Fiat Group Consolidated Financial Statements
at 31 December 2013

Consolidated Income Statement(*)

(€ million)	Note	2013	2012(**)
Net revenues	(1)	86,816	83,957
Cost of sales	(2)	74,570	71,701
Selling, general and administrative costs	(3)	6,689	6,763
Research and development costs	(4)	2,231	1,850
Other income/(expenses)		68	(102)
TRADING PROFIT/(LOSS)		**3,394**	**3,541**
Result from investments:	(5)	97	107
Share of the profit/(loss) of investees accounted for using the equity method		87	94
Other income/(expenses) from investments		10	13
Gains/(losses) on the disposal of investments	(6)	8	(91)
Restructuring costs	(7)	28	15
Other unusual income/(expenses)	(8)	(499)	(138)
EBIT		**2,972**	**3,404**
Financial income/(expenses)	(9)	(1,964)	(1,885)
PROFIT/(LOSS) BEFORE TAXES		**1,008**	**1,519**
Tax (income)/expenses	(10)	(943)	623
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**1,951**	**896**
Profit/(loss) from Discontinued Operations		-	-
PROFIT/(LOSS)		**1,951**	**896**
PROFIT/(LOSS) ATTRIBUTABLE TO:			
Owners of the parent		904	44
Non-controlling interests		1,047	852

(in €)			
BASIC EARNINGS/(LOSS) PER ORDINARY SHARE	(12)	**0.744**	**0.036**
DILUTED EARNINGS/(LOSS) PER ORDINARY SHARE	(12)	**0.736**	**0.036**

(*) *Pursuant to Consob Resolution 15519 of 27 July 2006, the effects of related party transactions on the consolidated income statement are presented in the specific Income Statement schedule provided in the following pages and are further described in Note 31.*

(**) *Following the retrospective application of the amendment to IAS 19 from 1 January 2013, the 2012 comparative amounts were restated as required by IAS 1. Compared to the previously reported figures, Profit for 2012 decreased by €515 million, of which mainly €273 million in Trading Profit/EBIT and €244 million in Financial expenses. Reference should be made to the section "New and revised IFRSs adopted since 1 January 2013" for further details.*

Consolidated Statement of Comprehensive Income/(losses)

(€ million)	Note	2013	2012(*)
PROFIT/(LOSS) (A)		**1,951**	**896**
Items that will never be reclassified to the Income statement:			
Gains/(losses) on remeasurements of defined benefit plans	(23)	2,678	(1,843)
Share of gains/(losses) on remeasurements of defined benefit plans for equity accounted entities	(23)	(9)	1
Related tax impact	(23)	239	3
Total items that will never be reclassified to the Income statement (B1)		**2,908**	**(1,839)**
Items that may be reclassified to the Income statement:			
Gains/(losses) on cash flow hedging instruments	(23)	162	184
Gains/(losses) on available-for-sale financial assets	(23)	4	27
Exchange differences on translating foreign operations	(23)	(708)	(270)
Share of Other comprehensive Income/(losses) for equity accounted entities	(23)	(100)	21
Related tax impact	(23)	(27)	(24)
Total items that may be reclassified to the Income statement (B2)		**(669)**	**(62)**
TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES), NET OF TAX (B1)+(B2)=(B)		**2,239**	**(1,901)**
TOTAL COMPREHENSIVE INCOME/(LOSSES) (A)+(B)		**4,190**	**(1,005)**
TOTAL COMPREHENSIVE INCOME/(LOSSES) ATTRIBUTABLE TO:			
Owners of the parent		2,117	(1,062)
Non-controlling interests		2,073	57

(*) *Following the retrospective application of the amendment to IAS 19 from 1 January 2013, the 2012 comparative amounts were restated as required by IAS 1. Compared to the previously reported, Total comprehensive income for 2012 decreased by €2,265 million, of which €515 million arose from lower Profit for 2012 and €1,750 million from a decrease in Total other comprehensive Income/(losses). Reference should be made to the section "New and revised IFRSs adopted since 1 January 2013" for further details.*

Consolidated Statement of Financial Position(*)

(€ million)	Note	At 31 December 2013	At 31 December 2012(**)	At 1 January 2012(**)
ASSETS				
Intangible assets		**19,509**	19,284	18,200
Goodwill and intangible assets with indefinite useful lives	(13)	**12,439**	12,947	13,213
Other intangible assets	(14)	**7,070**	6,337	4,987
Property, plant and equipment	(15)	**22,843**	22,061	20,785
Investments and other financial assets:	(16)	**2,260**	2,287	2,663
Investments accounted for using the equity method		**1,561**	1,507	1,582
Other investments and financial assets		**699**	780	1,081
Leased assets		**1**	1	45
Defined benefit plan assets		**105**	93	105
Deferred tax assets	(10)	**2,893**	1,738	1,689
TOTAL NON-CURRENT ASSETS		**47,611**	**45,464**	**43,487**
Inventories	(17)	**10,230**	9,295	9,123
Trade receivables	(18)	**2,406**	2,702	2,625
Receivables from financing activities	(18)	**3,671**	3,727	3,968
Current tax receivables	(18)	**291**	236	369
Other current assets	(18)	**2,302**	2,163	2,088
Current financial assets:		**815**	807	789
Current investments		**35**	32	33
Current securities	(19)	**247**	256	199
Other financial assets	(20)	**533**	519	557
Cash and cash equivalents	(21)	**19,439**	17,657	17,526
TOTAL CURRENT ASSETS		**39,154**	**36,587**	**36,488**
Assets held for sale	(22)	**9**	55	66
TOTAL ASSETS		**86,774**	**82,106**	**80,041**

(*) Pursuant to Consob Resolution 15519 of 27 July 2006, the effects of related party transactions on the Consolidated statement of financial position are presented in the specific Statement of financial position schedule provided in the following pages and are further described in Note 31.
(**) Following the retrospective application of the amendment to IAS 19 from 1 January 2013, the comparative amounts at 1 January and 31 December 2012 were restated as required by IAS 1. Reference should be made to the section "New and revised IFRSs adopted since 1 January 2013" for further details.

Consolidated Statement of Financial Position (continued)

(€ million)	Note	At 31 December 2013	At 31 December 2012(*)	At 1 January 2012(*)
EQUITY AND LIABILITIES				
Equity:	(23)	**12,584**	8,369	9,711
Equity attributable to owners of the parent		**8,326**	6,187	7,358
Non-controlling interest		**4,258**	2,182	2,353
Provisions:		**17,360**	20,276	18,182
Employee benefits	(25)	**8,265**	11,486	9,584
Other provisions	(26)	**9,095**	8,790	8,598
Debt:		**29,902**	27,889	26,772
Asset-backed financing	(27)	**596**	449	710
Other debt	(27)	**29,306**	27,440	26,062
Other financial liabilities	(20)	**137**	201	429
Trade payables	(28)	**17,235**	16,558	16,418
Current tax payables		**314**	231	230
Deferred tax liabilities	(10)	**278**	801	761
Other current liabilities	(29)	**8,943**	7,781	7,538
Liabilities held for sale	(22)	**21**	-	-
TOTAL EQUITY AND LIABILITIES		**86,774**	**82,106**	**80,041**

(*) Following the retrospective application of the amendment to IAS 19 from 1 January 2013 the comparative figures at 1 January and 31 December 2012 were restated as required by IAS 1. More specifically, the amount of Equity at 31 December 2012 decreased by €4,804 million, of which €2,872 million in Equity attributable to owners of the parent and €1,932 million in Non-controlling interest. Reference should be made to the section "New and revised IFRSs adopted since 1 January 2013" for further details.

Consolidated Statement of Cash Flows(*)

(€ million)	Note	2013	2012
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	(21)	**17,657**	**17,526**
B) CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES DURING THE YEAR:			
Profit/(loss) for the year		1,951	896(**)
Amortization and depreciation		4,574	4,134
(Gains)/losses on disposal of:			
Property, plant and equipment and intangible assets		31	14
Investments		(8)	91
Other non-cash items	(32)	522	562(**)
Dividends received		92	89
Change in provisions		444	77
Change in deferred taxes		(1,578)	(72)
Change in items due to buy-back commitments	(32)	92	(51)
Change in operating lease items	(32)	1	(10)
Change in working capital		1,468	714
TOTAL		**7,589**	**6,444**
C) CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:			
Investments in:			
Property, plant and equipment and intangible assets	(32)	(7,440)	(7,534)
Investments in consolidated subsidiaries		(19)	-
Other investments		(212)	(24)
Proceeds from the sale of:			
Property, plant and equipment and intangible assets		43	118
Other investments		5	21
Net change in receivables from financing activities		(449)	(24)
Change in current securities		(10)	(64)
Other changes		(4)	(30)
TOTAL		**(8,086)**	**(7,537)**
D) CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:			
New issuance of bonds		2,866	2,535
Repayment of bonds		(1,000)	(1,450)
Issuance of other medium-term borrowings		3,188	1,925
Repayment of other medium-term borrowings		(2,549)	(1,528)
Net change in other financial payables and other financial assets/liabilities		686	197
Increase in share capital		4	22
Dividends paid		(1)	(58)
Distribution for tax withholding obligations on behalf of non-controlling interests (“NCI”)		(6)	-
TOTAL		**3,188**	**1,643**
Translation exchange differences		(909)	(419)
E) TOTAL CHANGE IN CASH AND CASH EQUIVALENTS		**1,782**	**131**
F) CASH AND CASH EQUIVALENTS AT END OF THE YEAR	(21)	**19,439**	**17,657**

(*) *Pursuant to Consob Resolution 15519 of 27 July 2006, the effects of related party transactions on the Consolidated statement of cash flows are presented in the specific Statement of cash flows schedule provided in the following pages.*
(**) *Following the retrospective application of the amendment to IAS 19 from 1 January 2013, the 2012 comparative amounts for Profit decreased by €515 million with a corresponding increase in Other non-cash items.*

Statement of Changes in Consolidated Equity

(€ million)	Share capital	Treasury shares	Capital reserves	Earnings reserves	Cash flow hedge reserve	Cumulative translation adjustment reserve	Available for sale financial assets reserve	Remeasu-rement of defined benefit plans reserve	Cumulative share of OCI of entities consolidated under the equity method	Non-controlling interests	Total
AT 31 DECEMBER 2011 (Reported amounts)	**4,466**	**(289)**	**147**	**3,862**	**(170)**	**834**	**(43)**	**-**	**(80)**	**3,533**	**12,260**
IAS 19 revised adoption effect	-	-	-	(79)	-	-	-	(1,287)	(3)	(1,180)	**(2,549)**
AT 1 JANUARY 2012	**4,466**	**(289)**	**147**	**3,783**	**(170)**	**834**	**(43)**	**(1,287)**	**(83)**	**2,353**	**9,711**
Changes in equity for 2012:											
Capital increase	-	-	-	-	-	-	-	-	-	22	**22**
Effect of the conversion of preference and savings shares into ordinary shares	10	-	(10)	-	-	-	-	-	-	-	**-**
Share based payments	-	30	-	(15)	-	-	-	-	-	-	**15**
Dividends distributed	-	-	-	(40)	-	-	-	-	-	(18)	**(58)**
Purchase and sale of shares in subsidiaries from/to non-controlling interests	-	-	-	22	1	3	-	(114)	-	(232)	**(320)**
Total comprehensive income	-	-	-	44	184	(204)	26	(1,133)	21	57	**(1,005)**
Other changes	-	-	-	4	-	-	-	-	-	-	**4**
AT 31 DECEMBER 2012	**4,476**	**(259)**	**137**	**3,798**	**15**	**633**	**(17)**	**(2,534)**	**(62)**	**2,182**	**8,369**

Statement of Changes in Consolidated Equity (continued)

(€ million)	Share capital	Treasury shares	Capital reserves	Earnings reserves	Cash flow hedge reserve	Cumulative translation adjustment reserve	Available for sale financial assets reserve	Remeasurement of defined benefit plans reserve	Cumulative share of OCI of entities consolidated under the equity method	Non-controlling interests	Total
AT 31 DECEMBER 2012 (Reported amounts)	**4,476**	**(259)**	**137**	**4,187**	**15**	**580**	**(17)**	**-**	**(60)**	**4,114**	**13,173**
IAS 19 revised adoption effect	**-**	-	-	(389)	-	53	-	(2,534)	(2)	(1,932)	**(4,804)**
AT 1 JANUARY 2013	**4,476**	**(259)**	**137**	**3,798**	**15**	**633**	**(17)**	**(2,534)**	**(62)**	**2,182**	**8,369**
Changes in equity for 2013:											
Capital increase	1	-	2	-	-	-	-	-	-	1	**4**
Dividends distributed	-	-	-	-	-	-	-	-	-	(1)	**(1)**
Share based payments	-	-	-	9	-	-	-	-	-	-	**9**
Total comprehensive income	-	-	-	904	86	(555)	4	1,786	(108)	2,073	**4,190**
Distribution for tax withholding obligations on behalf of NCI	-	-	-	-	-	-	-	-	-	(6)	**(6)**
Purchase of shares in subsidiaries from non-controlling interests				2	-	-	-	-	-	-	**2**
Other changes	-	-	-	8	-	-	-	-	-	9	**17**
At 31 DECEMBER 2013	**4,477**	**(259)**	**139**	**4,721**	**101**	**78**	**(13)**	**(748)**	**(170)**	**4,258**	**12,584**

Consolidated Income Statement

pursuant to Consob Resolution 15519 of 27 July 2006

(€ million)	Note	2013 Total	2013 of which Related parties (Note 31)	2012 Total	2012 of which Related parties (Note 31)
Net revenues	(1)	86,816	2,832	83,957	2,793
Cost of sales	(2)	74,570	3,391	71,701	3,674
Selling, general and administrative costs	(3)	6,689	119	6,763	116
Research and development costs	(4)	2,231	1	1,850	7
Other income/(expenses)		68	35	(102)	20
TRADING PROFIT/(LOSS)		**3,394**		**3,541**	
Result from investments:	(5)	97	97	107	107
Share of the profit/(loss) of investees accounted for using the equity method		87	87	94	94
Other income/(expenses) from investments		10	10	13	13
Gains/(losses) on the disposal of investments	(6)	8	-	(91)	-
Restructuring costs	(7)	28	-	15	-
Other unusual income/(expenses)	(8)	(499)	-	(138)	-
EBIT		**2,972**		**3,404**	
Financial income/(expenses)	(9)	(1,964)	(22)	(1,885)	(25)
PROFIT/(LOSS) BEFORE TAXES		**1,008**		**1,519**	
Tax (income)/expenses	(10)	(943)		623	
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**1,951**		**896**	
Profit/(loss) from Discontinued Operations		-		-	
PROFIT/(LOSS)		**1,951**		**896**	
PROFIT/(LOSS) ATTRIBUTABLE TO:					
Owners of the parent		904		44	
Non-controlling interests		1,047		852	

Consolidated Statement of Financial Position
pursuant to Consob Resolution 15519 of 27 July 2006

(€ million)	Note	At 31 December 2013 Total	At 31 December 2013 of which Related parties (Note 31)	At 31 December 2012 Total	At 31 December 2012 of which Related parties (Note 31)
ASSETS					
Intangible assets		19,509	-	19,284	-
Goodwill and intangible assets with indefinite useful lives	(13)	12,439	-	12,947	-
Other intangible assets	(14)	7,070	-	6,337	-
Property, plant and equipment	(15)	22,843	-	22,061	-
Investments and other financial assets:	(16)	2,260	1,930	2,287	1,880
Investments accounted for using the equity method		1,561	1,561	1,507	1,507
Other investments and financial assets		699	369	780	373
Leased assets		1	-	1	-
Defined benefit plan assets		105	-	93	-
Deferred tax assets	(10)	2,893	-	1,738	-
TOTAL NON-CURRENT ASSETS		**47,611**		**45,464**	
Inventories	(17)	10,230	3	9,295	2
Trade receivables	(18)	2,406	279	2,702	384
Receivables from financing activities	(18)	3,671	163	3,727	201
Current tax receivables	(18)	291	-	236	-
Other current assets	(18)	2,302	34	2,163	49
Current financial assets:		815	-	807	-
Current investments		35	-	32	-
Current securities	(19)	247	-	256	-
Other financial assets	(20)	533	-	519	-
Cash and cash equivalents	(21)	19,439	-	17,657	-
TOTAL CURRENT ASSETS		**39,154**		**36,587**	
Assets held for sale	(22)	9	-	55	54
TOTAL ASSETS		**86,774**		**82,106**	

Consolidated Statement of Financial Position

pursuant to Consob Resolution 15519 of 27 July 2006 **(continued)**

(€ million)	Note	At 31 December 2013 Total	At 31 December 2013 of which Related parties (Note 31)	At 31 December 2012 Total	At 31 December 2012 of which Related parties (Note 31)
EQUITY AND LIABILITIES					
Equity:	(23)	12,584	-	8,369	-
Equity attributable to owners of the parent		8,326	-	6,187	-
Non-controlling interests		4,258	-	2,182	-
Provisions:		17,360	158	20,276	158
Employee benefits	(25)	8,265	146	11,486	145
Other provisions	(26)	9,095	12	8,790	13
Debt:		29,902	448	27,889	272
Asset-backed financing	(27)	596	85	449	61
Other debt	(27)	29,306	363	27,440	211
Other financial liabilities	(20)	137	-	201	-
Trade payables	(28)	17,235	873	16,558	969
Current tax payables		314	-	231	-
Deferred tax liabilities	(10)	278	-	801	-
Other current liabilities	(29)	8,943	164	7,781	179
Liabilities held for sale	(22)	21	-	-	-
TOTAL EQUITY AND LIABILITIES		**86,774**		**82,106**	

Consolidated Statement of Cash Flows

pursuant to Consob Resolution 15519 of 27 July 2006

(€ million)	Note	2013 Total	2013 of which Related Parties (Note 31)	2012 Total	2012 of which Related Parties (Note 31)
A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	(21)	**17,657**		**17,526**	
B) CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES DURING THE YEAR:					
Profit/(loss) for the period		1,951		896	
Amortization and depreciation		4,574		4,134	
(Gains)/losses on disposal of:					
Property, plant and equipment and intangible assets		31		14	
Investments		(8)		91	
Other non-cash items	(32)	522	6	562	9
Dividends received		92	92	89	89
Change in provisions		444	1	77	1
Change in deferred taxes		(1,578)	-	(72)	-
Change in items due to buy-back commitments	(32)	92	2	(51)	2
Change in operating lease items	(32)	1	-	(10)	-
Change in working capital		1,468	79	714	(90)
TOTAL		**7,589**		**6,444**	
C) CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES:					
Investments in:					
Property, plant and equipment and intangible assets	(32)	(7,440)	-	(7,534)	-
Investments in consolidated subsidiaries		(19)	-	-	-
Other investments		(212)	(211)	(24)	(20)
Proceeds from the sale of:					
Property, plant and equipment and intangible assets		43	-	118	-
Other investments		5	-	21	-
Net change in receivables from financing activities		(449)	17	(24)	(7)
Change in current securities		(10)	-	(64)	-
Other changes		(4)	-	(30)	-
TOTAL		**(8,086)**		**(7,537)**	
D) CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES:					
Issuance of bonds		2,866	-	2,535	-
Repayment of bonds		(1,000)	-	(1,450)	-
Issuance of other medium-term borrowings		3,188	-	1,925	-
Repayment of other medium-term borrowings		(2,549)	-	(1,528)	-
Net change in other financial payables and other financial assets/liabilities		686	191	197	(34)
Increase in share capital		4	-	22	-
Dividends paid		(1)	-	(58)	(11)
Distribution for tax withholding obligations on behalf of non-controlling interests ("NCI")		(6)	-	-	-
TOTAL		**3,188**		**1,643**	
Translation exchange differences		(909)		(419)	
E) TOTAL CHANGE IN CASH AND CASH EQUIVALENTS		**1,782**		**131**	
F) CASH AND CASH EQUIVALENTS AT END OF THE YEAR AS REPORTED	(21)	**19,439**		**17,657**	

Notes to the Consolidated Financial Statements

Principal activities

Fiat S.p.A. is a corporation organized under the laws of the Republic of Italy. Fiat S.p.A. and its subsidiaries (the "Group"), among which the most significant is Chrysler Group LLC (together with its subsidiaries, "Chrysler" or "Chrysler Group"), are engaged in the design, engineering, manufacture, distribution and sale of automobiles and light commercial vehicles, engines, transmission systems, automotive-related components, metallurgical products and production systems. In addition, the Group has for a long while also been involved in certain other activities, including services (mainly captive) and publishing, which represent an insignificant portion of the Group core business.

Basis of preparation

The 2013 consolidated financial statements have been prepared in accordance with the *International Financial Reporting Standards* (the "IFRS") issued by the *International Accounting Standards Board* ("IASB") and adopted by the European Union, and with the provisions implementing article 9 of Legislative Decree 38/2005. 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").

The financial statements are prepared under the historical cost method, modified as required for the measurement of certain financial instruments, as well as on a going concern basis. In this respect, the Group's assessment is that no material uncertainties (as defined in paragraph 25 of IAS 1) exist about its ability to continue as a going concern, also considering the on going operational integration between Fiat and Chrysler and the Group's industrial and financial flexibility.

The Group's presentation currency is Euro.

Format of the financial statements

For presentation of the Income statement, the Group uses a classification based on the function of expenses, rather than one based on their nature, as it is more representative of the format used for internal reporting and management purposes and is consistent with international practice in the automotive sector.

The Group measures its performance on the basis of Trading profit and Earnings before Interest and Taxes (EBIT). EBIT is the measure of the Group profitability before interests and taxes; it includes all revenues and costs, income and expenses arising from the Group ongoing operations, whether recurring or non-recurring. Trading profit reflects the result from ongoing operations before Result from investments and unusual items that are separately reported in accordance with IAS 1 paragraph 85 which are:

- Gains/(losses) on the disposal of investments in subsidiaries, jointly controlled entities and associates;
- Restructuring costs;
- Impairment of Property plant and equipment and Intangible assets arising from transactions that are only incidentally related to the ordinary activities of the Group and are not expected to occur frequently (i.e. impairment or other losses as a consequence of change in strategy related to products portfolio, manufacturing footprint, dealer network and suppliers);
- Other items only incidentally related to the ordinary activities of the Group and not expected to occur frequently, such as the effect of defined benefit plan amendments, including curtailments and settlements, and acquisition costs related to a business combination or costs arising from operations terminated or disposed of in prior years.

The definition of "unusual" adopted by the Group differs from the definition provided in the Consob Communication of 28 July 2006, under which unusual and/or abnormal transactions are those which – because of their significance or materiality, the nature of the counterparty, the object of the transaction, the method for determination of the transfer price or the timing of the event (e.g., close to year-end) – could give rise to doubts regarding the accuracy/completeness of the information in the financial statements, conflicts of interest, the proper safeguarding of corporate assets or protection of non-controlling interests.

For the Consolidated statement of financial position, a mixed format has been selected to present current and non-current assets and liabilities, as permitted by IAS 1. More specifically, the Group's financial statements include both industrial companies and financial services companies. The investment portfolios of financial services companies are included in current assets, as the investments will be realized in their normal operating cycle. However, the financial services companies only obtain a portion of their funding from the market; the remainder is obtained from Fiat S.p.A. through the Group's treasury companies (included under industrial activities), which provide funding both to industrial companies and financial services companies in the Group, as the need arises. This financial service structure within the Group does not allow the separation of financial liabilities funding the financial services operations (whose assets are reported within current assets) and those funding the industrial operations. Presentation of financial liabilities as current or non-current based on their date of maturity would not facilitate comparison with financial assets, which are categorized on the basis of their normal operating cycle. Disclosure as to the due date of liabilities is provided in Note 27.

The Statement of cash flows is presented using the indirect method.

In connection with the requirements of Consob Resolution No. 15519 of 27 July 2006 relating to the format of the financial statements, specific supplementary Income statement, Statement of financial position and Statement of cash flows formats have been added for related party transactions.

Significant accounting policies

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group, as defined in IAS 27 – *Consolidated and Separate Financial Statements*. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are consolidated from the date that control commences until the date that control ceases. Equity attributable to non-controlling interests and non-controlling interests in the profit/(loss) of consolidated subsidiaries are presented separately from the interests of the owners of the parent in the Consolidated statement of financial position and Income statement respectively. Losses applicable to non-controlling interests that exceed the minority's interests in the subsidiary's equity are allocated against the non-controlling interests.

Changes in the Group's ownership interests in subsidiaries that do not result in the loss of control are accounted for as equity transactions. The carrying amounts of the Equity attributable to owners of the parent and Non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the book value of the non-controlling interests and the fair value of the consideration paid or received is recognized directly in the Equity attributable to the owners of the parent.

If the Group loses control of a subsidiary, a gain or loss is recognized in the Income statement and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Any profits or losses recognized in Other comprehensive income/(losses) in respect of the measurement of the assets of the subsidiary are reclassified to the Income statement when the Group loses control of the subsidiary if, in accordance with relevant IFRS, these gains and losses would be reclassified to the Income statement on the disposal of the related assets or liabilities.

The fair value of any investment retained in the former subsidiary at the date when control is lost shall be regarded as the fair value on initial recognition of a financial assets in accordance with *IAS 39 – Financial instruments: recognition and measurement* or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Jointly controlled entities

Jointly controlled entities are enterprises in which the Group has contractually agreed to share control or for which a contractual arrangement exists whereby two or more parties undertake an economic activity that is subject to joint control. Investments in jointly controlled entities are accounted for using the equity method from the date that joint control commences until the date that joint control ceases.

