the NYSE and a €500 million cap on the exercise of withdrawal rights arising under Italian law by Fiat shareholders and opposition rights by Fiat creditors. Listing on the MTA in Milan is expected to occur after trading on the NYSE has commenced.

The transaction is expected to be completed by the end of the year.

Today's decisions, and the jurisdiction of the parent company in particular, are based on the needs and opportunities resulting from the creation of a large, global auto group through the union of Fiat and Chrysler.

The existing organization based on four operating regions will remain central to the operating and management structure of the new Group. All activities forming part of FCA will continue with the same mission, including manufacturing plants in Italy and elsewhere around the globe, with no impact on headcount.

The Group will present a long-term business plan to the financial community at the beginning of May 2014.

Turin, 29 January 2014