



Fiat remains confident of the legitimacy of the tax ruling process regarding Fiat Finance and Trade (“FFT”) in Luxemburg and, in any case, is of the view that the Group’s potential financial exposure associated with the case is immaterial

Fiat S.p.A. (“Fiat”) is providing the following statements in connection with the publication yesterday of the text of the decision by the European Commission to open an investigation into a tax ruling granted by the Luxemburg Tax Authorities to FFT in 2012. The publication of the decision is a formality in the process and does not add new elements to the case.

Fiat understands that the European Commission took such decision due to concerns that the ruling obtained by Fiat could yield a tax treatment for FFT income in alleged violation of EU state aid rules.

As previously stated, FFT performs cash management and financing activities for the Fiat Group’s European operations. The company has never requested any tax exemption or facilitation in connection with the tax ruling, the sole purpose of which is to clarify the transfer pricing rules to be applied in its financing activities within the Group.

The period under review is limited to the years 2012 and 2013.

In addition, any potential increase in the taxable income of FFT would be immaterial to the Fiat Group’s reported results and furthermore would result in compensating adjustments in other tax jurisdictions that would need to be agreed between the Tax Authorities of Luxemburg and the tax authorities of the other European countries involved in the intra-group financing arrangements.

It should also be noted that the Luxemburg tax rate is similar to the tax rate in other European jurisdictions and that in the period under review the Group had significant taxable losses in its European business.

And finally, Fiat remains convinced that any review of this matter by the Authorities will result in the confirmation of the legitimacy of the tax ruling originally issued.

Turin, October 2, 2014