Associates

Associates are entities over which the Group has significant influence, as defined in IAS 28 – *Investments in Associates*, but not control or joint control over the financial and operating policies. Investments in associates are accounted for using the equity method from the date that significant influence commences until the date it ceases. When the Group's share of losses of an associate, if any, exceeds the carrying amount of the associate in the Group's balance sheet, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associates.

Investments in other companies

Investments in other companies that are available-for-sale financial assets are measured at fair value, when this can be reliably determined. Gains or losses arising from changes in fair value are recognized in Other comprehensive income/(losses) until the assets are sold or are impaired; at that time, the cumulative Other comprehensive income/(losses) are recognized in the Income statement. Investments in other companies for which fair value is not available are stated at cost less any impairment losses.

Dividends received are included in Other income/(expenses) from investments.

Transactions eliminated in consolidation

All significant intragroup balances and transactions and any unrealized gains and losses arising from intragroup transactions are eliminated in preparing the Consolidated financial statements. Unrealized gains and losses arising from transactions with associates and jointly controlled entities are eliminated to the extent of the Group's interest in those entities.

Foreign currency transactions

The functional currency of the Group's entities is the currency of their primary economic environment. In individual companies, transactions in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate prevailing at that date. Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the period or in previous financial statements, are recognized in the Income statement.

Consolidation of foreign entities

All assets and liabilities of foreign consolidated companies with a functional currency other than the Euro are translated using the exchange rates in effect at the balance sheet date. Income and expenses are translated into Euro at the average exchange rate for the period. Translation differences resulting from the application of this method are classified as Other comprehensive Income/(losses) until the disposal of the investment. Average exchange rates for the period are used to translate the cash flows of foreign subsidiaries in preparing the Consolidated statement of cash flows.

The goodwill, assets acquired and liabilities assumed arising from the acquisition of entities with a functional currency other than the Euro are recognized in the functional currency and translated at the exchange rate at the acquisition date. These balances are translated at subsequent balance sheet dates at relevant exchange rate.

The principal exchange rates used to translate into Euros the financial statements prepared in currencies other than the Euro were as follows:

	Average 2013	At 31 December 2013	Average 2012	At 31 December 2012
U.S. Dollar	1.328	1.379	1.285	1.319
Brazilian Real	2.867	3.258	2.508	2.704
Chinese Renminbi	8.164	8.349	8.106	8.221
Serbian Dinar	113.096	114.642	113.120	113.718
Polish Zloty	4.197	4.154	4.185	4.074
Argentine Peso	7.263	8.988	5.836	6.478
Pound Sterling	0.849	0.834	0.811	0.816
Swiss Franc	1.231	1.228	1.205	1.207

Business Combinations

Business combinations are accounted for by applying the acquisition method of accounting, in accordance with IFRS 3 – *Business combinations*. When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and any resulting gain or loss is recognized in Income statements under Gains/(losses) on the disposal of investments. Changes in the equity interest in the acquiree that have been recognized in Other comprehensive income/(losses) in prior reporting periods are reclassified to Income statement as if the interest had been disposed.

Intangible assets

Goodwill

Goodwill arising from business combinations is initially measured at cost as established on the acquisition date. Goodwill is not amortized, but is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

On the loss of control of a previously acquired entity, any outstanding goodwill balance is included in the determination of the gain or loss on disposal.

Development costs
Development costs for vehicle project production and related components, engines and production systems are recognized as an asset if and only if both of the following conditions under IAS 38 – *Intangible assets* are met: that development costs can be measured reliably and that the technical feasibility of the product, volumes and pricing support the view that the development expenditure will generate future economic benefits. Capitalized development costs include all direct and indirect costs that may be directly attributed to the development process.

Capitalized development costs are amortized on a straight-line basis from the start of production over the expected life cycle of the models (generally 5-6 years) or powertrains developed (generally 10-12 years).

All other development costs are expensed as incurred.

Intangible assets with indefinite useful lives
Intangible assets with indefinite useful lives consist principally of brands which have no legal, contractual, competitive, economic, or other factors that limit their useful lives. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually or more frequently whenever there is an indication that the asset may be impaired, by comparing the carrying amount with the recoverable amount.

Property, plant and equipment

Cost
Property, plant and equipment are initially recognized at cost which comprises the purchase price, any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and any initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. The self-constructed assets are initially recognized at production cost. Subsequent expenditures and the cost of replacing parts of an asset are capitalized only if they increase the future economic benefits embodied in that asset. All other expenditures are expensed as incurred. When such replacement costs are capitalized, the carrying amount of the parts that are replaced is recognized in the Income statement.

Assets held under finance leases, which provide the Group with substantially all the risks and rewards of ownership, are recognized as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the financial statements as a Debt. The assets are depreciated by the method and at the rates indicated below depending on the nature of the leased assets.

Leases under which the lessor retains substantially all the risks and rewards of ownership of the leased assets are classified as operating leases. Operating lease expenditures are expensed on a straight-line basis over the lease terms.

Depreciation
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

In %	Depreciation rates
Buildings	3% - 8%
Plant, machinery and equipment	3% - 33%
Other assets	5% - 33%

Land is not depreciated.

Impairment of assets

The Group assesses at the end of each reporting period whether there is any indication that its Intangible assets (including development costs) and its Property, plant and equipment may be impaired. Goodwill and Intangible assets with indefinite useful lives are tested for impairment annually or more frequently, if there is an indication that an asset may be impaired.

If indications of impairment are present, the carrying amount of the asset is reduced to its recoverable amount that is the higher of fair value less costs to sell and its value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. In assessing the value in use of an asset, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the recoverable amount is lower than the carrying amount. Impairment of Property plant and equipment and Intangible assets arising from transactions that are only incidentally related to the ordinary activities of the Group and that are not expected to occur frequently, are recognized under Other unusual expenses.

Where an impairment loss for assets other than Goodwill, subsequently no longer exists or has decreased, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but not in excess of the carrying amount that would have been recorded had no impairment loss been recognized. The reversal of an impairment loss is recognized in the Income statement immediately.

Financial instruments

Presentation

Financial instruments held by the Group are presented in the financial statements as described in the following paragraphs.

Investments and other non-current financial assets comprise investments in unconsolidated companies and other non-current financial assets (held-to-maturity securities, non-current loans and receivables and other non-current available-for-sale financial assets).

Current financial assets, as defined in IAS 39, include Trade receivables, Receivables from financing activities, Current Investments, Current securities and Other current financial assets (which include derivative financial instruments stated at fair value), as well as Cash and cash equivalents. In particular, 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. Current securities include short-term or marketable securities which represent temporary investments of available funds and do not satisfy the requirements for being classified as cash equivalents; Current securities include both available-for-sale and held-for-trading securities.

Financial liabilities refer to Debt, which includes Asset-backed financing, and Other financial liabilities (which include derivative financial instruments stated at fair value), Trade payables and Other payables.

Measurement

Investments in unconsolidated companies are accounted for as described in the previous paragraph – Investments in other companies.

Non-current financial assets other than Investments, as well as current financial assets and financial liabilities, are accounted for in accordance with IAS 39 – *Financial Instruments: Recognition and Measurement*.

Current financial assets and held-to-maturity securities are recognized on the basis of the settlement date and, on initial recognition, are measured at acquisition cost, including transaction costs. Subsequent to initial recognition, available-for-sale and held-for-trading financial assets are measured at fair value. When market prices are not directly available, the fair value of available-for-sale financial assets is measured using appropriate valuation techniques (e.g. discounted cash flow analysis based on market information available at the balance sheet date).

Gains and losses on available-for-sale financial assets are recognized in Other comprehensive income/(losses) until the financial asset is disposed of or is impaired; when the asset is disposed of, the cumulative gains or losses, including those previously recognized in Other comprehensive income/(losses), are reclassified to the Income statement for the period, within Financial income and expenses; when the asset is impaired, accumulated losses are recognized in the Income statement. Gains and losses arising from changes in the fair value of held-for-trading financial instruments are included in the Income statement for the period.

Loans and receivables which are not held by the Group for trading (loans and receivables originating in the course of business), held-to-maturity securities and equity investments whose fair value cannot be determined reliably, are measured, to the extent that they have a fixed term, at amortized cost, using the effective interest method. When the financial assets do not have a fixed term, they are measured at acquisition cost. Receivables with maturities of over one year which bear no interest or an interest rate significantly lower than market rates are discounted using market rates. Assessments are made regularly as to whether there is any objective evidence that a financial asset or group of assets may be impaired. If any such evidence exists, an impairment loss is included in the Income statement for the period.

Except for derivative instruments, financial liabilities are measured at amortized cost using the effective interest method.

Financial assets and liabilities hedged against changes in fair value (fair value hedge) are measured in accordance with hedge accounting principles: gains and losses arising from remeasurement at fair value, due to changes in the respective hedged risk, are recognized in the Income statement and are offset by the effective portion of the loss or gain arising from remeasurement at fair value of the hedging instrument.

Derivative financial instruments

Derivative financial instruments are used for hedging purposes, in order to reduce currency, interest rate and market price risks (primarily concerning commodities and securities). In accordance with IAS 39, derivative financial instruments qualify for hedge accounting only when at the inception of the hedge there is formal designation and documentation of the hedging relationship, the hedge is expected to be highly effective, its effectiveness can be reliably measured and it is highly effective throughout the financial reporting periods for which it is designated.

All derivative financial instruments are measured at fair value.

When derivative financial instruments qualify for hedge accounting, the following accounting treatments apply:

- *Fair value hedges* – Where a derivative financial instrument is designated as a hedge of the exposure to changes in fair value of a recognized asset or liability that is attributable to a particular risk and could affect the Income statement, the gain or loss from remeasuring the hedging instrument at fair value is recognized in the Income statement. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is recognized in the Income statement.
- *Cash flow hedges* – Where a derivative financial instrument is designated as a hedge of the exposure to variability in future cash flows of a recognized asset or liability or a highly probable forecasted transaction and could affect the Income statement, the effective portion of any gain or loss on the derivative financial instrument is recognized directly in Other comprehensive income/(losses). The cumulative gain or loss is reclassified from Other comprehensive income/(losses) to the Income statement at the same time as the economic effect arising from the hedged item affects income. The gain or loss associated with a hedge or part of a hedge that has become ineffective is recognized in the Income statement immediately. When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss realized to the point of termination remains in Other comprehensive income/(losses) and is recognized in the Income statement at the same time as the underlying transaction occurs. If the hedged transaction is no longer probable, the cumulative unrealized gain or loss held in Other comprehensive income/(losses) is recognized in the Income statement immediately.

- *Hedges of a net investment* – If a derivative financial instrument is designated as a hedging instrument for a net investment in a foreign operation, the effective portion of the gain or loss on the derivative financial instrument is recognized in Other comprehensive income/(losses). The cumulative gain or loss is reclassified from Other comprehensive income/(losses) to Income statement on the disposal of the foreign operation.

For further information on the effects arising on Income statement on derivative financial instruments refers to Note 20.

If hedge accounting cannot be applied, the gains or losses from the fair value measurement of derivative financial instruments are recognized immediately in the Income statement.

Transfers of financial assets

The Group derecognizes financial assets when, and only when, the contractual rights to the cash flows arising from the asset are no longer held or if it transfers the financial asset. In case of a transfer of financial asset:

- if the Group transfers substantially all the risks and rewards of ownership of the financial asset, it derecognizes the financial asset and recognizes separately as assets or liabilities any rights and obligations created or retained in the transfer;
- if the Group retains substantially all the risks and rewards of ownership of the financial asset, it continues to recognize the financial asset;
- if the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, it determines whether it has retained control of the financial asset. In this case:
  - if it has not maintained control, it derecognizes the financial asset and recognizes separately as assets and liabilities any rights and obligations created or retained in the transfer;
  - if it has retained control, it continues to recognize the financial asset to the extent of its continuing involvement in the financial asset.

On derecognition of financial assets, the difference between the carrying amount of the asset and the consideration received or receivable for the transfer of the asset is recognized in the Income statement.

Inventories

Inventories of raw materials, semi-finished products and finished goods are stated at the lower of cost and net realizable value, cost being determined on a first in-first-out (FIFO) basis. The measurement of Inventories includes the direct costs of materials, labor and indirect costs (variable and fixed). Provision is made for obsolete and slow-moving raw materials, finished goods, spare parts and other supplies based on their expected future use and realizable value. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs for sale and distribution.

The measurement of production systems construction contracts is based on the stage of completion determined as the proportion of cost incurred to the balance sheet date over the estimated total contract cost. These items are presented net of progress billings received from customers. Any losses on such contracts are fully recorded in the Income statement when they become known.

Employee benefits

Defined contribution plans
Costs arising from defined contribution plans are recognized as an expense as incurred.

Defined benefit plans
The Group net obligations are determined separately for each plan by estimating the present value of future benefits that employees have earned in the current and prior periods, and deducting the fair value of any plan assets. The present value of the defined benefit obligation is measured using actuarial techniques and actuarial assumptions that are unbiased and mutually compatible and attributes benefits to periods in which the obligation to provide post-employment benefits arise by using the Projected Unit Credit Method. Plan assets are recognized and measured at fair value.

When the net obligation is a potential asset, the recognized amount is limited to the present value of any economic benefits available in the form of future refunds or reductions in future contributions to the plan (asset ceiling).

The components of the defined benefit cost are recognized as follows:

- the service costs are recognized in Income statement by function and presented in the respective line items (Cost of sales, Selling general and administrative costs, Research and development costs, etc.);
- the net interests on the defined benefit liability or asset are recognized in the Income statement as Financial income (expenses), and is determined by multiplying the net liability/(asset) by the discount rate used to discount obligations taking into account the effect of contributions and benefit payments made during the year;
- the remeasurement components of the net obligations, which comprise actuarial gains and losses, the return on plan assets (excluding interest income recognized in the Income statement) and any change in the effect of the asset ceiling are recognized immediately in Other comprehensive income/(losses). These remeasurement components are not reclassified in Income statement in a subsequent period.

Past service costs arising from plan amendments and curtailments are recognized immediately in the Income statement within Other unusual income and expenses. Gains and losses on the settlement of a plan are recognized in the Income statement within Other unusual income and expenses when the settlement occurs.

Other long term employee benefits
The Group obligations represent the present value of future benefits that employees have earned in return for their service during the current and prior periods. Remeasurement components on other long term employee benefits are recognized in the Income statements in the period in which they arise.

Termination benefits
Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring.

Provisions

Provisions are recognized when the Group has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

Changes in estimates of provisions are reflected in the Income statement in the period in which the change occurs.

Revenue recognition

Revenue for sale of vehicles and service parts is recognized if it is probable that the economic benefits associated with a transaction will flow to the Group and the revenue can be reliably measured. Revenue is recognized when the risks and rewards of ownership are transferred to the customer, the sales price is agreed or determinable and collectability is reasonably assured; for vehicles this corresponds generally to the date when the vehicles are made available to dealers, or when the vehicle is released to the carrier responsible for transporting vehicles to dealers.

Revenues are recognized net of discounts, including but not limited to, sales incentives and customer bonus.

The estimated costs of sales incentive programs incudes incentive offered to dealers and retail customers as well as any granting of retail financing at significant discount to market interest rates. These costs are recognized at the time of the sale of the vehicle.

New vehicle sales with a buy-back commitment, or through Guaranteed Depreciation Program ("GDP"), under which the Group guarantees the residual value or otherwise assumes responsibility for the minimum resale value of the vehicle, are not recognized at the time of delivery but are accounted for similar to an operating lease and rental income is recognized over the contractual term of the lease on a straight-line basis. At the end of the lease term, the Group recognizes revenue for the portion of the vehicle sales price which had not been previously recognized as rental income and recognizes, in Cost of sales, the remainder of the cost of the vehicle.

Revenues from services and from construction contracts are recognized when they are rendered by reference to the stage of completion.

Revenues also include lease rentals recognized over the contractual term of the lease on a straight-line basis and interest income from financial services companies.

Cost of sales

Cost of sales comprises expenses incurred in the manufacturing and distribution of vehicles and parts, mainly the cost of materials and components. The remaining costs principally include labor costs, consisting of direct and indirect wages, as well as depreciation, amortization and transportation costs. Cost of sales also includes warranty and product-related costs, estimated at the time of sale to dealer networks or to the end customer.

Expenses which are directly attributable to the financial services companies, including the interest expenses related to their financing as a whole and provisions for risks and write-downs of assets, are reported in Cost of sales.

Government grants

Government grants are recognized in the financial statements when there is reasonable assurance that the company concerned will comply with the conditions for receiving such grants and that the grants themselves will be received. Government grants are recognized as income over the periods necessary to match them with the related costs which they are intended to offset.

The benefit of a government loan at a below-market rate of interest is treated for accounting purposes as a government grant. The benefit of the below-market rate of interest is measured as the difference between the initial carrying amount of the loan (fair value plus transaction costs) and the proceeds received, and is accounted for in accordance with the policies used for the recognition of government grants.

Taxes

Income taxes include all taxes based upon the taxable profits of the Group. Current and deferred taxes are recognized as income or expense and included in the Income statement for the period, except tax arising from (i) a transaction or event which is recognized, in the same or a different period, either in Other comprehensive income/(losses) or directly in Equity, (ii) a business combination.

Deferred taxes are accounted for under the full liability method. They are recognized for all temporary differences between the tax base of assets or liabilities and their carrying amounts in the Consolidated financial statements, except for deferred tax liabilities arising from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit. Deferred tax assets and liabilities are measured at the substantively enacted tax rates in the respective jurisdictions in which the Group operates that are expected to apply to the period when the asset is realized or liability is settled.

The Group recognizes deferred tax liabilities associated with the existence of a subsidiary's undistributed profits, except when it is able to control the timing of the reversal of the temporary difference; and it is probable that this temporary difference will not reverse in the foreseeable future. The Group recognizes deferred tax assets associated with the deductible temporary differences on investments in subsidiaries only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilized.

Deferred tax assets relating to the carry-forward of unused tax losses and tax credits, as well as those arising from deductible temporary differences, are recognized to the extent that it is probable that future profits will be available against which they can be utilized. The Group reassesses unrecognized deferred tax assets at the end of each year and recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Current income taxes and deferred taxes are offset when they relate to the same taxation authority and there is a legally enforceable right of offset.

Other taxes not based on income, such as property taxes and capital taxes, are included in Other income/(expenses).

Segment reporting

The organization of the Group, with reference to the car mass-market brands, is based on four operating regions (the "regions") that deal with the development, production and sale of "mass-market brand" passenger cars, light commercial vehicles and related parts and services in specific geographical areas: NAFTA (U.S., Canada and Mexico), LATAM (South and Central America, excluding Mexico), APAC (Asia and Pacific countries) and EMEA (Europe, Middle East and Africa). The Group also includes two additional operating segments (Luxury Brands and Components), the first which designs, manufactures and sells luxury cars (Ferrari and Maserati) and the other that produces and sells components and production systems for the automotive industry (Magneti Marelli, Teksid and Comau). Both segments operate on a worldwide basis.

In more detail, the regions and the operating segments identified by the Group are the following:

- NAFTA mainly earns its revenues from the design, development, production, distribution and sale of automobiles under the Chrysler, Jeep, Dodge, Ram, SRT and Fiat brand names, and from sales of the related parts and accessories (under the Mopar brand name) in the United States, Canada and Mexico.
- LATAM mainly earns its revenues from the production and sale of passenger cars and light commercial vehicles and related spare parts under the Fiat and Fiat Professional brand names in South and Central America, excluding Mexico, and from the distribution of Chrysler group brand cars in the same region; in addition, it provides financial services to the dealer network in Brazil and Argentina, and to the dealer network and end customers of CNH Industrial group for the sale of trucks and commercial vehicles in the same countries.
- APAC mainly earns its revenues from the sale of cars, engines and transmissions and related spare parts under the Chrysler and Fiat brands mostly in China, Japan, Australia, South Korea and India. These activities are carried out by the region through both subsidiaries and joint ventures.
- EMEA mainly earns its revenues from the design, development, production and sale of passenger cars and light commercial vehicles under the Fiat, Alfa Romeo, Lancia/Chrysler, Abarth and Fiat Professional brand names and the sale of the related spare parts in Europe, Middle East and Africa, and from the distribution of Chrysler group vehicles in the same areas. In addition, the region provides financial services related to the sale of cars and light commercial vehicles in Europe, primarily through the 50/50 joint venture FGA Capital set up with the Crédit Agricole group included within entities accounted for using the equity method.

- The Luxury Brands (Ferrari and Maserati) grouping earns its revenues from the production and sale of luxury sport cars under the Ferrari and Maserati brands, from managing the Ferrari racing team and from providing financial services offered in conjunction with the sale of Ferrari brand cars.
- The Components (Magneti Marelli, Teksid and Comau) grouping earns its revenues from the production and sale of lighting components, engine control units, suspensions, shock absorbers, electronic systems and exhaust systems and from activities in the plastic molding components and in the after-market carried out under the Magneti Marelli brand name, cast iron components for engines, gearboxes, transmissions and suspension systems and aluminum cylinder heads (Teksid), in addition to the design and production of industrial automation systems and related products for the automotive industry (Comau).

The regions and operating segments reflect the components of the Group that are regularly reviewed by the Chief Executive Officer together with the Group Executive Council for making strategic decisions, allocating resources and assessing performance.

Use of estimates

The Consolidated financial statements are prepared in accordance with IFRS which require the use of estimates, judgments and assumptions that affect the carrying amount of assets and liabilities, the disclosures relating to contingent liabilities and the amounts of income and expenses recognized. The estimates and associated assumptions are based on elements that are known when the financial statements are prepared, on historical experience and on any other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed periodically and continuously by the Group. If the items subject to estimates do not perform as assumed, then the actual results could differ from the estimates, which would require adjustment accordingly. The effects of any changes in estimate are recognized in the Income statement in the period in which the adjustment is made, or in future periods.

The main items affected by these uses of estimates are non-current assets (Tangible and Intangible assets), Deferred tax assets, Provision for employee benefits and Inventories. Following are the items requiring estimates for which there is a risk that a significant difference may arise in respect of the carrying amounts of assets and liabilities in the future.

Recoverability of non-current assets

Non-current assets include Property, plant and equipment, Goodwill and Intangible assets with definite and indefinite useful lives. The Group periodically reviews the carrying amount of non-current assets and that of assets held for sale when events and circumstances warrant such a review. Impairment testing is performed by comparing the carrying amount and the recoverable amount of each cash-generating unit ("CGU"). The recoverable amount is the higher of the CGUs fair value less costs of disposal and their value in use. In assessing the value in use, the pre-tax estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

The analysis of the recoverable amount of non-current assets is performed at least annually for CGUs to which Goodwill or Intangible assets with indefinite useful lives have been allocated. For a discussion on impairment testing on Goodwill arising from the Chrysler acquisition and Intangible assets with an indefinite useful life, reference should be made to Note 13.

For other CGUs, the same analysis is performed when events and circumstances indicate that an asset may be impaired. At 31 December 2012 and 2013, due to the continued decline in car demand on the European market (primarily in Italy) and to the streamlining of architectures[1] and related production platforms associated with the region's refocused product strategy, impairment tests relating to EMEA net assets were performed on two levels.

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[1] The "vehicle architecture" is the combination of systems that enables the generation of specific vehicle platforms for the different models in a certain segment.

Firstly, the recoverable amounts of the assets of specific EMEA CGUs were tested, identified as plants, machinery and equipment as well as the associated intangible assets dedicated to the production of specific platforms and powertrains. This impairment analysis led to the recognition of impairment on Development costs of €66 million and on Other tangible assets of €37 million (€108 million in 2012 mainly related to Development costs and Other tangible assets). These impairment losses were recognized under Other unusual expenses (€93 million) and under Operating costs (€10 million). A similar process was carried out also for specific CGUs within the Components operating segment and for the Maserati CGU, leading to the recognition of an impairment of Property, plant and equipment for €30 million and an impairment of Development costs of €65 million, respectively.

Secondly, following the above mentioned decline in demand, at 31 December 2012 and 2013, the Group deemed necessary to test the recoverable amount of the Net Capital Employed pertaining to the EMEA operating segment as a whole, by determining its value in use with the following assumptions:

- reference scenario was based on 2014 budget, the expected trading conditions and the automotive market trends for the 2015-2019 period, based on analysis and studies carried out by primary independent analysts (*IHS-Global Insight*), in line with the announced strategic decision to leverage historical premium brand heritage (Alfa Romeo) and the success of the new 500 family;
- the six year period has been deemed necessary to take into account the full cycle of new vehicles introduced reflecting the benefits arising from the capital expenditure devoted to the product portfolio enrichment and renewal, largely concentrated in 2015-2016;
- the expected future cash flows, represented by the projected trading profit plus depreciation and amortization and reduced by expected capital expenditure, include a normalized terminal period used to estimate the future results beyond the time period explicitly considered. This terminal period was assumed substantially in line with 2017-2019 amounts. The long-term growth rate was set at zero;
- the expected future cash flows have been discounted using a pre-tax Weighted Average Cost of Capital ("WACC") of 12.20% (13.14% in 2012). This WACC reflects the current market assessment of the time value of money for the period being considered and the risks specific to the EMEA region. The WACC was calculated by referring among others to the yield curve of 10 years European government bonds and to Fiat cost of debt.

The recoverable amount of the net assets of the EMEA operating segment was higher than the corresponding book value. In addition, sensitivity analysis were performed by simulating two different scenarios: a) WACC was increased by 1% for 2017, 2% for 2018 and 3% for 2019 and for Terminal Value; b) cash-flows were reduced by estimating the impact of a 5% decrease in the European car market demand for 2015, 7.5% for 2016 and 10% for 2017-2019 as compared to the base assumptions. In all cases the recoverable amount of the net assets continued to be higher than their book value.

The estimates and assumptions described reflect the Group's current available knowledge as to the expected future development of the businesses and are based on an assessment of the future development of the markets and the car industry, which remain subject to a high degree of uncertainty due to the continuation of the economic difficulties in most countries of the Eurozone and its effects on the industry. More specifically, considering the uncertainty, a future worsening in the economic environment in the Eurozone that is not reflected in these Group assumptions, could result in actual performance that differs from the original estimates, and might therefore require adjustments to the carrying amounts of certain non-current assets in future periods.

Recoverability of deferred tax assets

The carrying amount of deferred tax assets is reduced to the extent that it is not probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax assets to be utilized.

At 31 December 2013, the Group had deferred tax assets on deductible temporary differences of €6,173 million (€6,353 million at 31 December 2012), of which €435 million was not recognized (€2,445 million at 31 December 2012). At the same date the Group had also theoretical tax benefit of losses carried forward of €3,810 million (€3,399 million at 31 December 2012), of which €2,891 million was unrecognized (€2,473 million at 31 December 2012). In addition, at 31 December 2013, in view of the results achieved by Chrysler, of the continuous improvement of its product mix, its trends in international sales and its implementation of new vehicles, together with the consolidation of the alliance between Fiat and Chrysler, following Fiat's acquisition of the remaining shareholding at the beginning of 2014, the Group recognized previously unrecognized deferred tax assets for a total of €1,734 million, of which €1,500 million recognized in Income taxes and €234 million in Other comprehensive income/(losses).

The recoverability of deferred tax assets is dependent on the Group's ability to generate sufficient future taxable income in the period in which it is assumed that the deductible temporary differences reverse and tax losses carried forward can be utilized. In making this assessment, the Group considers future taxable income arising on the most recent budgets and plans, prepared by using the same criteria described for testing the impairment of assets and goodwill, moreover, it estimates the impact of the reversal of taxable temporary differences on earnings and it also considers the period over which these assets could be recovered.

These estimates and assumptions are subject to a high degree of uncertainty, in particular with regard to the future performance in the Eurozone, therefore changes in current estimates due to unanticipated events could have a significant impact on the Group's Consolidated financial statements.

Pension plans and other post-retirement benefits

At 31 December 2013 net liabilities and net assets for employee benefit, amounting to €7,181 million and to €95 million, respectively (€10,256 million and €83 million, respectively at 31 December 2012), are measured on an actuarial basis which requires the use of estimates and assumptions to determine the net liability or net asset. The actuarial method takes into consideration parameters of a financial nature such as the discount rate and the return on plan assets, the rates of salary increases and the rates of health care cost increases and the likelihood of potential future events estimated by using demographic assumptions such as mortality rates, dismissal and retirement rates.

In particular, the discount rates selected are based on high quality corporate bonds in the relevant market. The return on plan assets is interest, dividends and other revenue derived from the plan assets, together with realized and unrealized gains or losses on the plan assets, less any costs of administering the plan and less any tax payable by the plan itself (other than those included in the actuarial assumptions used to measure the defined benefit obligation). Rates of salary increases reflect the Group's long-term actual expectation in the reference market and inflation trends. Trends in health care costs are developed on the basis of historical experience, the near-term outlook for costs and likely long-term trends. Changes in any of these assumptions are recognized in Other comprehensive income/(losses) when they occur and may have an effect on future contributions to the plans.

Net realizable value of Inventories

At 31 December 2013 the Group had Inventories of €10,230 million (€9,295 million at 31 December 2012), measured at the lower of cost and their net realizable value. Net realizable value is based on the most reliable evidence of the amount the Group expects to realize from vehicles and components, on future sales trends or needs (for components) and also takes into account items that are wholly or partially obsolete. A future unexpected worsening in market conditions could result in an adjustment in future expected sales, requirements and in estimated selling prices assumptions which may require an adjustment to the carrying amount of Inventories.

Incentives

The Group offers a variety of sales incentive programs, including: cash offers to dealers primarily on the basis of their cumulative level of sales during a specified period, cash offers to retail customers and subvention programs offered to retail customers or lease subsidies. Incentive programs are generally brand, model and region specific for a defined period of time, which may be extended. The Group recognizes the estimated cost of these incentive programs at the time of sale. The estimated cost represents the incentive programs offered to dealers and retail customers, as well as the expected modifications to these programs in order to facilitate sales of the dealer inventory. Subsequent adjustments to incentive programs and new incentive programs offered by the Group on vehicles previously sold to dealers are recognized as an adjustment to Net revenue in the period the adjustment is determined.

Product warranties and liabilities

At 31 December 2013 the Group had provisions for estimated expenses related to product warranties of €3,656 million (€3,617 million at 31 December 2012). Estimates of warranty costs are principally based on assumptions regarding the lifetime of warranty costs of each vehicle, as well as historical claims experience. Estimates of the future costs of these actions are inevitably imprecise and may result in adjustments to the established provisions due to numerous uncertainties, including new laws and regulations, the number of vehicles affected and the nature of the corrective action.

Moreover, the Group makes provisions for estimated product liability costs arising from personal injuries alleged to be the result of product defects. The valuation of the reserve is actuarially determined on an annual basis based on, among other factors, the number of vehicles sold and product liability claims incurred. Costs associated with these provisions are recorded in Cost of Sales and any subsequent adjustments are recorded in the period in which the adjustment is determined.

Contingent liabilities

The Group makes provision in connection with pending or threatened disputes or legal proceedings when it is considered probable that there will be an outflow of funds and when the amount can be reasonably estimated. If an outflow of funds becomes possible but the amount cannot be estimated, the matter is disclosed in the notes to the financial statements. The Group is the subject of legal and tax proceedings covering a wide range of matters in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the outflow of funds which will result from such disputes with any certainty. Moreover, the cases and claims against the Group often derive from complex legal issues which are subject to a differing degree of uncertainty, including the facts and circumstances of each particular case and the manner in which applicable law is likely to be interpreted and applied to such fact and circumstances, and the jurisdiction and the different laws involved. The Group monitors the status of pending legal procedures and consults with experts on legal and tax matters on a regular basis. It is therefore possible that the provisions for the Group's legal proceedings and litigation may vary as the result of future developments in pending matters.

New and revised IFRSs adopted since 1 January 2013

The following new standards and amendments were adopted by the Group since 1 January 2013:

- Amendments to IAS 19 – *Employee Benefits*;
- IFRS 13 – *Fair Value Measurement*;
- Amendments to IAS 1 – *Presentation of Financial Statements: Presentation of items of Other Comprehensive Income*;
- Amendments to IFRS 7 – *Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities;*
- Amendments to IAS 1 – *Presentation of Financial Statements* (as part of the *Annual Improvements to IFRS's – 2009-2011 Cycle*).

The nature and effects of changes are explained below.

Amendments to IAS 19 – Employee Benefits
The Group adopted IAS 19, as amended, effective 1 January 2013. The revised standard modifies the requirements for recognizing defined benefit plans and termination benefits. The main changes relate to the:

- Recognition of the plan deficit or surplus: The amendments remove the previous option of deferring actuarial gains and losses under the off balance sheet "corridor method", and require them to be recognized directly in Other comprehensive income/(losses). In addition, the amendments require the immediate recognition of past service costs in the Income statement. These amendments led to the recognition of the entire plan deficit or surplus in the balance sheet.
- Net interest expense: The interest expense, calculated by using a discount rate, and the expected return on plan assets, calculated by using a long-term rate of return of assets, are replaced by the net interest expense on the plan deficit or surplus, which consists of (i) the interest expense calculated on the present value of the obligations, (ii) the interest income arising from the valuation of the plan assets, and (iii) the interest expense or income on the effect of the asset ceiling. All above components are calculated by using the discount rate applied for measuring the obligation at the beginning of the period.
- Classification of net interest expense: The Group recognizes net interest expense in Financial income/(expenses). Under the previous version of IAS 19, the Group recognized all income and expense arising from the measurement of funded pension plan assets and liabilities in operating costs, by function, while the interest expense relating to unfunded defined benefit plans was included in Financial income/(expenses).
- Administrative expenses: the amendments require that the cost of managing plan assets should be deducted from the return on plan assets (through Other comprehensive income/losses) and all other administrative costs relating to assets should be recognized in the Income statements in the year they occur. Under the previous version of IAS 19, the Group recognized all administrative costs and costs for managing plan assets in the Income statements in the year in which they occur, as a deduction from the expected return on assets.

The Group applied the relevant transitional provisions and restated the comparative amounts reported in this Annual report on a retrospective basis. The impacts of the adoption of these amendments on amounts previously reported are set out below:

	At 1 January 2012			At 31 December 2012		
(€ million)	Amounts as previously reported	IAS 19 amendments adoption effect	Amounts as restated	Amounts as previously reported	IAS 19 amendments adoption effect	Amounts as restated
Effects on Statement of financial position						
Investments and other financial assets	2,660	3	**2,663**	2,290	(3)	**2,287**
Defined benefit plan assets	97	8	**105**	105	(12)	**93**
Deferred tax assets	1,690	(1)	**1,689**	1,736	2	**1,738**
Provision for employee benefits	7,026	2,558	**9,584**	6,694	4,792	**11,486**
Deferred tax liabilities	760	1	**761**	802	(1)	**801**
Equity:	**12,260**	**(2,549)**	**9,711**	**13,173**	**(4,804)**	**8,369**
Equity attributable to owners of the parent	8,727	(1,369)	**7,358**	9,059	(2,872)	**6,187**
Non-controlling interests	3,533	(1,180)	**2,353**	4,114	(1,932)	**2,182**

(€ million)	Amounts as previously reported	IAS 19 revised adoption effect	2012 Amounts as restated
Effects on Income statement			
Cost of sales	71,474	227	**71,701**
Selling, general and administrative costs	6,731	32	**6,763**
Research and development costs	1,835	15	**1,850**
Other income/(expenses)	(103)	1	**(102)**
Trading profit/(loss)	**3,814**	**(273)**	**3,541**
EBIT	**3,677**	**(273)**	**3,404**
Financial income/(expenses)	(1,641)	(244)	**(1,885)**
Income taxes	625	(2)	**623**
Profit/(loss) from continuing operations	**1,411**	**(515)**	**896**
Profit/(loss) for the period	**1,411**	**(515)**	**896**
Profit/(loss) for the period attributable to:			
Owners of the parent	348	(304)	**44**
Non-controlling interests	1,063	(211)	**852**

(in €)	Amounts as previously reported	IAS 19 revised adoption effect	2012 Amounts as restated
Basic and diluted earnings/(loss) per share			
Basic earnings/(loss) per ordinary share	0.286	(0.250)	**0.036**
Diluted earnings/(loss) per ordinary share	0.284	(0.248)	**0.036**

(€ million)	Amounts as previously reported	IAS 19 revised adoption effect	2012 Amounts as restated
Effects on Statement of comprehensive income			
PROFIT/(LOSS) FOR THE PERIOD (A)	**1,411**	**(515)**	**896**
Items that will never be reclassified to Income statement (B1)	-	(1,839)	**(1,839)**
Items that may be reclassified to Income statement (B2)	(151)	89	**(62)**
Total Other comprehensive income/(losses), net of tax (B1)+(B2)=(B)	(151)	(1,750)	**(1,901)**
Total Other comprehensive income/(losses) (A)+(B)	**1,260**	**(2,265)**	**(1,005)**

(€ million)	Amounts as previously reported	IAS 19 revised adoption effect	2012 Amounts as restated
Effects on Consolidated statement of cash flows			
Cash flows from/(used in) operating activities			
Profit/(loss) for the period	**1,411**	**(515)**	**896**
Other non-cash items	47	515	**562**

IFRS 13 – Fair Value Measurement
The new standard clarifies the measurement of fair value for the purpose of the financial statements and is applicable to all IFRSs permitting or requiring a fair value measurement or the presentation of disclosures based on fair value. Moreover, IFRS 13 includes extensive disclosure requirements on the fair value measurements. In accordance with the relevant transitional provision, the Group adopted the new fair value measurement guidance prospectively since 1 January 2013 without applying the new disclosure requirements in the standard for comparative information reported in this Annual report. Other than the additional disclosures on the fair value measurement reported in the Note 30, the adoption of the new standard had no significant effect on the amounts recognized in this Annual report.

Amendments to IAS 1 – Presentation of Financial Statements: Presentation of items of Other Comprehensive Income
The amendments required items of Other comprehensive income/(losses) to be grouped on the basis of whether they will be reclassified subsequently to the Income Statements when specific conditions are met. The Group adopted these amendments in this Annual report and modified the presentation of items of Other comprehensive income. Comparative information has been reclassified accordingly.

Amendments to IFRS 7 – Financial Instruments: Disclosures: Offsetting Financial Assets and Financial Liabilities
The amendments require information about the effect or potential effect of netting arrangements for financial assets and liabilities on an entity's financial position. The Group applied the amendments since 1 January 2013 retrospectively. The adoption of the amendments had no impacts on the disclosure or on the amounts recognized in this Annual report.

Amendments to IAS 1 – Presentation of Financial Statements (as part of the Annual Improvements to IFRS's – 2009-2011 Cycle)
On 17 May 2012, the IASB issued a number of amendments to IFRSs ("*Annual Improvements to IFRS's – 2009-2011 Cycle*"). The amendments that are relevant to the Group, effective 1 January 2013, are the amendments to IAS 1 – *Presentation of Financial Statements.* The amendments clarify the way in which comparative information should be presented when an entity changes accounting policies or retrospectively restates or reclassifies items in its financial statements and when an entity provides comparative information in addition to the minimum comparative financial statements. The amendments were applied by the Group for the restatement of the amounts presented in the statements of financial position as a result of applying the amendments to IAS 19 by adding a third Statement of financial position as of 1 January 2012.

New standards and interpretations not yet effective

In May 2011, a package of three standards was issued: IFRS 10 – *Consolidated Financial Statements*, IFRS 11 – *Joint Arrangements* and IFRS 12 – *Disclosure of Interests in Other Entities.* IAS 27 – *Consolidated and Separate Financial Statements* (which has been renamed IAS 27 – *Separate Financial Statements)* and IAS 28 – *Investments in Associates* (which has been renamed IAS 28 – *Investments in Associates and Joint Ventures*) were consequently revised. Subsequently, other amendments were issued to clarify transitional guidance on the first-time adoption of the standards. The new standards are effective for annual periods beginning on or after 1 January 2013, and must be applied retrospectively. The European Union endorsed these standards by postponing their effective date to 1 January 2014, allowing early adoption from 1 January 2013. The Group will apply the new standards from 1 January 2014. In particular:

- IFRS 10 – *Consolidated Financial Statements* will replace SIC-12 – *Consolidation: Special Purpose Entities* and parts of IAS 27 – *Consolidated and Separate Financial Statements* (which has been renamed IAS 27 – *Separate Financial Statements* and addresses the accounting treatment of investments in separate financial statements). The new standard builds on existing principles by identifying a single control model applicable to all entities, including "structured entities". The standard also provides additional guidance to assist in the determination of control where this is difficult to assess. At the date of this Annual report, adoption of this new standard would have no effect as no changes to the control conclusions reached before and after the adoption of the new standard would arise.

- IFRS 11 – *Joint Arrangements* supersedes IAS 31 – *Interests in Joint Ventures* and SIC-13 – *Jointly Controlled Entities: Non-monetary Contributions by Venturers*. The adoption of this new standard for the Group will require the reclassification of investments classified as jointly controlled entities under IAS 31 as either Joint ventures (if the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement) or Joint operations (if the Group has right only to the net assets of an arrangement). The classification will focus on the rights and obligations of the arrangements, rather than their legal form. Notwithstanding the reclassification, the Group investments that will be classified as Joint ventures under IFRS 11 will continue to be recognized by applying the equity method and the Group expects no impact on its Consolidated financial statements for these investments. In relation to its interests in Sevel S.p.A. and in Fiat India Automobiles Limited, that will be classified as Joint operations upon the adoption of IFRS 11, the Group will recognize its share of assets, liabilities, revenues and expenses instead of recognizing its interests by using the equity method. At 31 December 2013, this adoption of IFRS 11 would lead to an estimated increase in total Assets recognized of approximately €440 million, an increase in Debt of approximately €380 million (the effect on Net industrial debt is an increase of approximately €360 million). No effect will arise on the Group's Profit/(Loss) or Equity from the adoption of the standard.

- IFRS 12 – *Disclosure of Interests in Other Entities*, is 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 application of the new standard will result in expanded disclosure in the Notes to the Consolidated financial statements.

On 16 December 2011, the IASB issued certain amendments to IAS 32 – *Financial Instruments: Presentation* to clarify the application of certain offsetting criteria for financial assets and financial liabilities in IAS 32. The amendments are effective for annual periods beginning on or after 1 January 2014 and are required to be applied retrospectively. No significant effect is expected from the first time adoption of the standard.

On 29 May 2013, the IASB issued an amendment to IAS 36 – *Recoverable Amount Disclosures for Non-Financial Assets* addressing the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less cost of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014. Earlier application is permitted for periods when the entity has already applied IFRS 13. The application of this amendment will result in an expanded disclosure in the Notes to the Consolidated financial statements in case of impairment based on fair value less cost of disposal.

On 27 June 2013, the IASB issued narrow scope amendments to IAS 39 – *Financial Instruments: Recognition and Measurement* entitled "*Novation of Derivatives and Continuation of Hedge Accounting*". The amendments will allow hedge accounting to continue in a situation where a derivative, which has been designated as a hedging instrument, is novated to effect clearing with a central counterparty as a result of laws or regulation, if specific conditions are met. Similar relief will be included in *IFRS 9 - Financial Instruments*. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014. No significant effect is expected from the first time adoption of these amendments.

In addition, the European Union had not yet completed its endorsement process for these standards and amendments at the date of this Annual report:

- On 12 November 2009, the IASB issued IFRS 9 – *Financial Instruments*. The new standard was reissued in October 2010 and subsequently amended in November 2013. The standard addresses the classification, measurement and recognition of financial assets and financial liabilities and hedge accounting. It replaces the relevant parts of IAS 39 – *Financial Instruments: recognition and measurement*. As part of the November 2013 amendments, among other, the IASB removed the standard's mandatory effective date, previously set on 1 January 2015. This date will be added to the standard when all phases of the IFRS 9 project are completed and a final complete version of the standard is issued.
- On 20 May 2013, the IASB issued the IFRIC Interpretation 21 - *Levies*, an interpretation of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets. The interpretation sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognized. IFRIC 21 is effective for annual periods beginning on or after 1 January 2014.
- On 21 November 2013, the IASB published narrow scope amendments to IAS 19 – *Employee benefits* entitled "*Defined Benefit Plans: Employee Contributions*". These amendments apply to contributions from employees or third parties to defined benefit plans in order to simplify their accounting in specific cases. The amendments are effective, retrospectively, for annual periods beginning on or after 1 July 2014 with earlier application permitted.
- On 12 December 2013 the IASB issued the *Annual Improvements to IFRSs 2010–2012* Cycle and *Annual Improvements to IFRSs 2011–2013 Cycle*. The most important topics addressed in these amendments are, among others, the definition of vesting conditions in IFRS 2 – *Share based payment*, the aggregation of operating segments in IFRS 8 – *Operating Segments,* the definition of key management personnel in IAS 24 – *Related Party disclosures*, the extension of the exclusion from the scope of IFRS 3 – *Business Combinations* to all types of joint arrangements (as defined in IFRS 11 – *Joint arrangements*) and to clarify the application of certain exceptions in IFRS 13 – *Fair value Measurement*.

The Group will comply with these new standards and amendments based on their relevant effective dates when endorsed by the European Union and it will evaluate their potential impacts on the Consolidated financial statements.

Scope of consolidation

Consolidated entities
The Consolidated financial statements at 31 December 2013 includes Fiat S.p.A. and 303 subsidiaries consolidated on a line-by-line basis in which Fiat S.p.A., directly or indirectly, has a majority of the voting rights, and over which it exercises control or from which it is able to derive benefit by virtue of its power to govern their corporate financial and operating policies.

There were no significant changes in the scope of consolidation in 2013, although the following minor changes occurred:

- on 1 July 2013, the Group, through its wholly owned subsidiary Fiat Group Automobiles S.p.A., acquired full control of the VM Motori group, which was previously considered a joint venture consolidated by using the equity method. Starting from this date, Fiat Group has consolidated VM Motori group on a line-by-line basis;
- from November 2013, the investment in the Brazilian company, CMP Componentes e Modulos Plasticos Industria e Comercio Ltda, which was previously classified as held for sale on acquisition, has been consolidated on a line by line basis as a result of changes in the plans for its sale;
- from December 2013, the assets and liabilities related to a subsidiary consolidated by the Components operating segment (Fonderie du Poitou Fonte S.A.S.) were reclassified as Assets and liabilities held for sale (Note 22).

Certain minor subsidiaries (dealership and captive service companies) generating a negligible volume of activities are excluded from consolidation and accounted for using the equity method. Their proportion of the Group's assets, liabilities and aggregate revenues are insignificant. Other minor subsidiaries that are dormant, under liquidation or generating a negligible volume of business are excluded from consolidation and accounted for at cost. Their aggregate assets and revenues at 31 December 2013 represent 0.1% of the Group's respective amounts.

Interests in jointly controlled entities are accounted for using the equity method. Condensed financial information based on the Group's pro-rata interest in these entities, before eliminations, is as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Non-current assets	1,730	1,984
Current assets	8,759	8,790
TOTAL ASSETS	**10,489**	**10,774**
Debt	7,686	7,602
Other liabilities	1,319	1,601

The combined balances of the Group's share in the principal Income statement items of jointly controlled entities accounted for using the equity method are as follows:

(€ million)	2013	2012
Net revenues	4,021	4,381
Trading profit/(loss)	213	230
EBIT	213	225
Profit/(loss) before taxes	175	200
Profit/(loss)	136	148

At 31 December 2013 the main aggregate amounts related to the Group's interests in associates are as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Total assets	404	294
Liabilities	293	218

(€ million)	2013	2012
Net revenues	225	182
Net profit/(loss)	(28)	(38)

The main aggregate amounts related to the Group interests in associates measured at cost are as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Total assets	30	35
Liabilities	13	16

(€ million)	2013	2012
Net revenues	47	48
Net profit/(loss)	5	4

Acquisitions or disposals

No significant subsidiaries were acquired or disposed of in 2013. Nevertheless, as discussed above on 1 July 2013, through its potential voting rights, the Fiat Group acquired control of the VM Motori group in accordance with IAS 27 - *Consolidated and Separate Financial Statements*. The company, which was previously consolidated by using the equity method, was consolidated on a line-by-line basis from that date. On the same date, General Motors, holding the 50% remaining interest in VM Motori, notified Fiat of the exercise of its put option to sell its interest, subject to the approval of the relevant anti-trust authorities. The transaction closed on 28 October 2013 with the payment of a purchase consideration of €34.1 million. Other option rights existing at that date expired unexercised. At 31 December 2013, the purchase price allocation was completed with the recognition of goodwill for €15 million. Amounts of fair valued assets and liabilities acquired are disclosed as Change in the scope of consolidation, where significant in the relevant Notes.

No significant subsidiaries were acquired or disposed of in 2012. Nevertheless, in January 2012, as a result of the occurrence of the third performance event ("*Ecological Event*") established in *Chrysler's LLC Operating Agreement,* the Group acquired a further 5% interests in Chrysler with no monetary consideration. At 31 December 2012, Fiat had therefore a 58.5% ownership interest in Chrysler.

Composition and principal changes

1. Net revenues
Net revenues are as follows:

(€ million)	2013	2012
Sales of goods	83,000	80,278
Services provided	2,043	2,049
Contract revenues	1,047	1,086
Interest income from customers and other financial income of financial services companies	239	277
Lease installments for assets sold with a buy-back commitment and for operating leases	226	244
Other	261	23
Total Net revenues	**86,816**	**83,957**

Net revenues are as follows:

(€ million)	2013	2012
Italy	6,937	7,275
Rest of the world	79,879	76,682
Total Net revenues	**86,816**	**83,957**

Net revenues in the Rest of the world in 2013 are attributed mainly to: United States, Canada and Mexico for €47,552 million (€45,170 million in 2012), Brazil for €8,431 million (€9,834 million in 2012), China for €4,438 million (€2,697 million in 2012), Germany for €3,054 million (€3,167 million in 2012), France for €1,957 million (€2,055 million in 2012), UK for €1,453 million (€1,429 million in 2012), Argentina for €1,439 million (€1,179 million in 2012), Turkey for €1,268 million (€1,236 million in 2012) and Spain for €1,015 million (€873 million in 2012).

2. Cost of sales
Cost of sales amounts to €74,570 million in 2013 (€71,701 million in 2012) and the majority of it is made up by cost of materials and components. The remaining costs principally include labor costs, consisting of direct and indirect wages, as well as depreciation of Property, plant and equipment, amortization of Other intangible assets relating to production and transportation costs. Cost of sales also includes warranty and product-related costs, estimated at the time of sale to dealer networks or to the end customer.

Cost of sales also includes €190 million (€158 million in 2012) of interest cost and other financial expenses from financial services companies.

3. Selling, general and administrative costs

Selling costs amount to €4,269 million in 2013 (€4,367 million in 2012) and mainly consist of marketing, advertising, and sales personnel costs. Marketing and advertising expenses consist primarily of media campaigns, as well as marketing support in the form of trade and auto shows, events, and sponsorships.

General and administrative costs amount to €2,420 million in 2013 (€2,396 million in 2012) and mainly consist of administration expenses which are not attributable to sales, manufacturing or research and development functions.

4. Research and development costs

Research and development costs are as follows:

(€ million)	2013	2012
Research and development costs expensed during the year	1,320	1,172
Amortization of capitalized development costs	887	621
Write-down of costs previously capitalized	24	57
Total Research and development costs	**2,231**	**1,850**

5. Result from investments

In 2013 the net gain, amounting to €97 million (a net gain of €107 million in 2012), mainly consists of the Group's share of €87 million (€94 million in 2012) in the Net profit/(loss) of investees accounted for using the equity method, and also includes write-downs for impairment, reversals, accruals to provisions against investments and dividends.

In particular, in 2013, the item includes (amounts in € million): investments held by subsidiaries pertaining to the EMEA region €145 (€160 in 2012), to the Components operating segment €5 (€2 in 2012), to the APAC region -€39 (-€5 in 2012), to the RCS MediaGroup investment -€34 (-€68 in 2012) and other investments €20 (€18 in 2012).

6. Gains/(losses) on the disposal of investments

In 2012, this item included the write-down of €91 million of the investment in Sevelnord Société Anonyme following its reclassification to Assets held for sale (transferred during the first quarter of 2013).

7. Restructuring costs

Net restructuring costs amounts to €28 million in 2013 and mainly relates to the restructuring provision in other minor business aggregated within Other activities in the segment reporting for €38 million, partially offset by the release of a restructuring provision previously made by the NAFTA region for €10 million.

Net restructuring costs in 2012 amounted to €15 million and related to the EMEA region for €43 million, the Components operating segment and Other Activities for €20 million. The item also included the release of restructuring provisions previously made by the NAFTA region for €48 million.

8. Other unusual income/(expenses)

In 2013, Other unusual expenses amount to €686 million and mainly includes write-downs of €272 million as a result of the rationalization of architectures associated with the new product strategy, particularly for the Alfa Romeo, Maserati and Fiat brands; in particular, €226 million related to development costs and €46 million to tangible assets. In addition, in relation to the market expected trends, the assets of the cast-iron business in the Components segment (Teksid) were written down by € 57 million. Moreover, there was a €56 million write-off of the book value of the Equity Recapture Agreement Right considering the agreement closed on 21 January 2014 to purchase the remaining minority equity stake in Chrysler from the VEBA Trust (as described in the Subsequent events note). Other unusual charges also includes for 2013 a €115 million charge related to the June 2013 voluntary safety recall for the 1993-1998 Jeep Grand Cherokee and the 2002-2007 Jeep Liberty, as well as the customer satisfaction action for the 1999-2004 Jeep Grand Cherokee. This item also includes a €59 million foreign currency translation loss recognized in the first quarter of 2013 related to the February 2013 devaluation of the official exchange rate of the Venezuelan Bolivar ("VEF") relative to the US Dollar from 4.30 VEF per US Dollar to 6.30 VEF per US Dollar. During the second and third quarter of 2013, certain monetary liabilities, which had been submitted to the Commission for the Administration of Foreign Exchange ("CADIVI") for payment approval through the ordinary course of business prior to the devaluation date, were approved to be paid at an exchange rate of 4.30 VEF per US Dollar. As a result, €12 million in the second quarter of 2013 and €4 million in the third quarter of 2013 of foreign currency transaction gains were recognized due to these monetary liabilities being previously remeasured at the 6.30 VEF per US Dollar at the devaluation date.

In 2012, Other unusual expense of net €138 million mainly included €145 million of costs arising from disputes relating to operations terminated in prior years and costs related to the termination of the joint venture Sevelnord Société Anonyme.

In 2013, Other unusual income amount to €187 million. This item mainly includes the impacts of a curtailment gain and plan amendments of €166 million with a corresponding net reduction to Chrysler's pension obligation. During the second quarter of 2013, Chrysler amended its U.S. and Canadian salaried defined benefit pension plans. The U.S. plans were amended in order to comply with Internal Revenue Service regulations, cease the accrual of future benefits effective 31 December 2013, and enhance the retirement factors. The Canada amendment ceases the accrual of future benefits effective 31 December 2014, enhances the retirement factors and continues to consider future salary increases for the affected employees. An interim remeasurement was required for these plans, which resulted in an additional €509 million net reduction to the pension obligation, a €7 million reduction to defined benefit plan assets and a corresponding €502 million increase in Total Other comprehensive income/(losses).

9. Financial income/(expenses)

The following table sets out details of the Group's financial income and expenses, including the amounts reported in the Income statement within the Financial income/(expenses) line item, as well as interest income from customers and other financial income of financial services companies, recognized under Net revenues, and Interest cost and other financial charges from financial services companies, recognized under Cost of sales.

(€ million)	2013	2012
Financial income:		
Interest income and other financial income	200	254
Interest income from customers and other financial income of financial services companies	239	277
Gains on disposal of securities	4	2
Total Financial income	**443**	**533**
of which:		
Financial income, excluding financial services companies (A)	204	256
Interest cost and other financial expenses:		
Interest expense and other financial expenses	1,880	1,936
Write-downs of financial assets	105	50
Losses on disposal of securities	3	9
Net interest expenses on employee benefits provisions	371	388
Total Interest and other financial expenses	**2,359**	**2,383**
Net (income)/expenses from derivative financial instruments and exchange rate differences	(1)	(84)
Total interest and other financial expenses, net (income)/expenses from derivative financial instruments and exchange differences	**2,358**	**2,299**
of which:		
Interest cost and other financial expenses, net (income)/expenses from derivative financial instruments and exchange rate differences, excluding financial services companies (B)	2,168	2,141
Net financial income/(expenses) excluding financial services companies (A) – (B)	**(1,964)**	**(1,885)**

Net financial expenses in 2013 (excluding the financial services companies) amount to €1,964 million (€1,885 million in 2012).

This amount includes the net financial expenses of Chrysler of €975 million (€1,068 million in 2012), of which net interest expenses on employee benefits provisions of €347 million (€356 million in 2012). Net financial expenses also include net income of €31 million (net income of €34 million in 2012) arising from the equity swaps on Fiat S.p.A. and CNH Industrial N.V. (formerly Fiat Industrial S.p.A.) shares relating to certain stock option plans. These equity swaps expired in 2013.

Interest income and other financial income may be analyzed as follows:

(€ million)	2013	2012
Interest income from banks deposits	152	168
Interest income from securities	8	14
Other interest income and financial income	40	72
Total Interest income and other financial income	**200**	**254**

Interest cost and other financial expenses may be analyzed as follows:

(€ million)	2013	2012
Interest expenses on bonds	959	921
Interest expenses on bank borrowing	346	347
Commission expenses	25	21
Other interest cost and financial expenses	550	647
Total Interest cost and other financial expenses	**1,880**	**1,936**

In 2013 the Other interest cost and financial expenses included interest expenses of €326 million (€342 million in 2012) related to the *VEBA Trust Note* and interest expenses of €61 million (€71 million in 2012) related to the *Canadian Health Care Trust Note*.

10. Tax (income)/expenses

Income taxes are as follows:

(€ million)	2013	2012
Current taxes	607	686
Deferred taxes (benefits) costs	(1,570)	(71)
Taxes relating to prior periods	20	8
Total Tax (income)/expenses	**(943)**	**623**

In 2013 Income taxes were a positive €943 million, mainly as a consequence of the recognition of previously unrecognized deferred tax assets related to Chrysler of €1,500 million.

In 2013, the Regional Italian Income Tax IRAP recognized within current taxes amounts to €54 million (€60 million in 2012) and IRAP recognized within deferred tax costs amounts to €12 million (€20 million in 2012).

The reconciliation between the theoretical income taxes calculated on the basis of the theoretical tax rate in effect in Italy for IRES (equal to 27.5%) and the income taxes recognized is as follows:

(€ million)	2013	2012
Theoretical income taxes	**277**	**418**
Tax effect on:		
Recognition and utilization of previously unrecognized deferred tax assets	(1,747)	(529)
Permanent differences	8	(79)
Deferred tax assets not recognized and write-downs	380	473
Differences between foreign tax rates and the theoretical Italian tax rate and tax holidays	119	164
Taxes relating to prior years	20	8
Other differences	(66)	88
Total Tax (income)/expenses, excluding IRAP	**(1,009)**	**543**
Effective tax rate	-	*35.7%*
IRAP (current and deferred)	66	80
Total Tax (income)/expenses	**(943)**	**623**

Since IRAP taxable basis differs from income before taxes, it is excluded in the above reconciliation.

In 2013, the Group's effective tax rate is not representative because the Group recognized a net tax benefit in relation to a Consolidated Net profit. In particular, in 2013, the theoretical income taxes and the Group's actual differ primarily due to the recognition of previously unrecognized deferred tax assets related to Chrysler for €1,500 million. Excluding this effect, the theoretical tax rate of the Group in 2013 would have been 48.7%. The difference is also affected by other effects arising from the utilization of tax losses carried forward for which deferred tax assets were not recognized in the past. These benefits were partially offset by the negative impact of €380 million euro (€473 million in 2012) arising from the unrecognized deferred tax assets on temporary differences and tax losses arising in the year.

In 2013 Other differences include unrecoverable withholding tax of €84 million (€95 million in 2012).

The Group recognizes in its Statement of Financial Position within Deferred tax asset, the amount of Deferred tax assets less the Deferred tax liabilities of the individual consolidated companies, where these may be offset. Amounts recognized are as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Deferred tax assets	2,893	1,738
Deferred tax liabilities	(278)	(801)
Total	**2,615**	**937**

Changes in net deferred tax assets of €1,678 million are mainly due to the following:

- recognition of a net benefit of €1,570 million arising on previously unrecognized Deferred tax assets and the recognition of Deferred tax assets on temporary differences arising during the year, net of write-down of deferred tax relating to previous years;
- recognition directly to Equity of net deferred tax assets of €212 million;
- exchange rate differences and other changes for a negative amount of €99 million.

The significant components of Deferred tax assets and liabilities and their changes during the year are as follows:

(€ million)	At 31 December 2012	Recognized in Income statement	Charged to equity	Changes in the scope of consolidation	Translation differences and other changes	At 31 December 2013
Deferred tax asset arising on:						
Provisions	2,911	368	-	3	(353)	**2,929**
Provision for employee benefits	1,022	137	18	-	(47)	**1,130**
Intangible assets	381	(38)	-	1	(1)	**343**
Impairment of financial assets	228	13	-	-	(50)	**191**
Inventories	264	(1)	-	1	(4)	**260**
Allowances for doubtful accounts	90	18	-	-	2	**110**
Other	1,457	(223)	-	2	(26)	**1,210**
Total	**6,353**	**274**	**18**	**7**	**(479)**	**6,173**
Deferred tax liabilities arising on:						
Accelerated depreciation	(1,354)	(128)	-	1	77	**(1,404)**
Capitalization of development costs	(1,211)	(252)	-	-	47	**(1,416)**
Brands and other intangibles	(784)	48	-	(17)	113	**(640)**
Provision for employee benefits	(21)	-	-	(1)	2	**(20)**
Other	(527)	53	(23)	(2)	(63)	**(562)**
Total	**(3,897)**	**(279)**	**(23)**	**(19)**	**176**	**(4,042)**
Deferred tax asset arising on tax loss carry-forward	**3,399**	**437**	**-**	**7**	**(33)**	**3,810**
Unrecognized deferred tax assets	(4,918)	1,138	217	-	237	**(3,326)**
Total net Deferred tax assets	**937**	**1,570**	**212**	**(5)**	**(99)**	**2,615**

The decision to recognize Deferred tax assets is taken for each company in the Group by assessing critically whether the conditions exist for the future recoverability of such assets by taking into account the basis of most recent forecasts from budgets and plans. In this regard at 31 December 2013, in view of the results achieved by Chrysler, of the continuous improvement of its product mix and of its trends in international sales and its implementation of new vehicles, together with the consolidation of the alliance between Fiat and Chrysler, following Fiat's acquisition of full control at the beginning of 2014, the Group recognized previously unrecognized deferred tax assets for a total of €1,734 million, of which €1,500 million recognized in Income taxes and €234 million in Other comprehensive income/(losses). Moreover, in respect to the Group's Italian entities, at 31 December 2013, despite a tax loss in the national tax consolidation, the Group continued to recognize Deferred tax assets for €1,016 million (€1,063 million at 31 December 2012) on the basis of the future taxable income expected to arise in future periods and taking into account that these tax losses can be carried forward indefinitely.

At 31 December 2013, the Group had deferred tax assets on deductible temporary differences of €6,173 million (€6,353 million at 31 December 2012), of which €435 million was not recognized (€2,445 million at 31 December 2012). At the same date the Group had also theoretical tax benefit on losses carried forward of €3,810 million (€3,399 million at 31 December 2012), of which €2,891 million was unrecognized (€2,473 million at 31 December 2012). At 31 December 2013, net deferred tax assets included the amount of €919 million in respect of benefits on unused tax losses carry-forwards (€926 million at 31 December 2012).

Deferred taxes on the undistributed earnings of subsidiaries have not been recognized, except in cases where it is probable they earnings will be distributed in the foreseeable future.

The totals of deductible and taxable temporary differences and accumulated tax losses at 31 December 2013, together with the amounts for which deferred tax assets have not been recognized, analyzed by year of expiry, are as follows:

		Year of expiry					
(€ million)	At 31 December 2013	2014	2015	2016	2017	Beyond 2017	Unlimited/ indeterminable
Temporary differences and tax losses relating to State taxation (IRES in Italy):							
Deductible temporary differences	**18,768**	4,997	1,738	1,641	1,803	8,589	-
Taxable temporary differences	**(11,604)**	(1,133)	(1,396)	(1,229)	(1,218)	(5,360)	(1,268)
Tax losses	**13,555**	86	16	303	31	1,556	11,563
Amounts for which deferred tax assets were not recognized	**(11,546)**	(685)	(90)	(193)	(136)	(172)	(10,270)
Temporary differences and tax losses relating to State taxation	**9,173**	**3,265**	**268**	**522**	**480**	**4,613**	**25**
Temporary differences and tax losses relating to local taxation (IRAP in Italy):							
Deductible temporary differences	**18,570**	3,922	1,946	2,248	2,067	8,387	-
Taxable temporary differences	**(15,151)**	(1,193)	(1,634)	(1,540)	(1,529)	(6,934)	(2,321)
Tax losses	**1,091**	2	3	9	54	234	789
Amounts for which deferred tax assets were not recognized	**(1,169)**	(124)	(30)	(21)	(13)	(212)	(769)
Temporary differences and tax losses relating to local taxation	**3,341**	**2,607**	**285**	**696**	**579**	**1,475**	**(2,301)**

11. Other information by nature

In 2013, personnel costs amounted to €9,352 million (€9,110 million in 2012), these amounts comprise costs that were capitalized mainly in connection to the product development activities.

In 2013, Fiat Group had an average number of employees of 220,194 (205,112 employees in 2012).

12. Earnings/(loss) per share

As explained in Note 23 below, in accordance with the resolution adopted at the extraordinary session of the Shareholders' General Meeting of 4 April 2012, from 21 May 2012 the share capital of Fiat S.p.A. is represented by ordinary shares.

The earnings/(loss) per share is determined by dividing the Profit/(loss) attributable to the equity holders of the parent company, by the weighted average number of ordinary shares outstanding during the period.

The following table provides amounts used in the calculation of basic earnings/(loss) per share for the two periods:

		2013	2012
Profit/(loss) attributable to owners of the parent	€ million	904	44
Weighted average number of shares outstanding	thousands	1,215,921	1,215,828
Basic earnings/(loss) per share	euros	**0.744**	**0.036**

In order to calculate the diluted earnings/(loss) per share, the average number of outstanding ordinary shares has been increased to also take into consideration the theoretical effect that would arise if all the share based payment plans were exercised.

The following table provides the amounts used in the calculation of diluted earnings per share for the periods presented:

		2013	2012
Profit/(loss) attributable to shares	€ million	904	44
Weighted average number of shares	thousands	1,228,926	1,225,868
Diluted earnings/(loss) per share	€	**0.736**	**0.036**

13. Goodwill and intangible assets with indefinite useful lives

In 2013 and 2012, changes in Goodwill and intangible assets with indefinite useful lives were as follows:

(€ million)	At 31 December 2012	Change in the scope of consolidation	Impairment losses	Translation differences and other changes	At 31 December 2013
Gross amount	10,644	15	-	(377)	**10,282**
Accumulated impairment losses	(414)	-	-	(29)	**(443)**
Goodwill	**10,230**	15	-	(406)	**9,839**
Brands	**2,717**	-	-	(117)	**2,600**
Goodwill and intangible assets with indefinite useful lives	**12,947**	**15**	**-**	**(523)**	**12,439**

(€ million)	At 31 December 2011	Change in the scope of consolidation	Impairment losses	Translation differences and other changes	At 31 December 2012
Gross amount	10,864	-	-	(220)	**10,644**
Accumulated impairment losses	(421)	-	-	7	**(414)**
Goodwill	**10,443**	-	-	(213)	**10,230**
				-	
Brands	**2,770**	-	-	(53)	**2,717**
Goodwill and intangible assets with indefinite useful lives	**13,213**	**-**	**-**	**(266)**	**12,947**

Foreign exchange effects in 2013 and in 2012 arose mainly from changes in the US Dollar/Euro rate and amount to €523 million and €266 million, respectively.

Changes in the scope of consolidation includes the effects of the consolidation of the VM Motori group from the 1st July 2013, as discussed in the section Scope of consolidation.

Brands

Brands arise from the NAFTA region and comprise the Chrysler, Jeep, Dodge, Ram and Mopar brands. These rights are protected legally through registration with government agencies and through the continuous use in commerce. As these rights have no legal, contractual, competitive or economic term that limits their useful lives, they are classified as intangible assets with indefinite useful lives, and are therefore not amortized.

For the purpose of impairment testing, Brands and Goodwill are tested jointly and the carrying amount of Brands is allocated to the NAFTA operating segment.

Goodwill

Goodwill principally resulted from the acquisition of the control of Chrysler for €8,967 million (€9,372 million at 31 December 2012) and the purchase of certain interests in Ferrari S.p.A. for €786 million (€786 million at 31 December 2012).

Goodwill is allocated to operating segments or to CGUs within the operating segments as appropriate, in accordance with IAS 36. The following table presents the allocation of Goodwill across the operating segments:

(€ million)	At 31 December 2013	At 31 December 2012
NAFTA	7,330	7,661
APAC	968	1,012
LATAM	461	482
EMEA	208	217
Luxury Brands	786	786
Components	51	51
Other activities	35	21
Goodwill (net carrying amount)	**9,839**	**10,230**

In accordance with IAS 36, Goodwill is not amortized and is tested for impairment annually or more frequently if facts or circumstances indicate that the asset may be impaired. Impairment testing is performed by comparing the carrying amount and the recoverable amount of each CGU to which Goodwill has been allocated. The recoverable amount of a CGU is the higher of its fair value less costs to sell and its value in use.

The assumptions used in this process represent the management's best estimate for the period under consideration.

Goodwill allocated to the NAFTA operating segment represents approximately 75% of the Group's total Goodwill. Additionally, all of the carrying value of the Group's Brands was included within the NAFTA operating segment as described before. The estimate of the value in use of the NAFTA operating segment for purposes of performing the annual impairment test was based on the following assumptions:

- The expected future cash flows covering the period from 2014 through 2017 have been derived from the Chrysler business plan prepared in connection with the recent public offering process (then withdrawn after the Fiat acquisition of the securities proposed to be offered through a private transaction) and based on two different scenarios: "Low Case" and "High Case", both of which based on the same market assumptions, but with different assumptions on variable and fixed costs. For the purpose of this impairment analysis, the "Low Case" scenario has been considered. More specifically, in making the estimates, expected EBITDA for the periods under consideration was adjusted to reflect the expected capital expenditure and monetary contributions to pension plans and other post-employment benefit plans. These flows relate to the CGU in its condition when preparing the Financial statements and exclude the estimated cash flows that might arise from restructuring plans or other structural changes. Volumes and sales mix used for estimating the future cash flow are based on analyses and studies carried out by primary independent analysts, including in particular *IHS – Global Insight* and *Ward's Automotive* and on management assumptions. These assumptions are considered reasonable and sustainable and represent the best estimate of expected conditions regarding market trends and segment, brand and model share for the NAFTA operating segment in the countries in which it operates (United States, Canada and Mexico) over the period considered.

- The expected future cash flows include a normalized terminal period used to estimate the future results beyond the time period explicitly considered. This terminal period was calculated by applying to the average 2014-2017 expected revenues, an EBITDA margin of the average of those estimated for 2014-2017; the EBITDA calculated in this way was then adjusted by a normalized amount of investments determined assuming a steady state business and by the expected monetary contributions to pension plans and post-employment benefit plans. As regards long-term growth rates, although it would have been reasonable to use a rate of between 2% and 3% in the market in which the NAFTA operating segment operates, a rate of zero was used.
- Pre-tax expected future cash flows have been estimated in U.S. Dollars, and discounted using a pre-tax discount rate appropriate for that currency, determined by using a base WACC of 16.0% (15.1% in 2012). The WACC used reflects the current market assessment of the time value of money for the period being considered and the risks specific to the operating segment under consideration. The WACC was calculated using the Capital Asset Pricing Model ("CAPM") technique in which the risk free rate has been calculated by referring to the yield curve of long-term U.S. government bonds and the beta coefficient and the debt/equity ratio have been extrapolated by analyzing a group of comparable companies operating in the automotive sector. Additionally, to reflect the uncertainty of the current economic environment and future market conditions, the cost of equity component of the WACC was progressively increased by a 50 basis point risk premium for the years 2014 through 2016 and by 300 basis points in the terminal period.

The surplus between the value in use estimated as above and the book value of the net capital employed (inclusive of Goodwill and Brands allocated to the NAFTA operating segment) at 31 December 2013 amounts to approximately €560 million. A sensitivity analysis was performed by increasing the WACC determined as above by 0.5%, resulting in a surplus of approximately €200 million of the value in use over the carrying amount. Based on scenario and business plan assumptions used, additional sensitivity analysis have not been performed as the assumptions used for the business plan preparation ("Low Case") and those used in the valuation analysis for the base case (additional execution risks, nil long-term growth rate and average results projected in terminal value), already take into account what management consider to be a conservative scenario.

Impairment tests for other regions, where Goodwill was allocated, were based on the expected future cash flows covering the period from 2014 through 2017. The assumptions used to determine the pre-tax WACCs and the risk premiums were consistent with those described above for the NAFTA region. Cash flows were measured in U.S. Dollars and base pre-tax WACCs of 14.9% (14.4% in 2012), 22.3% (17.2% in 2012) and 17.9% (16.4% in 2012) were used for the APAC, LATAM and EMEA regions respectively. For these regions, after an increase of 0.5% in WACCs, the recoverable amounts still exceed their carrying amounts.

For Luxury Brands, the CGU corresponds to the Ferrari and the expected future cash flows are the operating cash flows taken from the estimates included in the 2014 budget and the expected business performance, taking account of the uncertainties of the global financial and economic situation, extrapolated for subsequent years by using the specific medium/long-term growth rate for the sector equal to 1.0% (2.0% in 2012). These cash flows were then discounted using a post-tax discount rate of 8.35% (8.05% in 2012). The recoverable amount of the CGU to which the Ferrari Goodwill relates is significantly higher than its carrying amount; in addition, the exclusivity of the business, its historical profitability and its future earnings prospects indicate that this carrying amount will continue to be recoverable, even in the event of difficult economic and market conditions.

14. Other intangible assets

Changes in the gross carrying amount of Other intangible assets were as follows:

(€ million)	At 31 December 2012	Additions	Divestitures	Changes in the scope of consolidation	Translation differences and other changes	At 31 December 2013
Development costs externally acquired	5,227	1,562	(5)	198	(123)	**6,859**
Development costs internally generated	4,637	480	(304)	-	(159)	**4,654**
Total Development costs	**9,864**	2,042	(309)	198	(282)	**11,513**
Patents, concessions and licenses externally acquired	**2,100**	224	(19)	1	(21)	**2,285**
Other intangible assets externally acquired	**625**	64	(2)	21	(99)	**609**
Gross carrying amount	**12,589**	**2,330**	**(330)**	**220**	**(402)**	**14,407**

(€ million)	At 31 December 2011	Additions	Divestitures	Changes in the scope of consolidation	Translation differences and other changes	At 31 December 2012
Development costs externally acquired	3,841	1,547	(4)	-	(157)	**5,227**
Development costs internally generated	4,116	591	(51)	-	(19)	**4,637**
Total Development costs	**7,957**	2,138	(55)	-	(176)	**9,864**
Patents, concessions and licenses externally acquired	**1,982**	175	(35)	-	(22)	**2,100**
Other intangible assets externally acquired	**606**	72	(27)	-	(26)	**625**
Gross carrying amount	**10,545**	**2,385**	**(117)**	**-**	**(224)**	12,589

Changes in accumulated amortization and impairment losses were as follow:

(€ million)	At 31 December 2012	Amortization	Impairment losses	Divestitures	Changes in the scope of consolidation	Translation differences and other changes	At 31 December 2013
Development costs externally acquired	2,436	479	120	(1)	142	(11)	**3,165**
Development costs internally generated	2,516	408	130	(286)	-	(90)	**2,678**
Total Development costs	**4,952**	887	250	(287)	142	(101)	**5,843**
Patents, concessions and licenses externally acquired	**875**	213	-	(18)	-	16	**1,086**
Other intangible assets externally acquired	**425**	46	-	(1)	11	(73)	**408**
Accumulated amortization and impairment	**6,252**	**1,146**	**250**	**(306)**	**153**	**(158)**	**7,337**

(€ million)	At 31 December 2011	Amortization	Impairment losses	Divestitures	Changes in the scope of consolidation	Translation differences and other changes	At 31 December 2012
Development costs externally acquired	2,280	234	19	-	-	(97)	**2,436**
Development costs internally generated	2,157	387	38	(45)	-	(21)	**2,516**
Total Development costs	**4,437**	621	57	(45)	-	(118)	**4,952**
Patents, concessions and licenses externally acquired	**705**	208	-	(34)	-	(4)	**875**
Other intangible assets externally acquired	**416**	52	1	(26)	-	(18)	**425**
Accumulated amortization and impairment	**5,558**	**881**	**58**	**(105)**	**-**	**(140)**	6,252

Changes in the net carrying amount of Other intangible assets were as follows:

(€ million)	At 31 December 2012	Additions	Amorti- zation	Impairment losses	Divesti- tures	Change in the scope of consoli- dation	Translation diff. and other changes	At 31 December 2013
Development costs externally acquired	2,791	1,562	(479)	(120)	(4)	56	(112)	**3,694**
Development costs internally generated	2,121	480	(408)	(130)	(18)	-	(69)	**1,976**
Total Development costs	**4,912**	2,042	(887)	(250)	(22)	56	(181)	**5,670**
Patents, concessions and licenses externally acquired	**1,225**	224	(213)	-	(1)	1	(37)	**1,199**
Other intangible assets externally acquired	**200**	64	(46)	-	(1)	10	(26)	**201**
Net carrying amount	**6,337**	**2,330**	**(1,146)**	**(250)**	**(24)**	**67**	**(244)**	**7,070**

(€ million)	At 31 December 2011	Additions	Amorti- zation	Impairment losses	Divesti- tures	Change in the scope of consoli- dation	Translation diff. and other changes	At 31 December 2012
Development costs externally acquired	1,561	1,547	(234)	(19)	(4)	-	(60)	**2,791**
Development costs internally generated	1,959	591	(387)	(38)	(6)	-	2	**2,121**
Total Development costs	**3,520**	2,138	(621)	(57)	(10)	-	(58)	**4,912**
Patents, concessions and licenses externally acquired	**1,277**	175	(208)	-	(1)	-	(18)	**1,225**
Other intangible assets externally acquired	**190**	72	(52)	(1)	(1)	-	(8)	**200**
Net carrying amount	**4,987**	**2,385**	**(881)**	**(58)**	**(12)**	**-**	**(84)**	**6,337**

Additions of €2,330 million in 2013 (€2,385 million in 2012) include development costs of €2,042 million (€2,138 million in 2012), consisting primarily of material costs and personnel related expenses relating to engineering, design and development focused on content enhancement of existing vehicles, new models and powertrain programs in NAFTA and EMEA region.

In 2013, to reflect the new product strategy the Group wrote-down certain Development costs by €250 million (€57 million in 2012). This amount mainly includes €151 million for the EMEA region, €32 million for the LATAM region and €65 million for Maserati in connection with development costs on new Alfa Romeo, Fiat and Maserati products, which have now been switched to new platforms considered technologically more appropriate. These write-downs of Development costs have been recognized as Other unusual expenses for €226 million. In 2012, the write-down was recognized within Trading profit/(loss), as this was not related to strategic factors.

Changes in the scope of consolidation amounted to €67 million mainly includes the effects of the consolidation of the VM Motori group, as discussed in the section Scope of consolidation.

Foreign exchange losses of €242 million in 2013 principally reflect the changes in the US Dollar and Brazilian Real against the Euro. Foreign exchange losses of €87 million in 2012 principally reflected the devaluation of the US Dollar and Brazilian Real against the Euro, partially offset by the appreciation of the Polish Zloty against the Euro.

15. Property, plant and equipment

Changes in the gross carrying amount of Property, plant and equipment were as follows:

(€ million)	At 31 December 2012	Additions	Divestitures	Depreciation	Change in the scope of consolidation	Translation differences	Other changes	At 31 December 2013
Land	716	4	(5)	-	3	(55)	216	**879**
Owned industrial buildings	6,397	510	(29)	-	19	(282)	254	**6,869**
Industrial buildings leased under finance leases	19	-	-	-	-	-	71	**90**
Total Industrial buildings	6,416	510	(29)	-	19	(282)	325	**6,959**
Owned plant, machinery and equipment	34,078	2,470	(847)	-	213	(1,338)	2,357	**36,933**
Plant, machinery and equipment leased under finance leases	382	54	(4)	-	27	1	15	**475**
Total Plant, machinery and equipment	34,460	2,524	(851)	-	240	(1,337)	2,372	**37,408**
Other tangible assets	1,908	137	(51)	-	5	(93)	123	**2,029**
Advances and tangible assets in progress	3,273	1,935	(4)	(2)	4	(177)	(2,752)	**2,277**
Gross carrying amount	**46,773**	**5,110**	**(940)**	**(2)**	**271**	**(1,944)**	**284**	**49,552**

(€ million)	At 31 December 2011	Additions	Divestitures	Depreciation	Change in the scope of consolidation	Translation differences	Other changes	At 31 December 2012
Land	726	4	(7)	-	-	(8)	1	**716**
Owned industrial buildings	5,938	170	(33)	-	2	(70)	390	**6,397**
Industrial buildings leased under finance leases	57	-	-	-	-	-	(38)	**19**
Total Industrial buildings	5,995	170	(33)	-	2	(70)	352	**6,416**
Owned plant, machinery and equipment	31,674	1,244	(822)	-	(12)	(404)	2,398	**34,078**
Plant, machinery and equipment leased under finance leases	359	29	(3)	-	(6)	3	-	**382**
Total Plant, machinery and equipment	32,033	1,273	(825)	-	(18)	(401)	2,398	**34,460**
Other tangible assets	1,940	118	(75)	-	2	(20)	(57)	**1,908**
Advances and tangible assets in progress	2,679	3,584	(9)	-	-	(104)	(2,877)	**3,273**
Gross carrying amount	**43,373**	**5,149**	**(949)**	**-**	**(14)**	**(603)**	**(183)**	**46,773**

Changes in accumulated depreciation and impairment losses were as follows:

(€ (million)	At 31 December 2012	Depreciation	Impairment losses	Divestitures	Change in the scope of consolidation	Translation differences	Other changes	At 31 December 2013
Land	7	-	-	-	-	-	-	**7**
Owned industrial buildings	2,228	257	-	(14)	2	(82)	(38)	**2,353**
Industrial buildings leased under finance leases	5	1	-	-	-	-	(2)	**4**
Total Industrial buildings	2,233	258	-	(14)	2	(82)	(40)	**2,357**
Owned plant, machinery and equipment	21,352	2,960	84	(811)	131	(689)	50	**23,077**
Plant, machinery and equipment leased under finance leases	128	32	-	(1)	17	-	8	**184**
Total Plant, machinery and equipment	21,480	2,992	84	(812)	148	(689)	58	**23,261**
Other tangible assets	982	178	-	(37)	4	(44)	(10)	**1,073**
Advances and tangible assets in progress	10	-	-	-	-	-	1	**11**
Accumulated depreciation and impairment	**24,712**	**3,428**	**84**	**(863)**	**154**	**(815)**	**9**	**26,709**

(€ million)	At 31 December 2011	Depreciation	Impairment losses	Divestitures	Change in the scope of consolidation	Translation differences	Other changes	At 31 December 2012
Land	7	-	-	-	-	-	-	**7**
Owned industrial buildings	1,999	253	2	(13)	2	(22)	7	**2,228**
Industrial buildings leased under finance leases	14	1	-	-	-	-	(10)	**5**
Total Industrial buildings	2,013	254	2	(13)	2	(22)	(3)	**2,233**
Owned plant, machinery and equipment	19,505	2,794	47	(795)	(12)	(202)	15	**21,352**
Plant, machinery and equipment leased under finance leases	105	27	-	-	(6)	1	1	**128**
Total Plant, machinery and equipment	19,610	2,821	47	(795)	(18)	(201)	16	**21,480**
Other tangible assets	948	178	-	(56)	2	(16)	(74)	**982**
Advances and tangible assets in progress	10	-	1	-	-	-	(1)	**10**
Accumulated depreciation and impairment	**22,588**	**3,253**	**50**	**(864)**	**(14)**	**(239)**	**(62)**	**24,712**

Changes in the net carrying amount of Property, plant and equipment were as follows:

(€ million)	At 31 December 2012	Additions	Depreciation	Impairment losses	Divestitures	Change in the scope of consolidation	Translation differences	Other changes	At 31 December 2013
Land	709	4	-	-	(5)	3	(55)	216	**872**
Owned industrial buildings	4,169	510	(257)	-	(15)	17	(200)	292	**4,516**
Industrial buildings leased under finance leases	14	-	(1)	-	-	-	-	73	**86**
Total Industrial buildings	4,183	510	(258)	-	(15)	17	(200)	365	**4,602**
Owned plant, machinery and equipment	12,726	2,470	(2,960)	(84)	(36)	82	(649)	2,307	**13,856**
Plant, machinery and equipment leased under finance leases	254	54	(32)	-	(3)	10	1	7	**291**
Total Plant, machinery and equipment	12,980	2,524	(2,992)	(84)	(39)	92	(648)	2,314	**14,147**
Other tangible assets	926	137	(178)	-	(14)	1	(49)	133	**956**
Advances and tangible assets in progress	3,263	1,935	-	(2)	(4)	4	(177)	(2,753)	**2,266**
Net carrying amount	**22,061**	**5,110**	**(3,428)**	**(86)**	**(77)**	**117**	**(1,129)**	**275**	**22,843**

(€ million)	At 31 December 2011	Additions	Depreciation	Impairment losses	Divestitures	Change in the scope of consolidation	Translation differences	Other changes	At 31 December 2012
Land	719	4	-	-	(7)	-	(8)	1	**709**
Owned industrial buildings	3,939	170	(253)	(2)	(20)	-	(48)	383	**4,169**
Industrial buildings leased under finance leases	43	-	(1)	-	-	-	-	(28)	**14**
Total Industrial buildings	3,982	170	(254)	(2)	(20)	-	(48)	335	**4,183**
Owned plant, machinery and equipment	12,169	1,244	(2,794)	(47)	(27)	-	(202)	2,383	**12,726**
Plant, machinery and equipment leased under finance leases	254	29	(27)	-	(3)	-	2	(1)	**254**
Total Plant, machinery and equipment	12,423	1,273	(2,821)	(47)	(30)	-	(200)	2,382	**12,980**
Other tangible assets	992	118	(178)	-	(19)	-	(4)	17	**926**
Advances and tangible assets in progress	2,669	3,584	-	(1)	(9)	-	(104)	(2,876)	**3,263**
Net carrying amount	**20,785**	**5,149**	**(3,253)**	**(50)**	**(85)**	**-**	**(364)**	**(121)**	**22,061**

As a result of an analysis of the classification of the Group's assets arising from the data conversion connected to the implementation of a new accounting information system for certain subsidiaries, the 2011 and 2012 amounts presented in this analysis for comparative purposes have been reclassified to ensure comparability and consistency. A group of equipment previously classified within the item Other tangible assets is now classified as Plant, machinery and equipment. This reclassification had no effect on the results, net assets and total of Property, plant and equipment reported in the Statement of financial position.

Additions of €5,110 million in 2013 are primarily related to the car mass-market operations in NAFTA and EMEA region, as well as, to the ongoing construction of the new LATAM plant in Pernambuco.

In 2013, €30 million of impairment losses are related to assets in the Cast Iron business unit of the Components segment as a result of an expected reduction in these activities compared to the previous expectations, due to the increasing use of aluminum in the production of the automotive engine blocks rather than cast iron. These impairments, which are due to a structural change in the market, were fully recognized within Unusual expenses. The remaining impairment losses were related to the above mentioned streamlining of architectures and models associated with the EMEA region's refocused product strategy.

Changes in the scope of consolidation mainly reflects the consolidation of the VM Motori group from the 1st July 2013, as discussed in the section Scope of consolidation.

In 2013, Exchange losses of €1,129 million mainly reflect the changes of the US Dollar and the Brazilian Real against the Euro. In 2012, exchange losses of €364 million mainly reflected the depreciation of the US Dollar and the Brazilian Real against the Euro, partially offset by the appreciation of the Polish Zloty against the Euro.

In 2013 Other changes primarily consisted of the reclassification of prior year balances for Advances and tangible assets in progress to the respective categories when the assets were acquired and entered service. With reference to Land, Other changes also includes €214 million which is the fair value of the land donated to Fiat by the State of Pernambuco (Brazil) at the end of the year following the Group commitment to implement an industrial unit designed to produce, assemble and sell vehicles.

At 31 December 2013, Property, plant and equipment of the Fiat Group excluding Chrysler reported as pledged as collateral for loans, is mainly related to assets that are legally owned by suppliers but are recognized in the consolidated financial statements in accordance with IFRIC 4 with the corresponding recognition of a financial lease payable. They were as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Land and industrial buildings of pledged as security for debt	102	31
Plant and machinery pledged as security for debt and other commitments	294	259
Other assets pledged as security for debt and other commitments	5	6
Property plant and equipment pledged as security for debt	**401**	**296**

The amount of Property, plant and equipment of Chrysler at 31 December 2013 is €11,975 million (€12,069 million at 31 December 2012). Substantially all the Property, plant and equipment of Chrysler and its U.S. subsidiary guarantors are unconditionally pledged as securities for certain debts of Chrysler (see Note 27).

At 31 December 2013, the Group had contractual commitments for the purchase of Property, plant and equipment amounting to €1,536 million (€919 million at 31 December 2012).

16. Investments and other financial assets

(€ million)	At 31 December 2013	At 31 December 2012
Investments in jointly controlled entities	1,405	1,416
Investments in associates	123	58
Investments in subsidiaries	33	33
Equity method investees	1,561	1,507
Investments at fair value with changes directly in Other comprehensive income/(losses)	148	142
Investments at fair value with changes in Income statement	151	153
Investments at fair value	299	295
Investment in subsidiaries	18	18
Investments in associates	19	23
Investments in other entities	15	15
Investments measured at cost	52	56
Total Investments	**1,912**	**1,858**
Non-current financial receivables	292	310
Other securities and other financial assets	56	119
Total Investments and other financial assets	**2,260**	**2,287**

Changes in Investments in 2013 are set out below:

(€ million)	At 31 December 2012	Revaluations/ (Write-downs)	Purchases/ capital increases	Change in the scope of consolidation	Translation differences	Other changes	At 31 December 2013
Equity method investees	1,507	87	202	(35)	(87)	(113)	1,561
Investments at fair value	295	-	1	-	-	3	299
Investments measured at cost	56	(5)	9	(5)	(4)	1	52
Total Investments	**1,858**	**82**	**212**	**(40)**	**(91)**	**(109)**	**1,912**

For equity method investees, revaluations and write-downs in 2013 mainly reflect the share of the net profit/(loss) recognized in the period. Other changes in investments consisting of a net decrease of €109 million mainly relates to dividends distributed by equity method investees for €92 million (of which €72 million relate to Tofas-Turk Otomobil Fabrikasi A.S. and €15 million relate to FGA Capital), to the negative change in the cash flow hedge reserve of €14 million, partially offset by the positive change in fair value of available-for-sale investments of €5 million.

Investments accounted for using the equity method

The equity method investees are as follows:

	Operating segment	At 31 December 2013 % of interest	At 31 December 2013 (€ million)	At 31 December 2012 % of interest	At 31 December 2012 (€ million)
FGA Capital S.p.A.	EMEA	**50.0**	**839**	50.0	770
Tofas-Turk Otomobil Fabrikasi A.S.	EMEA	**37.9**	**240**	37.9	329
Società Europea Veicoli Leggeri-Sevel S.p.A.	EMEA	**50.0**	**104**	50.0	102
GAC Fiat Automobiles Co. Ltd.	APAC	**50.0**	**85**	50.0	90
Fiat India Automobiles Limited	APAC	**50.0**	**76**	50.0	35
VM Motori S.p.A.(*)	EMEA	**-**	**-**	50.0	37
Other			**61**		53
Total Investments in jointly controlled entities			**1,405**		**1,416**
RCS MediaGroup S.p.A.	OTHER ACTIVITIES	**16.4**	**87**	10.1	28
Other			**36**		30
Total Investments in associates			**123**		**58**
Total Investments in subsidiaries			**33**		**33**
Total investments accounted for using the equity method			**1,561**		**1,507**

(*) *This investment was consolidated on a line by line basis from the 1st July 2013.*

On 30 July 2013 the Group, Crédit Agricole and Crédit Agricole Consumer Finance reached an agreement to extend the 50/50 Joint venture in FGA Capital S.p.A. up to 31 December 2021.

Tofas-Turk Otomobil Fabrikasi A.S., which is a listed entity, is classified as a jointly controlled entity as both partners have a shareholding of 37.9%.

With reference to the interest in RCS MediaGroup S.p.A. (“RCS”), as a result of the subscriptions of the share capital in 2013 Fiat increased its ownership to 16.4% of the whole capital (representing a 20.55% of ordinary shares) with a €94 million cash investment. In order to account for this investment, reference was made to the company’s most recent published financial statements, being the “Interim Management Statements at 30 September 2013”.

At 31 December 2013, the stock market price of equity investments in listed entities is as follows:

(€ million)	Carrying value	Stock market price
Tofas - Turk Otomobil Fabrikasi A.S.	240	857
RCS MediaGroup S.p.A.	87	115

Investments measured at fair value

At 31 December 2013, Investments at fair value with changes recognized directly in Other comprehensive income/(losses), include the investment in CNH Industrial N.V. (the entity resulting from the merger of Fiat Industrial S.p.A. with and into CNH Industrial N.V.) for €131 million (€130 million at 31 December 2012), the investment in Fin. Priv. S.r.l. for €14 million (€10 million at 31 December 2012) and the investment in Assicurazioni Generali S.p.A. for €3 million (€2 million at 31 December 2012).

Overall, at 31 December 2013, the investment in CNH Industrial N.V. consists of 34,007,650 ordinary shares (34,216,027 ordinary shares at 31 December 2012), corresponding to 3.72% voting rights, for an amount of €282 million (€283 million at 31 December 2012), of which 18,160,000 shares of CNH Industrial N.V., for an amount of €151 million, will be used for the stock option plans and are measured at fair value through profit or loss and 15,847,650 shares, for an amount of €131 million, are classified as available-for-sale and measured at fair value through Other comprehensive income/(losses). In addition, in the context of the above mentioned merger, the Group received 33,955,402 special voting shares, which cannot directly or indirectly be sold, disposed of or transferred, and over which the Group cannot create or permit to exist any pledge, lien, fixed or floating charge or other encumbrance.

Other securities and other financial assets

At 31 December 2012, Other securities and other financial assets included €57 million ($75 million) relating to the amount paid for the contractual rights arising from the *Equity Recapture Agreement* and the *VEBA Call Option*. Considering the agreement with the VEBA Trust to purchase the remaining minority equity stake in Chrysler, which closed on 21 January 2014, the equivalent amount at 31 December 2013 of the $75 million amount paid for these rights (€56 million) was written-off and recognized within the unusual charges (see Note 8).

17. Inventories

(€ million)	At 31 December 2013	At 31 December 2012
Raw materials, supplies and finished goods	**8,859**	8,160
Assets sold with a buy-back commitment	**1,253**	952
Gross amount due from customers for contract work	**118**	183
Total Inventories	**10,230**	**9,295**

At 31 December 2013, Inventories increased by €935 million in line with the trend in production and sales volumes for the period in the various markets in which the Group operates. The increase in 2013 is primarily related to the launch of the new models in NAFTA during the last months of the year.

At 31 December 2013, Inventories include those measured at net realizable value (estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale) amounting to €1,341 million (€1,293 million at 31 December 2012).

The amount of inventory write-downs recognized as an expense during 2013 is €570 million (€634 million in 2012).

The amount of inventories of Chrysler at 31 December 2013 is €4,958 million (€4,200 million at 31 December 2012). Substantially all of the inventories of Chrysler and its U.S. subsidiary guarantors are unconditionally pledged as securities for certain debts of Chrysler (see Note 27).

The amount due from customers for contract work relates to the design and production of industrial automation systems and related products for the automotive sector and can be analyzed as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Aggregate amount of costs incurred and recognized profits (less recognized losses) to date	1,514	1,482
Less: Progress billings	(1,608)	(1,477)
Construction contracts, net of advances on contract work	**(94)**	**5**
Gross amount due from customers for contract work as an asset	118	183
Less: Gross amount due to customers for contract work as a liability included in Other current liabilities (Note 29)	(212)	(178)
Construction contracts, net of advances on contract work	**(94)**	**5**

18. Current receivables and Other current assets

The composition of the Current receivables and Other current assets is as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Trade receivables	2,406	2,702
Receivables from financing activities	3,671	3,727
Current tax receivables	291	236
Other current assets:		
Other current receivables	1,860	1,776
Accrued income and prepaid expenses	442	387
Total Other current assets	2,302	2,163
Total Current receivables and Other current assets	**8,670**	**8,828**

The analysis by due date (excluding the Accrued income and prepaid expenses item) is as follows:

	At 31 December 2013				At 31 December 2012			
(€ million)	due within one year	due between one and five years	due beyond five years	Total	due within one year	due between one and five years	due beyond five years	Total
Trade receivables	2,389	15	2	2,406	2,660	42	-	**2,702**
Receivables from financing activities	2,776	863	32	3,671	2,688	1,014	25	**3,727**
Current tax receivables	206	44	41	291	145	27	64	**236**
Other current receivables	1,637	184	39	1,860	1,416	326	34	**1,776**
Total Current receivables	**7,008**	**1,106**	**114**	**8,228**	**6,909**	**1,409**	**123**	**8,441**

Trade receivables
Trade receivables, amounting to €2,406 million at 31 December 2013 (€2,702 million at 31 December 2012), are shown net of allowances for doubtful accounts of €344 million at 31 December 2013 (€347 million at 31 December 2012). Changes in these allowances, which are calculated on the basis of historical losses on receivables, were as follows in 2013:

(€ million)	At 31 December 2012	Provision	Use and other changes	At 31 December 2013
Allowances for doubtful accounts	**347**	47	(50)	**344**

The amount of trade receivables of Chrysler at 31 December 2013 is €847 million (€909 million at 31 December 2012). Substantially all the trade receivables of Chrysler and its U.S. subsidiary guarantors are unconditionally pledged as securities for certain debts of Chrysler (see Note 27).

Receivables from financing activities
Receivables from financing activities mainly relate to the business of financial services companies fully consolidated by the Group (primarily dealer and retail financing).

(€ million)	At 31 December 2013	At 31 December 2012
Dealer financing	**2,286**	2,108
Retail financing	**970**	1,115
Finance leases	**297**	331
Other	**118**	173
Total Receivables from financing activities	**3,671**	**3,727**

Receivables from financing activities decreased by €56 million over the period; net of foreign exchange translation effects, mainly from changes in the Real Brazilian/Euro rate, Receivables from financing activities increased by €331 million.

Other receivables from financing activities includes, amongst other, financial receivables from jointly controlled financial services entities (FGA Capital group) of €27 million (€58 million at 31 December 2012) and Financial receivables from companies under joint control, associates and unconsolidated subsidiaries of €33 million (€56 million at 31 December 2012).

Receivables from financing activities are shown net of an allowance for doubtful accounts determined on the basis of specific insolvency risks. At 31 December 2013, the allowance amounts to €119 million (€101 million at 31 December 2012). Changes in the allowance accounts during the year are as follows:

(€ million)	At 31 December 2012	Provision	Use and other changes	At 31 December 2013
Allowance for Receivables from financing activities	101	89	(71)	**119**

Finance lease receivables refer to vehicles leased out under finance lease arrangements, mainly by the Luxury Brands operating segment. This item may be analyzed as follows, gross of an allowance of €5 million at 31 December 2013 (€5 million at 31 December 2012):

	At 31 December 2013				At 31 December 2012			
(€ million)	due within one year	due between one and five years	due beyond five years	Total	due within one year	due between one and five years	due beyond five years	Total
Receivables for future minimum lease payments	104	223	8	**335**	123	236	5	**364**
Less: unrealized interest income	(14)	(18)	(1)	**(33)**	(11)	(17)	-	**(28)**
Present value of future minimum lease payments	**90**	**205**	**7**	**302**	**112**	**219**	**5**	**336**

Receivables for dealer financing are typically generated by sales of vehicles and are generally managed under dealer network financing programs as a component of the portfolio of the financial services companies. These receivables are interest bearing, with the exception of an initial limited, non-interest bearing period. The contractual terms governing the relationships with the dealer networks vary from country to country, although payment terms range from two to six months.

Other current assets

At 31 December 2013, Other current assets mainly consist of Other tax receivables for VAT and other indirect taxes of €966 million (€871 million at 31 December 2012), Receivables from employees of €150 million (€76 million at 31 December 2012) and Accrued income and prepaid expenses of €442 million (€387 million at 31 December 2012).

Transfer of financial assets

The Group transfers certain of its financial, trade and tax receivables, mainly through factoring transactions. Factoring transactions may be either with recourse or without recourse; certain without recourse transfers include deferred payment clauses (for example, when the payment by the factor of a minor part of the purchase price is dependent on the total amount collected from the receivables), requiring first loss cover, meaning that the transferor takes priority participation in the losses, or require a significant exposure to the cash flows arising from the transferred receivables to be retained. These types of transactions do not comply with the requirements of IAS 39 for the derecognition of the assets since the risks and rewards connected with collection are not transferred, and accordingly the Group continues to recognize the receivables transferred by this means in its balance sheet and recognizes a financial liability of the same amount under Asset-backed financing (Note 27). The gains and losses arising from the transfer of these assets are only recognized when the assets are derecognized in the Group's balance sheet.

At 31 December 2013, the carrying amount of transferred financial assets not derecognized and the related liabilities was as follows:

	At 31 December 2013				At 31 December 2012			
(€ million)	Trade receivables	Receivables from financing activities	Current tax receivables	Total	Trade receivables	Receivables from financing activities	Current tax receivables	Total
Carrying amount of assets transferred and not derecognized	123	440	33	**596**	9	405	35	**449**
Carrying amount of the related liabilities	123	440	33	**596**	9	405	35	**449**

At 31 December 2013, the Group had receivables and bills due after that date which had been transferred without recourse and which were accordingly derecognized amounting to €3,576 million (€3,631 million at 31 December 2012). The transfers related to trade receivables and other receivables for €2,864 million (€2,932 million at 31 December 2012) and financial receivables for €712 million (€699 million at 31 December 2012). These amounts include receivables of €2,177 million (€2,179 million at 31 December 2012), mainly due from the sales network, transferred to jointly controlled financial services companies (FGA Capital).

19. Current securities

Current securities consist of short-term or marketable securities which represent temporary investments, but which do not satisfy all the requirements for being classified as cash equivalents. In particular:

(€ million)	At 31 December 2013	At 31 December 2012
Current securities available-for-sale	92	83
Current securities held-for-trading	155	173
Total Current securities	**247**	**256**

20. Other financial assets and Other financial liabilities

These line items mainly consist of fair value measurement of derivative financial instruments. They also include some collateral deposits (held in connection with derivative transactions and debts).

	At 31 December 2013		At 31 December 2012	
(€ million)	Positive fair value	Negative fair value	Positive fair value	Negative fair value
Fair value hedges				
Interest rate risk - Interest rate swaps	93	-	121	-
Interest rate and currency risk - Combined interest rate and currency swaps	15	-	1	(1)
Total Fair value hedges	108	-	122	(1)
Cash flow hedges				
Currency risks - Forward contracts, Currency swaps and Currency options	260	(59)	108	(75)
Interest rate risk - Interest rate swaps	1	(3)	-	(8)
Interest rate and currency risk - Combined interest rate and currency swaps	9	(22)	7	(9)
Commodity price risk – Commodity swap	6	(5)	10	(6)
Total Cash flow hedges	276	(89)	125	(98)
Derivatives for trading	129	(48)	254	(102)
Fair value of derivative instruments	**513**	**(137)**	**501**	**(201)**
Collateral deposits	20	-	18	-
Other financial assets/(liabilities)	**533**	**(137)**	**519**	**(201)**

The overall change in Other financial assets (from €519 million at 31 December 2012 to €533 million at 31 December 2013) and in Other financial liabilities (from €201 million at 31 December 2012 to €137 million at 31 December 2013) is mostly due to fluctuations in exchange rates, in interest rates and in commodity prices during the year, and to the equity swaps on Fiat S.p.A. and CNH Industrial N.V. ordinary shares, expired in 2013.

As this item consists principally of hedging derivatives financial instruments, the change in their value is compensated by the change in the value of the hedged items.

At 31 December 2013 derivatives for trading consisted principally of derivative contracts entered for hedging purposes which do not qualify for hedge accounting and one embedded derivative in a bond issue in which the yield is determined as a function of trends in the inflation rate and related hedging derivative, which converts the exposure to floating rate (the total value of the embedded derivative is offset by the value of the hedging derivative). At 31 December 2012 derivatives for trading also included certain equity swaps on Fiat S.p.A. and CNH Industrial N.V. shares that expired in 2013.

At 31 December 2013, the notional amount of outstanding derivative financial instruments is as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Currency risk management	11,248	10,540
Interest rate risk management	2,546	5,226
Interest rate and currency risk management	1,455	1,118
Commodity price risk management	473	495
Other derivative financial instruments	14	168
Total notional amount	**15,736**	**17,547**

At 31 December 2013, the notional amount of Other derivative financial instruments of €14 million (€14 million at 31 December 2012) relates to the notional amount of the above mentioned embedded derivative and the related hedging derivative. At 31 December 2012 this amount also included €154 million which was the notional amount of the above mentioned equity swaps.

The following table provides an analysis by due date of outstanding derivatives financial instruments based on their notional amounts:

	At 31 December 2013			
(€ million)	within one year	due between one and five years	due beyond five years	Total
Currency risk management	10,446	802	-	**11,248**
Interest rate risk management	764	1,782	-	**2,546**
Interest rate and currency risk management	-	1,455	-	**1,455**
Commodity price risk management	450	23	-	**473**
Other derivative financial instruments	-	-	14	**14**
Total notional amount	**11,660**	**4,062**	**14**	**15,736**

Cash flow hedges

The effects recognized in the Income statement mainly relate to currency risk management and, to a lesser extent, to hedges regarding commodity price risk management and the cash flows that are exposed to an interest rate risk.

The policy of the Group for managing currency risk normally requires that future cash flows from trading activities which will occur within the following twelve months, and from orders acquired (or contracts in progress), whatever their due dates, be hedged. It is considered reasonable to suppose that the hedging effect arising from this and recorded in the cash flow hedge reserve will be recognized in Income statement, mainly during the following year.

Derivatives relating to interest rate and currency risk management are treated as cash flow hedges and were entered into by treasuries for the purpose of hedging bonds issued in foreign currencies. The amount recorded in the cash flow hedge reserve will be recognized in Income statement according to the timing of the flows of the underlying bonds.

In respect of derivative financial instruments, in 2013 the Group reclassified gains of €190 million (losses of €105 million in 2012), net of the tax effect, from Other comprehensive income/(losses) to Income statement. These items are reported in the following lines:

(€ million)	2013	2012
Currency risk		
Increase/(Decrease) in Net revenues	126	(92)
Decrease/(Increase) in Cost of sales	44	25
Financial income/(expenses)	22	32
Result from investments	17	(12)
Interest rate risk		
Decrease/(Increase) in Cost of sales	(6)	(6)
Result from investments	(4)	(5)
Financial income/(expenses)	(10)	(6)
Commodities price risk		
Decrease/(Increase) in Cost of sales	(1)	(40)
Ineffectiveness - overhedges	5	(6)
Taxes income/(expenses)	(3)	5
Total recognized in the Income statement	**190**	**(105)**

The ineffectiveness of cash flow hedges was not material in 2013 or 2012.

In 2013 there was an overall positive economic effect of €5 million (negative effect of €6 million in 2012) which related to excess future flows hedged (over-hedges).

Fair value hedges

The gains and losses arising from the valuation of outstanding interest rate and currency derivatives financial instruments (mostly for managing currency risk) and interest rate derivatives (for managing the interest rate risk) recognized in accordance with fair value hedge accounting and the gains and losses arising from the respective hedged items are set out in the following table:

(€ million)	2013	2012
Currency risk		
Net gains/(losses) on qualifying hedges	19	14
Fair value changes in hedged items	(19)	(14)
Interest rate risk		
Net gains/(losses) on qualifying hedges	(28)	(51)
Fair value changes in hedged items	29	53
Net gains/(losses)	**1**	**2**

The ineffective portion of transactions treated as fair value hedges was a positive amount of €1 million in 2013 (positive amount of €2 million in 2012).

21. Cash and cash equivalents

At 31 December 2013 Cash and cash equivalents amount to €19,439 million (€17,657 million at 31 December 2012), of which €9,676 million (€8,803 million at 31 December 2012) relates to Chrysler, and consists of:

(€ million)	At 31 December 2013	At 31 December 2012
Cash at banks(*)	9,923	7,568
Money market securities	9,516	10,089
Total Cash and cash equivalents	**19,439**	**17,657**

(*) *Includes bank deposits which may be used exclusively by Group companies entitled to perform specific operations (cash with a pre-determined use) amounting to €3 million at 31 December 2013 (€8 million at 31 December 2012).*

These amounts include cash at banks, units in liquidity funds and other money market securities, comprising commercial papers and certificate of deposits, that are readily convertible into cash. Cash and cash equivalents are subject to an insignificant risk of changes in value, and consist of balances spread across various primary national and international banking institutions, and money market instruments.

The Group holds a subsidiary which operates in Venezuela whose functional currency is the U.S. Dollar. Pursuant to certain Venezuelan foreign currency exchange control regulations, the Central Bank of Venezuela centralizes all foreign currency transactions in the country. Under these regulations, the purchase and sale of foreign currency must be made through the Commission for the Administration of Foreign Exchange (“CADIVI”). The cash and cash equivalents denominated in VEF amounted to €270 million (VEF 2,347 million) at 31 December 2013 and €260 million (VEF 1,476 million) at 31 December 2012.

22. Assets and liabilities held for sale

The items included in Assets and liabilities held for sale are as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Property, plant and equipment	1	1
Investments and other financial assets	-	54
Inventories	3	-
Trade and other receivables	5	-
Total Assets held for sale	**9**	**55**
Provisions	5	-
Trade and other payables	16	-
Total Liabilities held for sale	**21**	**-**

Assets and liabilities held for sale at 31 December 2013 consist of certain properties and the assets and liabilities related to a subsidiary consolidated by the Components operating segment. At 31 December 2012, Assets held for sale included the above mentioned properties allocated to the Components operating segment, the investment in the jointly controlled entity Sevelnord Société Anonyme (transferred during the first quarter of 2013) and the investment in a company in Brazil now consolidated on line-by-line basis.

23. Equity

Consolidated shareholders' equity at 31 December 2013 increased by €4,215 million from 31 December 2012, mainly due to an increase of €2,908 million in the remeasurement of defined benefit plans reserve net of related tax impact, the profit for the period of €1,951 million and an increase of €123 million in the cash flow hedge reserve partially offset by the decrease of €796 million in the cumulative exchange differences on translating foreign operations.

Share capital

At 31 December 2013, fully paid-up share capital amounts to €4,477 million (€4,476 million at 31 December 2012) and consists of 1,250,687,773 ordinary shares (1,250,402,773 ordinary shares at 31 December 2012), with a par value of €3.58 each. The capital increase from the previous year is due to the issue of 285,000 new shares in relation to the exercise of stock options.

The following table provides a reconciliation between the number of Fiat S.p.A. shares outstanding at 31 December 2011 and the number outstanding at 31 December 2013:

(number of shares in thousands)	At 31 December 2011	Conversion of preferences and saving shares	Share based payments	At 31 December 2012	Exercise of Stock Options	Al 31 December 2013
Ordinary shares issued	1,092,681	157,722	-	1,250,403	285	**1,250,688**
Less: Ordinary treasury shares	(38,568)	(10)	4,000	(34,578)	-	**(34,578)**
Ordinary shares outstanding	1,054,113	157,712	4,000	1,215,825	285	**1,216,110**
Preference shares issued	103,292	(103,292)	-	-	-	**-**
Savings shares issued	79,913	(79,913)	-	-	-	**-**
Total Shares issued by Fiat S.p.A.	**1,275,886**	**(25,483)**	**-**	**1,250,403**	**285**	**1,250,688**
Less: Treasury shares	**(38,568)**	**(10)**	**4,000**	**(34,578)**	**-**	**(34,578)**
Total Fiat S.p.A. outstanding shares	**1,237,318**	**(25,493)**	**4,000**	**1,215,825**	**285**	**1,216,110**

The mandatory conversion of all 103,292,310 Fiat S.p.A. preference shares and 79,912,800 Fiat S.p.A. savings shares into 157,722,163 Fiat S.p.A. ordinary shares, approved by the extraordinary Shareholders' Meeting of 4 April 2012, took place (at a conversion ratio of 0.850 ordinary shares for every preference share and 0.875 ordinary shares for every savings share). From 21 May 2012 only Fiat S.p.A. ordinary shares are traded on the Borsa Italiana electronic exchange ("MTA").

As a result of the above-mentioned conversion, the allocation of the annual profit of Fiat S.p.A. as stated in its annual separate financial statements is currently as follows:

- to the legal reserve, 5% of net profit until the amount of the reserve is equal to one-fifth of share capital;
- further allocations to the legal reserve, allocations to the extraordinary reserve, to retained profit reserve and/or to other allocations as may be resolved by Shareholders;
- to each share, any remaining net profit which Shareholders may resolve to distribute.

In the case of winding up, the company's assets shall be distributed in equal pro rata amounts to shares.

In addition, as a result of the resolutions adopted by the Board of Directors on 3 November 2006, the demerger of Fiat Industrial S.p.A. (now CNH Industrial N.V.), and the resolution adopted by Shareholders at the Extraordinary Meeting on 4 April 2012, Fiat S.p.A. share capital may be increased by a maximum of €33,229,112.50 through the issue of up to 9,281,875 ordinary shares, through paid capital contributions, exclusively to executives employed by the Company and/or its subsidiaries in accordance with the relevant incentive plan.

Policies and processes for managing capital

Italian laws and regulations regarding the share capital and reserves of a joint stock corporation establish the following:

- the minimum share capital is €120,000;
- any change in the amount of share capital must be approved in a General meeting by shareholders who may delegate powers to the Board of Directors to increase share capital up to a predetermined amount for a maximum period of five years; the General meeting of shareholders is also required to adopt suitable measures when share capital decreases by more than one third as the result of ascertained losses and to reduce share capital if by the end of the following year such losses have not fallen by at least one third. If as the consequence of a loss of more than one third of capital this then falls below the legal minimum, shareholders in General meeting are required to approve a decrease and simultaneous increase of capital to an amount not less than this minimum or must change a company's legal form;
- an additional paid-in capital reserve is established if a company issues shares at a price exceeding their nominal value. This reserve may not be distributed until the legal reserve has reached one fifth of share capital;
- a company may not purchase treasury shares for an amount exceeding the distributable profits and available reserves stated in its most recently approved Financial statements. Any purchase must be approved by shareholders in General meeting and in no case may the nominal value of the shares acquired exceed one fifth of share capital.

For 2013, the Board of Directors has proposed to Shareholders at their annual general meeting not to recommend a dividend payment on Fiat shares, given the company's desire to maintain a balanced level of liquidity following the acquisition of the minority stake in Chrysler on 21 January 2014.

The objectives identified by the Group for managing capital are to create value for shareholders as a whole, safeguard business continuity and support the growth of the Group. As a result, the Group endeavors to maintain an adequate level of capital that at the same time enables it to obtain a satisfactory economic return for its shareholders and guarantee economic access to external sources of funds, including by means of achieving an adequate credit rating.

The Group constantly monitors the ratio between debt and equity and in particular the level of net debt and the generation of cash from its industrial activities.

In order to reach these objectives, the Group aims at a continuous improvement in the profitability of the business in which it operates. Further, in general, it may sell part of its assets to reduce the level of its debt, while the Board of Directors may make proposals to Shareholders in the general meeting to reduce or increase share capital or, where permitted by law, to distribute reserves. In this context, the Group may also make purchases of treasury shares, without exceeding the limits authorized by Shareholders in the general meeting, under the same logic of creating value, compatible with the objectives of achieving financial equilibrium and an improvement in its rating.

In this respect, capital means the value brought into Fiat S.p.A. by its shareholders (share capital plus the additional paid-in capital reserve less treasury shares), equal to €5,292 million at 31 December 2013 (€5,289 million at 31 December 2012) and the value generated by the Group in terms of the results achieved in operations (retained earnings and other reserves), equal in total, before the result for the year, to €3,786 million at 31 December 2013 and €3,252 million at 31 December 2012, excluding Other comprehensive income/(losses) and non-controlling interests.

Treasury Shares
Treasury shares consist of 34,577,867 Fiat S.p.A. ordinary shares for an amount of €259 million (34,577,766 ordinary shares for an amount of €259 million at 31 December 2012). There has been an increase of 101 in the number of treasury shares over 31 December 2012 as a result of the adjustment arising from the conversion of preference and savings shares into ordinary shares resolved in 2012.

In addition, at their annual general meeting of 9 April 2013, the shareholders renewed their authorization for the purchase and sale of treasury shares, including through subsidiaries. The previous authorization provided on 4 April 2012 was revoked. The authorization provides for the purchase of a maximum number of shares not to exceed the legally established percentage of share capital or an aggregate value of €1.2 billion, inclusive of the €259 million in Fiat shares already held. As announced, the buy-back program is currently on hold and Fiat has no obligation to buy-back shares under the authorization. The buy-back authorization is valid for a period of 18 months and any buy-backs must be carried out in the manner established by law and at a purchase price per share which may not be more than 10% higher or 10% lower than the reference price reported by Borsa Italiana on the day prior to purchase.

On 27 February 2014, the Board of Directors proposed to Shareholders to revoke the previous resolution, for the part not already utilized at the date of the General Meeting, and approve a new resolution for the purchase of own shares for a further period of 18 months and for an amount not to exceed the legally established percentage of share capital and the maximum amount of approximately €1.2 billion, inclusive of the equity reserves allocated for treasury shares already held for €259 million. Should renewal of the program be approved, the Company would, however, have no obligation to buy back shares. The authorization is being requested to ensure the Company the flexibility to pursue any strategic opportunities that may arise for all purposes permitted by law.

Earnings reserves
The main earnings reserves include:

- the legal reserve of Fiat S.p.A. of €529 million at 31 December 2013 (€529 million at 31 December 2012);
- retained earnings of €3,225 million at 31 December 2013 (retained earnings of €3,256 million at 31 December 2012);
- the profit attributable to owners of the parent of €904 million at 31 December 2013 (a profit of €44 million for the year ended 31 December 2012);
- the reserve for share-based payments of €63 million at 31 December 2013 (€54 million at 31 December 2012).

Other comprehensive income/(losses)

Other comprehensive income/(losses) are as follows:

(€ million)	2013	2012
Items that will never be reclassified to the Income statement:		
Gains/(losses) on remeasurement of defined benefit plans	2,678	(1,843)
Shares of gains/(losses) on remeasurement of defined benefit plans for equity accounted entities	(9)	1
Total items that will never be reclassified to the Income statement (B1)	**2,669**	**(1,842)**
Items that may be reclassified to the Income statement:		
Gains/(losses) on cash flow hedging instruments arising during the period	343	91
Gains/(losses) on cash flow hedging instruments reclassified to the Income statement	(181)	93
Gains/(losses) on cash flow hedging instruments	**162**	**184**
Gains/(losses) on available-for-sale financial assets arising during the period	4	27
Gains/(losses) on available-for-sale financial assets reclassified to the Income statement	-	-
Gains/(losses) on available-for-sale financial assets	**4**	**27**
Exchange differences on translating foreign operations arising during the period	(708)	(270)
Exchange differences on translating foreign operations reclassified to the Income statement	-	-
Exchange differences on translating foreign operations	**(708)**	**(270)**
Share of Other comprehensive income/(losses) for equity accounted entities arising during the period	(87)	4
Share of Other comprehensive income/(losses) for equity accounted entities reclassified to the Income statement	(13)	17
Share of Other comprehensive income/(losses) for equity accounted entities	**(100)**	**21**
Total items that may be reclassified to the Income statement (B2)	**(642)**	**(38)**
TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES) (B1)+(B2)=(B)	**2,027**	**(1,880)**
Tax effect	212	(21)
TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES), NET OF TAX	**2,239**	**(1,901)**

With reference to the Group defined benefit plans, the gains and losses arising from the remeasurement mainly include actuarial gains and losses arising during the period, the return on plan assets (net of interest income recognized in the Income statement) and any changes in the effect of the asset ceiling. These gains and losses are offset against the related net liabilities or assets for defined benefit plans (see Note 25).

The tax effect relating to Other comprehensive income/(losses) are as follows:

(€ million)	2013 Pre-tax balance	2013 Tax income/ (expense)	2013 Net balance	2012 Pre-tax balance	2012 Tax income/ (expense)	2012 Net balance
Gains/(Losses) on remeasurement of defined benefit plans	2,678	239	2,917	(1,843)	3	(1,840)
Gains/(losses) on cash flow hedging instruments	162	(27)	135	184	(24)	160
Gains/(losses) on available-for-sale financial assets	4	-	4	27	-	27
Exchange gains/(losses) on translating foreign operations	(708)	-	(708)	(270)	-	(270)
Share of Other comprehensive income/(losses) for equity accounted entities	(109)	-	(109)	22	-	22
Total Other comprehensive income/(losses)	**2,027**	**212**	**2,239**	**(1,880)**	**(21)**	**(1,901)**

Non-controlling interest

The non-controlling interest of €4,258 million at 31 December 2013 (€2,182 million at 31 December 2012) refers mainly to the following subsidiaries:

(% held by non-controlling interest)	At 31 December 2013	At 31 December 2012
Chrysler Group LLC(*)	41.5	41.5
Ferrari S.p.A.	10.0	10.0
Teksid S.p.A.	15.2	15.2

(*) *It should be noted that on 21 January 2014 Fiat acquired the remaining ownership interest of Chrysler (41.5%), further information are described in Note 39.*

The following table shows the effects of changes in Group's interest in its subsidiaries on the Group's equity:

(€ million)	2013	2012
Profit/(loss) for the period attributable to owners of the parent	**904**	**348**
Acquisition of 50% in VM Motori	2	-
Acquisition of 5% (fully-diluted) in Chrysler	-	35
Net transfers from/(to) non-controlling interests	2	35
Total Profit/(loss) for the year and transfers from (to) non-controlling interest	**906**	**383**

24. Share-based compensation

The following share-based compensation plans relating to managers of Group companies and the Chief Executive Officer of Fiat S.p.A. were in place.

Stock option plans linked to Fiat S.p.A. and CNH Industrial N.V. ordinary shares

On 26 July 2004, the Board of Directors granted the Chief Executive Officer, as a part of his variable compensation in that position, options to purchase 10,670,000 Fiat S.p.A. ordinary shares at a price of €6.583 per share. Options are vested and exercisable at any time until 1 January 2016. Following the demerger of Fiat Industrial S.p.A. (now CNH Industrial N.V.), the beneficiary now has the right to receive one ordinary Fiat S.p.A. share and one ordinary CNH Industrial N.V. share for each original option, with the option exercise price remaining unchanged.

At 31 December 2013, the features of the stock option plan are as follows:

Plan	Beneficiary	Date of amendment	Expiry date	Strike price (€)	N° of options granted	Vesting date	Vested portion
Stock Options July 2004 (modified)	Chief Executive Officer	27 March 2009	1 January 2016	6.583	10,670,000	31 December 2010	100%

On 3 November 2006, the Fiat S.p.A. Board of Directors approved (subject to the subsequent approval of Shareholders in general meeting, which was given on 5 April 2007) an eight year stock option plan, which granted certain managers of the Group and the Chief Executive Officer of Fiat S.p.A. the right to purchase a specific number of Fiat S.p.A. ordinary shares at a fixed price of €13.37 each. More specifically, the 10,000,000 options granted to employees and the 5,000,000 options granted to the Chief Executive Officer had a vesting period of four years, with an equal number vesting each year, were subject to achieving certain predetermined profitability targets (Non-Market Conditions or "NMC") in the reference period and are exercisable from the date on which the 2010 Financial statements were approved. The additional 5,000,000 options granted to the Chief Executive Officer of Fiat S.p.A. also had a vesting period of four years with an equal number vesting each year and are exercisable from November 2010. The ability to exercise the options is additionally subject to specific restrictions regarding the duration of the employment relationship or the continuation of the position held. Following the demerger of Fiat Industrial S.p.A. (now CNH Industrial N.V.), the beneficiary now has the right to receive one ordinary Fiat S.p.A. share and one ordinary CNH Industrial N.V. share for each original option, with the option exercise price remaining unchanged.

The contractual terms of the plan are as follows:

Plan	Beneficiary	Expiry date	Strike price (€)	N° of options granted	Vesting date	Vesting portion
Stock Option November 2006	Chief Executive Officer	3 November 2014	13.37	5,000,000	November 2007	25%
					November 2008	25%
					November 2009	25%
					November 2010	25%
Stock Option November 2006	Chief Executive Officer	3 November 2014	13.37	5,000,000	1st Quarter 2008(*)	25%xNMC
					1st Quarter 2009(*)	25%xNMC
					1st Quarter 2010(*)	25%xNMC
					1st Quarter 2011(*)	25%xNMC
Stock Option November 2006	Managers	3 November 2014	13.37	10,000,000	1st Quarter 2008(*)	25%xNMC
					1st Quarter 2009(*)	25%xNMC
					1st Quarter 2010(*)	25%xNMC
					1st Quarter 2011(*)	25%xNMC

(*) *On approval of the prior year's Consolidated financial statements; subject to continuation of the professional relationship.*

With specific reference to the options under the November 2006 Stock Option Plan, for which vesting was subject to the achievement of pre-established profitability targets, only the first tranche of those rights had vested as the profitability targets originally established for the 3-year period 2008-2010 were not met.

A summary of the terms of the stock option plans outstanding at 31 December 2013 is as follows:

	Rights granted to managers			Rights granted to the Chief Executive Officer		
Exercise price (€)	Options outstanding at 31 December 2013	Options outstanding at 31 December 2012	Average remaining contractual life (years)	Options outstanding at 31 December 2013	Options outstanding at 31 December 2012	Average remaining contractual life (years)
6.583	-	-	-	10,670,000	10,670,000	2.0
13.370	1,240,000	1,576,875	0.8	6,250,000	6,250,000	0.8
Total	**1,240,000**	**1,576,875**		**16,920,000**	**16,920,000**	

Changes during the year 2013 were as follows:

	Rights granted to managers		Rights granted to the Chief Executive Officer	
	Number of options	Average exercise price (€)	Number of options	Average exercise price (€)
Outstanding at the beginning of the year	**1,576,875**	**13.37**	**16,920,000**	**9.09**
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	(285,000)	13.37	-	-
Expired	(51,875)	13.37	-	-
Outstanding at 31 December 2013	**1,240,000**	**13.37**	**16,920,000**	**9.09**
Exercisable at 31 December 2013	**1,240,000**	**13.37**	**16,920,000**	**9.09**
Exercisable at 31 December 2012	**1,576,875**	**13.37**	**16,920,000**	**9.09**

As they were already fully vested at 31 December 2010, the above stock option plans did not lead to any nominal cost for 2013 and 2012.

Stock Grant plans linked to Fiat S.p.A.

On 4 April 2012, General Shareholders Meeting resolved to approve the adoption of a Long Term Incentive Plan (the "*Retention LTI*"), in the form of *stock grants*.

As a result of the Shareholders' resolution the Group attributed the Chief Executive Officer with 7 million rights, representative of an equal number of Fiat S.p.A. ordinary shares. The rights vest ratably, one third on 22 February 2013, one third on 22 February 2014 and one third on 22 February 2015, subject to the requirement that the Chief Executive Officer remains in office.

The Plan is to be serviced through treasury shares without issuing new shares. The Company has the right to replace, in whole or in part, shares vested under the Plan with a cash payment calculated on the basis of the Official Price of those shares published by Borsa Italiana on the date of vesting fulfillment.

At 31 December 2013, the contractual terms of the Plan are therefore as follows:

Plan	Beneficiary	Number of shares	Vesting date	Vesting portion
Retention LTI	Chief Executive Officer	7,000,000 Fiat S.p.A.	22 February 2013	2,333,333
			22 February 2014	2,333,333
			22 February 2015	2,333,333

Changes in the *Retention LTI* were as follows:

	2013		2012	
	Number of Fiat S.p.A. shares	Average Fair value at the grant date (€)	Number of Fiat S.p.A. shares	Average Fair value at the grant date (€)
Outstanding shares unvested at the beginning of the year	7,000,000	4.205	-	-
Granted	-	-	7,000,000	4.205
Forfeited	-	-	-	-
Vested	2,333,333	4.205	-	-
Outstanding shares unvested at the end of the year	**4,666,667**	**4.205**	**7,000,000**	**4.205**

In 2013, a nominal cost of €6 million was recognized in the Income statement for this plan.

Share-Based Compensation Plans Issued by Chrysler

Four share-based compensation plans have been issued by Chrysler: the Chrysler Group LLC Restricted Stock Unit Plan ("RSU Plan"), the Amended and Restated Chrysler Group LLC Directors' Restricted Stock Unit Plan ("Directors' RSU Plan"), the Chrysler Group LLC Deferred Phantom Share Plan ("DPS Plan") and the Chrysler Group LLC 2012 Long-Term Incentive Plan ("2012 LTIP Plan").

The fair value of each unit issued under the plans is based on the fair value of Chrysler's membership interests. Each unit represents a "Chrysler Group Unit," which is equal to 1/600th of the value of a Chrysler Class A Membership Interest. Since there is no publicly observable trading price for Chrysler's interests, fair value was determined using a discounted cash flow methodology. This approach, which is based on projected cash flows of Chrysler, is used to estimate the Chrysler enterprise value. The fair value of Chrysler's outstanding interest bearing debt as of the measurement date is deducted from Chrysler's enterprise value to arrive at the fair value of equity. This amount is then divided by the total number of Chrysler Group Units, as determined above, to estimate the fair value of a single Chrysler Group Unit.

Restricted Stock Unit Plans issued by Chrysler Group LLC

During 2009, the U.S. Treasury's Office of the *Special Master for Troubled Asset Relief Program Executive Compensation* (the "Special Master") and the Compensation Committee of Chrysler approved the *Chrysler Group LLC Restricted Stock Unit Plan* ("RSU Plan"), which authorized the issuance of Restricted Stock Units ("RSUs") to certain key employees. RSUs represent a contractual right to receive a payment in an amount equal to the fair value of one Chrysler unit, as defined in the RSU plan. Originally, RSUs granted to Chrysler's employees in 2009 and 2010 vested in two tranches. In September 2012, Chrysler's Compensation Committee approved a modification to the second tranche of RSUs. The modification removed the performance condition requiring an IPO to occur prior to the award vesting. Prior to this modification, the second tranche of the 2009 and 2010 RSUs were equity-classified awards. In connection with the modification of these awards, Chrysler determined that it was no longer probable that the awards would be settled with Chrysler's company stock. Chrysler reclassified the second tranche of the 2009 and 2010 RSUs from equity-classified awards to liability-classified awards. As a result of this modification, additional compensation expense of €12 million was recognized during 2012. RSUs granted to employees generally vest if the participant is continuously employed by Chrysler through the third anniversary of the grant date. The settlement of these awards is in cash.

Further, during 2009 Chrysler established the *Amended and Restated Chrysler Group LLC Directors' Restricted Stock Unit Plan* ("Directors' RSU Plan"). In April 2012, the Compensation Committee amended and restated the Chrysler Group LLC 2009 Directors' Restricted Stock Unit Plan to allow grants having a one year vesting term to be granted on an annual basis. Director RSUs are granted to Chrysler non-employee members of our Board of Directors. Prior to the change, Director RSUs were granted at the beginning of a three-year performance period and vested in three equal tranches on the first, second, and third anniversary of the date of grant, subject to the participant remaining a member of the Chrysler Board of Directors on each vesting date. Under the plan, settlement of the awards is made within 60 days of the Director's cessation of service on the Board of Directors and awards are paid in cash; however, upon completion of an IPO, Chrysler has the option to settle the awards in cash or shares. The value of the awards is recorded as compensation expense over the requisite service periods and is measured at fair value.

The liability from the vast majority of these awards is measured and adjusted to fair value at reporting date. The expense recognized in total for both of the RSU Plans for the year ended 31 December 2013 and 2012 approximated €14 million and €28 million, respectively.

Changes during 2013 were as follows:

	2013		2012	
	Restricted Stock Units	Weighted average Fair value at the grant date (€)	Restricted Stock Units	Weighted average Fair value at the grant date (€)
Outstanding shares unvested at the beginning of the year	4,735,442	4.34	5,952,331	2.51
Granted	161,290	7.46	1,466,523	5.87
Vested	(977,573)	2.61	(2,586,060)	0.95
Forfeited	(225,403)	5.25	(97,352)	4.76
Outstanding shares unvested at the end of the year	**3,693,756**	**4.72**	**4,735,442**	**4.34**

Deferred Phantom Shares issued by Chrysler Group LLC

During 2009 the Special Master approved the *Chrysler Group LLC Deferred Phantom Share Plan* ("DPS Plan") which authorized the issuance of phantom shares of the Company ("Phantom Shares"). Under the DPS Plan, Phantom Shares were granted to certain key employees as well as to the Chief Executive Officer in connection with his role as a member of the Chrysler Group Board of Directors. The Phantom Shares vested immediately on the grant date and will be settled in cash. The Phantom Shares are redeemable in three equal annual installments.

Changes during 2013 were as follows:

	2013		2012	
	Phantom Shares	Weighted average Fair value at the grant date (€)	Phantom Shares	Weighted average Fair value at the grant date (€)
Outstanding shares at the beginning of the year	1,508,785	2.68	4,944,476	1.83
Granted and Vested	-	-	-	-
Settled	(1,190,054)	2.13	(3,435,691)	1.43
Outstanding shares at the end of the year	**318,731**	**4.53**	**1,508,785**	**2.68**

The expense recognized in connection with this plan in 2013 and 2012 approximated €2 million and €2 million, respectively.

2012 Long-Term Incentive Plan of Chrysler Group LLC

In February 2012, the Compensation Committee of Chrysler adopted the *2012 Long-Term Incentive Plan* (the "2012 LTIP"). The 2012 LTIP covers senior Chrysler executives (other than the Chief Executive Officer). It is designed to retain talented professionals and reward their performance through grants of phantom equity in the form of restricted share units ("LTIP RSUs") and performance share units ("LTIP PSUs"). LTIP RSUs may be granted annually, while LTIP PSUs are generally granted at the beginning of a three-year performance period. The Compensation Committee also has authority to grant additional LTIP PSUs awards during the three-year performance period. The LTIP RSUs will vest over three years in one-third increments on the anniversary of their grant date, while the LTIP PSUs will vest at the end of the three-year performance period only if Chrysler meets or exceeds certain three-year cumulative financial performance targets. Concurrent with the adoption of the 2012 LTIP Plan, the Compensation Committee established financial performance targets based on Chrysler Group's consolidated financial results for the three-year performance period, ending 31 December 2014. If Chrysler does not fully achieve these targets, the LTIP PSUs will be deemed forfeited. LTIP RSUs and LTIP PSUs represent a contractual right to receive a payment in an amount equal to the fair value of one Chrysler unit, as defined in the LTIP Plan. Once vested, LTIP RSUs and LTIP PSUs will be settled in cash or, in the event Chrysler conducts an IPO, in cash or shares of publicly traded stock, at the Compensation Committee's discretion. Settlement will be made as soon as practicable after vesting, but in any case no later than 15 March of the year following. Vesting of the LTIP RSUs and LTIP PSUs may be accelerated in certain circumstances, including upon the participant's death, disability or in the event of a change of control.

Changes during 2013 were as follows:

	2013		2012	
	LTIP RSUs	Weighted average Fair value at the grant date (€)	LTIP RSUs	Weighted average Fair value at the grant date (€)
Outstanding shares unvested at the beginning of the year	1,805,123	5.78	-	-
Granted	1,628,822	6.89	1,835,833	5.73
Vested	(615,315)	5.77	(20,123)	5.91
Forfeited	(120,423)	6.20	(10,587)	5.91
Outstanding shares unvested at the end of the year	**2,698,207**	**6.13**	**1,805,123**	**5.78**

	2013		2012	
	LTIP PSUs	Weighted average Fair value at the grant date (€)	LTIP PSUs	Weighted average Fair value at the grant date (€)
Outstanding shares unvested at the beginning of the year	8,419,684	5.78	-	-
Granted	587,091	7.15	8,450,275	5.73
Vested	-	-	-	-
Forfeited	(589,264)	5.77	(30,591)	5.91
Outstanding shares unvested at the end of the year	**8,417,511**	**5.64**	**8,419,684**	**5.78**

The expense recognized in connection with these plans in 2013 was €36 million (€24 million in 2012). Total unrecognized compensation expenses at 31 December 2013 was approximately €32 million. These expenses will be recognized over the remaining service periods based upon the assessment of the performance conditions being achieved.

25. Provisions for employee benefits

Group's provisions and net assets for employee benefits are as follows:

(€ million)	At 31 December 2013	At 31 December 2012	At 1 January 2012
Present value of defined benefit obligations:			
Pension benefits	23,136	26,973	25,202
Health care and life insurance plans	1,945	2,289	2,070
Other post-employment benefits	984	960	919
Total present value of defined benefit obligations	**26,065**	**30,222**	**28,191**
Fair value of plan assets	**18,982**	**20,049**	**20,005**
Asset ceiling	3	-	-
Total net defined benefit plans	**7,086**	**10,173**	**8,186**
of which:			
Net defined benefit liability	7,181	10,256	8,280
(Defined benefit plan asset)	(95)	(83)	(94)
Other provisions for employees and liabilities for share based payments	1,084	1,230	1,304
Total Provisions for employee benefits	**8,265**	**11,486**	**9,584**

The Group provides post-employment benefits for certain of their active employees and retirees. The way these benefits are provided varies according to the legal, fiscal and economic conditions of each country in which the Group operates and may change periodically. The plans are classified by the Group on the basis of the type of benefit provided as follows: Pension benefits, Health care and life insurance plans, and Other post-employment benefits. Moreover, Group companies provide post-employment benefits, such as pension or health care benefits, to its employees under defined contribution plans. In this case, the Group pays contributions to public or private insurance plans on a legally mandatory, contractual, or voluntary basis. By paying these contributions the Group fulfills all of its obligations. The Group recognizes the cost for defined contribution plans over the period in which the employee renders service and classifies this by function in Cost of sales, Selling, general and administrative costs and Research and development costs. In 2013 this costs totaled €1,288 million (€1,087 million in 2012).

Pension benefits

Group companies in the United States, Canada and Mexico sponsor both non-contributory and contributory defined benefit pension plans. The non-contributory pension plans cover certain hourly and salaried employees. Benefits are based on a fixed rate for each year of service. Additionally, contributory benefits are provided to certain salaried employees under the salaried employees' retirement plans. These plans provide benefits based on the employee's cumulative contributions, years of service during which the employee contributions were made and the employee's average salary during the five consecutive years in which the employee's salary was highest in the 15 years preceding retirement.

In the United Kingdom, the Group participates, amongst others, in a pension plan financed by various entities belonging to the Group, called the "*Fiat Group Pension Scheme*" covering mainly deferred and retired employees.

Liabilities arising from these plans are usually funded by contributions made by Group subsidiaries and, at times by their employees, into legally separate trusts from which the employee benefits are paid. The Group's funding policy for defined benefit pension plans is to contribute at least the minimum amounts required by applicable laws and regulations. Occasionally, additional discretionary contributions in excess of these legally required are made to achieve certain desired funding levels. In the U.S. these excess amounts are tracked, and the resulting credit balance can be used to satisfy minimum funding requirements in future years. As of 31 December 2013, the combined credit balances for the U.S. qualified pension plans was approximately €1.9 billion, the usage of this credit balances to satisfy minimum funding requirements is subject to the plans maintaining certain funding levels. The Group contributions to funded pension plans for 2014 are expected to be €666 million, of which €647 million related to Chrysler and more specifically, €573 million are discretionary contributions and €74 million will be made to satisfy minimum funding requirement. The expected benefit payments for pension plans are as follows:

(€ million)	Expected benefit payments
2014	1,654
2015	1,623
2016	1,598
2017	1,572
2018	1,554
2019-2023	7,552

The following summarizes the changes in the pension plans:

(€ million)	2013 Obligation	2013 Fair value of plan assets	2013 Asset ceiling	2013 Liability (asset)	2012 Obligation	2012 Fair value of plan assets	2012 Asset ceiling	2012 Liability (asset)
Amounts at 1 January	**26,973**	**(20,049)**	**-**	**6,924**	**25,202**	**(20,005)**	**-**	**5,197**
Included in the Income statement								
Current service cost	292	-	-	**292**	271	-	-	271
Interest expense/(income)	1,026	(768)	-	**258**	1,199	(942)	-	257
Other administration costs	-	42	-	**42**	-	44	-	44
Past service costs (credits) and gains or losses arising from settlements	(176)	14	-	**(162)**	10	-	-	10
Included in Other comprehensive income/losses								
Actuarial losses (gains) from:								
- Demographic assumptions	(35)	-	-	**(35)**	172	-	-	172
- Financial assumptions	(1,943)	(1)	-	**(1,944)**	2,556	-	-	2,556
- Other	(2)	2	-	**-**	(248)	-	-	(248)
Return on assets	-	(518)	-	**(518)**	-	(989)	-	(989)
Changes in the effect of limiting net assets	-	-	3	**3**	-	-	-	-
Changes in exchange rates	(1,352)	1,107	-	**(245)**	(402)	286	-	(116)
Other								
Employer contributions	-	(458)	-	**(458)**	-	(216)	-	(216)
Plan participant contributions	9	(9)	-	**-**	10	(9)	-	(9)
Benefits paid	(1,673)	1,667	-	**(6)**	(1,796)	1,781	-	(15)
Other changes	17	(11)	-	**6**	(1)	1	-	-
Amounts at 31 December	**23,136**	**(18,982)**	**3**	**4,157**	**26,973**	**(20,049)**	**-**	**6,924**

During the second quarter of 2013, Chrysler amended its U.S. and Canadian salaried defined benefit pension plans. The U.S. plans were amended in order to comply with U.S. regulations, cease the accrual of future benefits effective 31 December 2013, and enhance the retirement factors. The Canada amendment ceases the accrual of future benefits effective 31 December 2014, enhances the retirement factors and continues to consider future salary increases for the affected employees. An interim re-measurement was performed for these plans, which resulted a curtailment gain of €166 million recognized in unusual income in the Income statement (see Note 8). In addition, the Group recognized a €509 million reduction to its pension obligation, a €7 million reduction to defined benefit plan assets and a corresponding €502 million increase in accumulated Other comprehensive income/(losses).

During 2013 an increase in discount rates resulted in actuarial gains for the year ended 31 December 2013, compared with actuarial losses for the year ended 31 December 2012, when interest rates declined from the prior year end. The actuarial losses were partially offset by the return on plan assets during the year.

The fair value of plan assets by class is as follows:

(€ million)	At 31 December 2013 Amount	At 31 December 2013 of which have a quoted market price in an active market	At 31 December 2012 Amount	At 31 December 2012 of which have a quoted market price in an active market
Cash and cash equivalent	**532**	**401**	**516**	**403**
US equity securities	2,047	2,033	1,882	1,787
Non-US equity securities	1,540	1,531	1,558	1,549
Commingled funds	1,518	195	967	69
Equity instruments	**5,105**	**3,759**	**4,407**	**3,405**
Government securities	2,545	729	3,632	1,708
Corporate bonds (including Convertible and high yield bonds)	5,049	38	5,271	11
Other fixed income	635	-	717	1
Fixed income securities	**8,229**	**767**	**9,620**	**1,719**
Private equity funds	1,713	-	1,861	-
Mutual funds	4	-	3	3
Real estate funds	1,222	-	1,221	-
Hedge funds	1,759	-	1,844	-
Investments funds	**4,698**	**-**	**4,929**	**3**
Insurance contracts and other	**418**	**46**	**577**	**7**
Total fair value of plan assets	**18,982**	**4,974**	**20,049**	**5,537**

Non-US Equity securities are invested broadly in developed international and emerging markets. Debt instruments are fixed income securities which comprise primarily long duration U.S. Treasury and global government bonds, as well as U.S. developed international and emerging market companies' debt securities diversified by sector, geography and through a wide range of market capitalization. Private equity funds include those in limited partnerships that invest primarily in operating companies that are not publicly traded on a stock exchange. Real estate investments includes those in limited partnerships that invest in various commercial and residential real estate projects both domestically and internationally. Hedge fund investments include those seeking to maximize absolute return using a broad range of strategies to enhance returns and provide additional diversification.

The investment strategies and objectives for pension assets in the U.S., Canada and Mexico reflect a balance of liability-hedging and return-seeking investment considerations. The investment objectives are to minimize the volatility of the value of the pension assets relative to the pension liabilities and to ensure assets are sufficient to pay plan obligations. The objective of minimizing the volatility of assets relative to liabilities is addressed primarily through asset diversification, partial asset–liability matching and hedging. Assets are broadly diversified across many asset classes to achieve risk–adjusted returns that, in total, lower asset volatility relative to the liabilities. Additionally, in order to minimize pension asset volatility relative to the pension liabilities, a portion of the pension plan assets are allocated to fixed income securities. The group policy, for these plans, rebalances investments regularly and ensures actual allocations are in line with target allocations as appropriate.

Assets are actively managed, primarily, by external investment managers. Investment managers are not permitted to invest outside of the asset class or strategy for which they have been appointed. The Group uses investment guidelines to ensure investment managers invest solely within the mandated investment strategy. Certain investment managers use derivative financial instruments to mitigate the risk of changes in interest rates and foreign currencies impacting the fair values of certain investments. Derivative financial instruments may also be used in place of physical securities when it is more cost effective and/or efficient to do so. Plan assets do not include shares of Fiat S.p.A. or properties occupied by Group companies.

Sources of potential risk in the pension plan assets measurements relate to market risk, interest rate risk and operating risk. Market risk is mitigated by diversification strategies and as a result, there are no significant concentrations of risk in terms of sector, industry, geography, market capitalization, or counterparty. Interest rate risk is mitigated by partial asset–liability matching. The fixed income target asset allocation partially matches the bond–like and long–dated nature of the pension liabilities. Interest rate increases generally will result in a decline in the fair value of the investments in fixed income securities and the present value of the obligations. Conversely, interest rate decreases generally will increase the fair value of the investments in fixed income securities and the present value of the obligations.

The weighted average assumptions used to determine the defined benefit obligations are as follows:

	At 31 December 2013			At 31 December 2012		
(In %)	USA	Canada	UK	USA	Canada	UK
Discount rate	4.7	4.6	4.5	4.0	3.9	4.6
Future salary increase rate	3.0	3.5	3.1	3.0	3.5	3.0

The discount rates are used in measuring the obligation and the interest expense/(income) of net period cost. The Group selects these rates on the basis of the rate on return on high-quality (AA rated) fixed income investments for which the timing and amounts of payments match the timing and amounts of the projected pension and other post-employment plan. The average duration of the U.S. and Canadian liabilities was approximately 11 and 12 years, respectively. The average duration of the UK pension liabilities was approximately 21 years.

The effect of the increase or decrease of 0.1% in the assumed discount rate, holding all other assumptions constant, would be as follows:

(€ million)	0.1% decrease in discount rate	0.1% increase in discount rate
Effect on defined benefit obligation	265	(261)

Health care and life insurance plans

Liabilities arising from these plans comprise obligations for retiree health care and life insurance granted to employees and to retirees in the U.S. and Canada by Chrysler Group companies. Upon retirement from the Company, these employees may become eligible for continuation of certain benefits. Benefits and eligibility rules may be modified periodically. These plans are unfunded. The expected benefit payments for unfunded health care and life insurance plans are as follows:

(€ million)	Expected benefit payments
2014	128
2015	127
2016	127
2017	127
2018	126
2019-2023	631

Changes in the net defined benefit obligations for healthcare and life insurance plans are as follows:

(€ million)	2013	2012
Present value of obligations at 1 January	**2,289**	**2,070**
Included in Income statement		
Current service cost	23	22
Interest expense	89	103
Past service costs (credits) and gains or losses arising from settlements	-	(6)
Included in OCI		
Actuarial losses (gains) from:		
Demographic assumptions	(21)	52
Financial assumptions	(207)	231
Other	11	(1)
Effect of movements in exchange rates	(112)	(38)
Other		
Benefits paid	(126)	(145)
Other	(1)	1
Present value of obligations at 31 December	**1,945**	**2,289**

Health care and life insurance plans are accounted for on an actuarial basis, which requires the selection of various assumptions, in particular, it requires the use of estimates of the present value of the projected future payments to all participants, taking into consideration the likelihood of potential future events such as health care cost increases and demographic experience.

The weighted average assumptions used to determine the defined benefit obligations are as follows:

	At 31 December 2013		At 31 December 2012	
(In %)	USA	Canada	USA	Canada
Discount rate	**4.9**	**4.7**	4.1	3.9
Salary growth	**n/a**	**2.7**	n/a	2.7
Weighted average ultimate healthcare cost trend rate	**5.0**	**3.6**	5.0	3.7

The discount rates used for the measurement of these obligations are based on yields of high-quality (AA-rated) fixed income securities for which the timing and amounts of payments match the timing and amounts of the projected benefit payments. The average duration of the U.S. and Canadian liabilities was approximately 12 and 15 years, respectively.

The effect of the increase or decrease of 0.1% in the assumed discount rate, holding all other assumptions constant, is as follows:

(€ million)	0.1% decrease in discount rate	0.1% increase in discount rate
Effect on defined benefit obligation	24	(23)

The annual rate of increase in the per capita cost of covered U.S. health care benefits assumed for 2013 was 6.8% (8.0% in 2012). The annual rate was assumed to decrease gradually to 5.0% after 2017 and remain at that level thereafter. The annual rate of increase in the per capita cost of covered Canadian health care benefits assumed for 2013 was 3.3% (3.7% in 2012). The annual rate was assumed to remain at 3.6% thereafter.

The assumed health care cost trend rate has a significant effect on the amounts reported for postretirement health care and life insurance benefits. A one percentage point change in the assumed health care cost trend rate for U.S. and Canada combined would have the following effects as of 31 December 2013:

(€ million)	1 % decrease in assumed health care trend rate	1 % increase in assumed health care trend rate
Effect on defined benefit obligation	(40)	48

Other post-employment benefits

Other post-employment benefits includes other employee benefits granted to Group employees in Europe and comprise, amongst other, the Italian TFR (obligation amounting to €825 million at 31 December 2013 and to €796 million at 31 December 2012), consisting of the residual obligation for the benefit due to employees of Italian companies until 31 December 2006, having more than 50 employees and accrued over the employee's working life for the others and settled when an employee leaves the Group. These schemes are unfunded.

Changes in defined benefit obligations for other post-employment benefits are as follows:

(€ million)	2013	2012
Present value of obligations at 1 January	**960**	**919**
Included in Income statement		
Current service cost	9	8
Interest expenses	15	24
Past service costs (credits) and gains or losses arising from settlements	-	(3)
Included in OCI		
Actuarial losses (gains) from:		
Demographic assumptions	(1)	(4)
Financial assumptions	34	51
Other	23	25
Effect of movements in exchange rates	(4)	2
Other		
Benefits paid	(57)	(76)
Change in the scope of consolidation	21	-
Other	(16)	14
Present value of obligations at 31 December	**984**	**960**

The main assumptions used in developing the required estimates for other post- employment benefits include the discount rate, the retirement or employee leaving rate and the mortality rates.

The discount rates used for the measurement of the Italian TFR obligation are based on yields of high-quality (AA rated) fixed income securities for which the timing and amounts of payments match the timing and amounts of the projected benefit payments. For this plan, the single weighted average discount rate that reflects the estimated timing and amount of the scheme future benefit payments for 2013 is equal to 2.77% (3.4% in 2012). The average duration of the Italian TFR is approximately 7 years. Retirement or employee leaving rates are developed to reflect actual and projected Group experience and law requirements for retirement in Italy. The effect on the TFR obligation of 1% increase or decrease in the assumed discount rate, holding all other assumption constant, is negative for €43 million and positive for €52 million respectively.

Other provisions for employees and liabilities for share based payments

At 31 December 2013, Other provisions for employees and liabilities for share based payments comprised other long term benefits obligations for €332 million (€323 million at 31 December 2012), representing the expected obligation for benefits as jubilee and long term disability granted to certain employees by the Group. This item also comprised Liabilities for share-based payments amounting to €123 million at 31 December 2013 (€125 million at 31 December 2012).

26. Other provisions

Changes in Other provisions are as follows:

(€ million)	At 31 December 2012	Charge	Utilization	Release to income	Translation differences	Changes in the scope of consolidation and other changes	At 31 December 2013
Warranty provision	**3,617**	1,962	(1,720)	(13)	(194)	4	**3,656**
Restructuring provision	**261**	41	(90)	(21)	(2)	2	**191**
Investment provision	**13**	-	-	-	(2)	1	**12**
Other risks	**4,899**	8,279	(7,507)	(217)	(222)	4	**5,236**
Total Other provisions	**8,790**	**10,282**	**(9,317)**	**(251)**	**(420)**	**11**	**9,095**

The effect of discounting these provisions is €21 million in 2013.

The warranty provision represents the best estimate of commitments given by the Group for contractual, legal, or constructive obligations arising from product warranties given for a specified period of time beginning at the date of sale to the end customer. This estimate is principally based on assumptions regarding the lifetime warranty costs of each vehicle and each model year of that vehicle line, as well as historical claims experience for vehicles. The Group establishes provisions for product warranty obligations when the related sale is recognized. Warranty provisions also include management's best estimate of the costs that are expected to be incurred in connection with product defects that could result in a general recall of vehicles, which are estimated by making an assessment of the historical occurrence of defects on a case-by-case basis and are accrued when a reliable estimate of the amount of the obligation can be made.

The restructuring provision at 31 December 2013 consists of termination benefits of €106 million (€194 million at 31 December 2012) payable to employees in connection with restructuring plans, manufacturing rationalization costs of €15 million (€21 million at 31 December 2012) and other costs of €70 million (€46 million at 31 December 2012). These provisions are related to car mass-market operations for €94 million, Components €28 million and Other activities €69 million.

The provision for other risks represents the amounts provided by the individual companies of the Group in connection mainly with contractual and commercial risks and disputes. Details of this item are as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Sales incentives	2,993	2,622
Legal proceedings and other disputes	545	528
Commercial risks	371	393
Environmental risks	29	36
Indemnities	62	62
Other reserves for risk and charges	1,236	1,258
Total Other risks	**5,236**	**4,899**

A description of these follows:

- Sales incentives that are offered on a contractual basis to the Group's dealer networks, primarily on the basis of a specific cumulative level of sales transactions during a certain period. The provision also includes sales cash incentives provided to retail customers.
- Legal proceedings and other disputes, this provision represents management's best estimate of the liability to be recognized by the Group with regard to legal proceedings arising in the ordinary course of business with dealers, customers, suppliers or regulators (such as contractual or patent disputes), legal proceedings involving claims with active and former employees and Legal proceedings involving different tax authorities.

  None of these provisions is individually significant. Each Group company recognizes a provision for legal proceedings when it is deemed probable that the proceedings will result in an outflow of resources. In determining their best estimate of the liability, each Group company evaluates their legal proceedings on a case-by-case basis to estimate the probable losses that typically arise from events of the type giving rise to the liability. Their estimate takes into account, as applicable, the views of legal counsel and other experts, the experience of the Group and others in similar situations and the Group's intentions with regard to further action in each proceeding. Group's consolidated provision combines these individual provisions established by each of the Group's companies.
- Commercial risks arising in connection with the sale of products and services such as maintenance contracts. An accrual is recorded when the expected costs to complete the services under these contracts exceed the revenues expected to be realized.
- Environmental risks, this provision represents best estimate of the Group's probable environmental obligations. Amounts included in the estimate comprise direct costs to be incurred by the Group in connection with environmental obligations associated with current or formerly owned facilities and sites. This provision also includes costs related to claims on environmental matters.
- Indemnities estimated by the Group in connection with divestitures. These liabilities primarily arise from indemnities relating to contingent liabilities in existence at the time of the sale, as well as those covering any possible breach of the representations and warranties provided in the contract and, in certain instances, environmental or tax matters. These provisions were determined estimating the amount of the expected outflow of resources, taking into consideration the relevant level of probability of occurrence.
- Other risk and charges, this provision includes, among others, the estimated product liability costs arising from personal injuries alleged to be the result of product defects. The valuation of the reserve is actuarially determined on an annual basis based on, among other factors, the number of vehicles sold and product liability claims incurred.

27. Debt

Breakdown of debt by category and by maturity is as follows:

	At 31 December 2013				At 31 December 2012			
(€ million)	due within one year	due between one and five years	due beyond five years	Total	due within one year	due between one and five years	due beyond five years	Total
Asset-backed financing	586	10	-	**596**	436	13	-	**449**
Bonds	2,572	8,317	3,577	**14,466**	1,389	8,295	3,032	**12,716**
Borrowings from banks	2,436	5,609	607	**8,652**	2,489	5,084	566	**8,139**
Payables represented by securities	554	1,374	2,604	**4,532**	516	1,220	3,137	**4,873**
Other	990	348	318	**1,656**	981	352	379	**1,712**
Total Other debt	6,552	15,648	7,106	**29,306**	5,375	14,951	7,114	**27,440**
Total Debt	**7,138**	**15,658**	**7,106**	**29,902**	**5,811**	**14,964**	**7,114**	**27,889**

At 31 December 2013, Debt includes €9,458 million (€10,312 million at 31 December 2012) of Chrysler debt due to third parties.

Debt increased by €2,013 million at 31 December 2013. Net of foreign exchange translation effects and scope of consolidation, the increase in Debt was €3,092 million: the Group issued new bonds for €2,866 million during the year and repaid bonds on maturity for €1,000 million; during the year, medium and long-term loans obtained by the Group amounted to €2,593 million while medium and long-term borrowings repayments amounted to €1,954 million[1].

Asset-backed financing represents the amount of financing received through factoring transactions which do not meet IAS 39 derecognition requirements and is recognized as an asset in the Statement of financial position under Current receivables and other current assets (Note 18). Asset-backed financing increased by €147 million in 2013.

[1] These amounts exclude the proceeds and repayments of €595 million arising from the amendments to the Tranche B Term Loan made in June 2013 by Chrysler.

The annual effective interest rates and the nominal currencies of debt at 31 December 2013 are as follows:

(€ million)	Interest rate less than 5%	from 5% to 7.5%	from 7.5% to 10%	from 10% to 12.5%	greater than 12.5%	Total at 31 December 2013
Euro	5,043	7,412	2,253	90	-	**14,798**
US Dollar	2,962	122	5,744	12	169	**9,009**
Brazilian Real	1,271	431	256	1,190	-	**3,148**
Swiss Franc	378	672	-	-	-	**1,050**
Canadian Dollar	39	79	584	-	-	**702**
Mexican Peso	-	-	414	-	-	**414**
Chinese Renminbi	2	292	66	-	-	**360**
Polish Zloty	141	15	-	10	-	**166**
British Pound	116	-	-	-	-	**116**
Argentine Peso	-	-	33	-	64	**97**
Other	33	2	3	-	4	**42**
Total Debt	**9,985**	**9,025**	**9,353**	**1,302**	**237**	**29,902**

For further information on the management of interest rate and currency risk reference should be made to Note 35.

At 31 December 2013, debt secured by assets of the Fiat Group excluding Chrysler amounts to €416 million (€363 million at 31 December 2012), of which €370 million (€276 million at 31 December 2012) due to creditors for assets acquired under finance leases. The total carrying amount of assets acting as security for loans amounts to €401 million at 31 December 2013 (€296 million at 31 December 2012).

At 31 December 2013, debt secured by assets of Chrysler amounts to €5,180 million (€5,530 million at 31 December 2012), and includes €4,448 million (€4,665 million at 31 December 2012) relating to the *Secured Senior Notes* and the *Senior Secured Credit Facility* (the "*Tranche B Term Loan*" and the "*Revolving Credit Facility*", which at 31 December 2013 was undrawn), €165 million (€183 million at 31 December 2012) was due to creditors for assets acquired under finance leases and other debt and financial commitments for €567 million (€682 million at 31 December 2012).

In addition, at 31 December 2013 the Group's assets include current receivables to settle Asset-backed financing of €596 million (€449 million at 31 December 2012), see Note 18.

Bonds

The bond issues outstanding at 31 December 2013 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	900	6.125%	8 July 2014	900
Fiat Finance and Trade Ltd S.A.[1]	EUR	1,250	7.625%	15 September 2014	1,250
Fiat Finance and Trade Ltd S.A.[1]	EUR	1,500	6.875%	13 February 2015	1,500
Fiat Finance and Trade Ltd S.A.[2]	CHF	425	5.000%	7 September 2015	346
Fiat Finance and Trade Ltd S.A.[1]	EUR	1,000	6.375%	1 April 2016	1,000
Fiat Finance and Trade Ltd S.A.[1]	EUR	1,000	7.750%	17 October 2016	1,000
Fiat Finance and Trade Ltd S.A.[2]	CHF	400	5.250%	23 November 2016	326
Fiat Finance and Trade Ltd S.A.[1]	EUR	850	7.000%	23 March 2017	850
Fiat Finance North America Inc.[1]	EUR	1,000	5.625%	12 June 2017	1,000
Fiat Finance and Trade Ltd S.A.[2]	CHF	450	4.000%	22 November 2017	367
Fiat Finance and Trade Ltd S.A.[1]	EUR	1,250	6.625%	15 March 2018	1,250
Fiat Finance and Trade Ltd S.A.[1]	EUR	600	7.375%	9 July 2018	600
Fiat Finance and Trade Ltd S.A.[1]	EUR	1,250	6.750%	14 October 2019	1,250
Other	EUR	7			7
TOTAL GLOBAL MEDIUM TERM NOTES					**11,646**
OTHER BONDS:					
Chrysler Group LLC (*Secured Senior Notes*)[3]	USD	1,500	8.000%	15 June 2019	1,088
Chrysler Group LLC (*Secured Senior Notes*)[3]	USD	1,700	8.250%	15 June 2021	1,232
TOTAL OTHER BONDS					**2,320**
HEDGING EFFECT AND AMORTISED COST VALUATION					**500**
TOTAL BONDS					**14,466**

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

(2) *Bond for which a listing on the SIX Swiss Exchange was obtained.*

(3) *The Secured Senior Notes were issued at par on 24 May 2011 and initially sold in a private placement to qualified institutional buyers and non-US persons as defined by US Securities Act. On 29 December 2011, in accordance with the indenture, Chrysler commenced an offer to exchange the Original Notes outstanding for notes having substantially identical terms as those originally issued and the same principal amount but do not contain restrictions on transfer. The offer to exchange the Original Notes expired on 1 February 2012. Substantially all of the Original Notes were tendered for Secured Senior Notes.*

Changes in bonds during 2013 are mainly due to:

- the issue by Fiat Finance and Trade Ltd S.A. as part of the *Global Medium Term Notes Programme* of 6.625% notes at par having a principal of €1,250 million and due March 2018;
- the repayment on maturity of a bond having a nominal value of €1 billion issued by Fiat Finance and Trade Ltd S.A. in 2006;
- the issue by Fiat Finance and Trade Ltd S.A. as part of the *Global Medium Term Notes Programme* of 6.75% notes at par having a principal of €850 million and due October 2019;
- the re-opening of the above €850 million 6.75% notes due October 2019, with the issue by Fiat Finance and Trade Ltd S.A. of a further €400 million of notes at 101.231% of par value and a yield to maturity of 6.50%, increasing the total principal amount of the bond to €1.25 billion;
- the issue by Fiat Finance and Trade Ltd S.A. as part of the *Global Medium Term Notes Programme* of 4.00% notes at par having a principal of CHF 450 million and due November 2017.

The bonds issued by Fiat and Chrysler are subject to different terms and conditions, which vary by issuer and, in some cases, by individual issuance. The prospectuses and/or indentures relating to the principal bond issues are available on the Group's website at www.fiatspa.com under "*Investors - Debt and Credit Ratings - Bonds*" and at www.chryslergroupllc.com under "*Investor Relations - SEC filings*". These documents are unaudited.

Following the repayment on 15 February 2013 of the bond issued by Fiat Finance and Trade Ltd. S.A. having a nominal value of €1 billion, bearing fixed interest at 6.625%, all the bonds issued by the Fiat Group excluding Chrysler are currently governed by the terms and conditions of the *Global Medium Term Note Programme*. A maximum of €15 billion may be issued under this Program, of which notes of approximately €11.6 billion have been issued to 31 December 2013; the Program is guaranteed by Fiat S.p.A. The issuers taking part in the program include, amongst others, Fiat Finance and Trade Ltd. S.A. for an amount outstanding of €10.6 billion and Fiat Finance North America Inc. with a bond having a nominal value of €1 billion.

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 may redeem, at any time, all or any portion of the *Secured Senior Notes* on not less than 30 and not more than 60 days' prior notice mailed to the holders of the Notes to be redeemed.

- Prior to 15 June 2015, the 2019 *Secured Senior Notes* ("2019 Notes") will be redeemable at a price equal to the principal amount of the 2019 Notes being redeemed, plus accrued and unpaid interest to the date of redemption and a "make–whole" premium calculated under the indenture. At any time prior to 15 June 2014, Chrysler may also redeem up to 35% of the aggregate principal amount of the 2019 Notes, at a redemption price equal to 108% of the principal amount of the 2019 Notes being redeemed, plus accrued and unpaid interest to the date of redemption with the net cash proceeds from certain equity offerings. On and after 15 June 2015, the 2019 Notes are redeemable at redemption prices specified in the indenture, plus accrued and unpaid interest to the date of redemption. The redemption price is initially 104% of the principal amount of the 2019 Notes being redeemed for the twelve months beginning 15 June 2015, decreasing to 102% for the year beginning 15 June 2016 and to par on and after 15 June 2017.
- Prior to 15 June 2016, the 2021 *Secured Senior Notes* ("2021 Notes") will be redeemable at a price equal to the principal amount of the 2021 Notes being redeemed, plus accrued and unpaid interest to the date of redemption and a "make–whole" premium calculated under the indenture. At any time prior to 15 June 2014, Chrysler may also redeem up to 35% of the aggregate principal amount of the 2021 Notes, at a redemption price equal to 108.25% of the principal amount of the 2021 Notes being redeemed, plus accrued and unpaid interest to the date of redemption with the net cash proceeds from certain equity offerings. On and after 15 June 2016, the 2021 Notes are redeemable at redemption prices specified in the indenture, plus accrued and unpaid interest to the date of redemption. The redemption price is initially 104.125% of the principal amount of the 2021 Notes being redeemed for the twelve months beginning 15 June 2016, decreasing to 102.75% for the year beginning 15 June 2017, to 101.375% for the year beginning 15 June 2018 and to par on and after 15 June 2019.

The bonds issued by Fiat Finance and Trade Ltd S.A. and by Fiat Finance North America Inc. impose covenants on the issuer and, in certain cases, on Fiat S.p.A. as guarantor, which is standard international practice for similar bonds issued by companies in the same industry sector as the Group. Such covenants include: (i) negative pledge clauses which require that, in case any security interest upon assets of the issuer and/or Fiat S.p.A. is granted in connection with other bonds or debt securities having the same ranking, such security should be equally and ratably extended to the outstanding bonds; (ii) *pari passu* clauses, under which the bonds rank and will rank *pari passu* with all other present and future unsubordinated and unsecured obligations of the issuer and/or Fiat S.p.A.; (iii) periodic disclosure obligations; (iv) cross-default clauses which require immediate repayment of the bonds under certain events of default on other financial instruments issued by the Group's main entities; and, (v) other clauses that are generally applicable to securities of a similar type. A breach of these covenants can lead to the early repayment of the notes. In addition, the agreements for the bonds guaranteed by Fiat S.p.A. contain clauses which could lead to requirement to make early repayment if there is a change of the controlling shareholder of Fiat S.p.A. which leads to a resulting downgrading by the ratings agencies.

In addition, the indenture of the *Secured Senior Notes* issued by Chrysler Group LLC includes negative covenants which limited Chrysler's ability and, in certain instances, the ability of certain of its subsidiaries to, (i) pay dividends or make distributions of Chrysler's capital stock or repurchase Chrysler's capital stock; (ii) make certain payments; (iii) create certain liens to secure indebtedness; (iv) enter into sale and leaseback transactions; (v) engage in transactions with affiliates; (vi) merge or consolidate with certain companies and (vii) transfer and sell assets. The indenture provides for customary events of default, including but not limited to, (i) non-payment; (ii) breach of covenants in the indenture; (iii) payment defaults or acceleration of other indebtedness; (iv) a failure to pay certain judgments and (v) certain events of bankruptcy, insolvency and reorganization. If certain events of default occur and are continuing, the trustee or the holders of at least 25% in principal amount of the notes outstanding under one of the series may declare all of the notes of that series to be due and payable immediately, together with accrued interest, if any.

Chrysler's *Secured Senior Notes* are secured by liens junior to the *Senior Secured Credit Facilities* on substantially all of Chrysler Group LLC's assets and the assets of its U.S. subsidiary guarantors, including 100% of the equity interests in Chrysler's U.S. subsidiaries and 65% of the equity interests in its non U.S. subsidiaries held directly by Chrysler Group LLC and its U.S. subsidiary guarantors.

Borrowing from banks

At 31 December 2013, the item includes €2,119 million (€2,265 million at 31 December 2012) outstanding on the $3.0 billion *Tranche B Term Loan* of Chrysler, payable in equal quarterly installments of $7.5 million, with the remaining balance due at maturity in May 2017. Taking advantage of market conditions and its improved credit profile, in June 2013, Chrysler had reduced the interest rate for its $3.0 billion *Tranche B Term Loan* and its undrawn $1.3 billion *Revolving Credit Facility*, maturing in May 2016. Certain loan covenants were also amended to be consistent with those in the Chrysler's bond agreement. Subsequently, in December 2013, Chrysler further reduced the interest rate on the *Tranche B Term Loan*.

Medium/long term committed credit lines (expiring after twelve months) currently available to the treasury companies of Fiat Group excluding Chrysler amount to approximately €3.2 billion at 31 December 2013, of which €2.1 billion related to the 3-year syndicated revolving credit line due in July 2016 that was undrawn at 31 December 2013. In June 2013, Fiat S.p.A. signed a new €2 billion 3-year revolving credit line, which replaced the existing of €1.95 billion signed in July 2011. The syndication of the new line was successfully completed on 18 July 2013 with a group of 19 banks and, as a result of the positive response, the facility was increased to €2.1 billion.

Additionally, the operating entities of Fiat Group excluding Chrysler have committed credit lines available, with residual maturity after twelve months, to fund scheduled investments, of which approximately €1.8 billion was still undrawn at 31 December 2013.

The €2.1 billion syndicated credit facility of Fiat contains typical covenants for contracts of this type and size, such as financial covenants (Net Debt/EBITDA and EBITDA/Net Interest ratios related to industrial activities) and negative pledge, *pari passu*, cross default and change of control clauses. The failure to comply with these covenants, in certain cases if not suitably remedied, can lead to the requirement to make early repayment of the outstanding loans. Similar covenants are contemplated for loans granted by the European Investment Bank for a total of €1.1 billion, in order to fund the Group's investments and research and development costs. In addition, the above syndicated credit facility, currently contemplates limits to the capability to extend guarantees or loans to Chrysler.

At 31 December 2013, Chrysler has secured revolving credit facility ("*Revolving Credit Facility*") amounting to approximately €0.9 billion ($1.3 billion), fully undrawn at that date and maturing in May 2016.

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 its U.S. subsidiary guarantors, subject to certain exceptions. The collateral includes 100% of the equity interests in Chrysler's U.S. subsidiaries and 65% of the equity interests in its non U.S. subsidiaries held directly by Chrysler Group LLC and its U.S. subsidiary guarantors.

The *Senior Secured Credit Agreement* includes negative covenants, including but not limited to: (i) limitations on incurrence, repayment and prepayment of indebtedness; (ii) limitations on incurrence of liens; (iii) limitations on making certain payments; (iv) limitations on transactions with affiliates, swap agreements and sale and leaseback transactions; (v) limitations on fundamental changes, including certain asset sales and (vi) restrictions on certain subsidiary distributions. In addition, the *Senior Secured Credit Agreement* requires Chrysler to maintain a minimum ratio of "borrowing base" to "covered debt" (as defined in the Facility), as well as a minimum liquidity of $3.0 billion, which includes any undrawn amounts on the *Revolving Credit Facility*.

The *Senior Secured Credit Agreement* contains a number of events of default related to: (i) failure to make payments when due; (ii) failure to comply with covenants; (iii) breaches of representations and warranties; (iv) certain changes of control; (v) cross–default with certain other debt and hedging agreements and (vi) the failure to pay certain material judgments.

Payables represented by securities

At 31 December 2013, the item Payables represented by securities includes the *VEBA Trust Note* of €3,575 million (€3,863 million at 31 December 2012), which represents Chrysler's financial liability to the International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America ("UAW") Retiree Medical Benefits Trust ("*VEBA Trust*") having a carrying value of $4,715 million (€3,419 million). This financial liability was recognized 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. On 7 February 2014, Chrysler repaid the *VEBA Trust Note* through the issuance of secured senior notes for $3 billion and senior secured credit facilities for $2 billion (as described in Note 39 – *Subsequent events*) .

At 31 December 2013, Chrysler's Payables represented by securities also includes the *Canadian Health Care Trust Notes* totaling €703 million (€864 million at 31 December 2012), which represents Chrysler's financial liability to the *Canadian Health Care Trust* arising from the settlement of postretirement health care benefits for represented employees, retirees and dependants of *Chrysler Canada Inc.'s National Automobile, Aerospace, Transportation and General Workers Union of Canada* ("CAW"). These notes were issued in four tranches maturing up to 2024.

Other

At 31 December 2013, payables for finance leases amount to €535 million and may be analyzed as follows:

(€ million)	At 31 December 2013 due within one year	due between one and five years	due beyond five years	Total	At 31 December 2012 due within one year	due between one and five years	due beyond five years	Total
Minimum future lease payments	80	279	261	**620**	90	246	215	**551**
Interest expense	(20)	(52)	(13)	**(85)**	(20)	(57)	(15)	**(92)**
Present value of minimum lease payments	**60**	**227**	**248**	**535**	**70**	**189**	**200**	**459**

At 31 December 2013, the Fiat Group excluding Chrysler had outstanding financial lease agreements for certain Property, plant and equipment whose overall net carrying amount totals €377 million (€268 million at 31 December 2012) (Note 15). As discussed in Note 15, finance lease payables also relate to suppliers' assets recognized in the Consolidated financial statements in accordance with IFRIC 4.

Net financial position

In compliance with the Consob Regulation issued on 28 July 2006 and in conformity with the ESMA update of the CESR's "*Recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses*", the Net financial position of the Group at 31 December 2013 is as follows

(€ million)	At 31 December 2013 Total	of which Related parties (Note 31)	At 31 December 2012 Total	of which Related parties (Note 31)
A. Cash and cash equivalents	19,439	-	17,657	-
B. Current securities	247	-	256	-
C. Liquidity (C) = (A+B)	**19,686**	**-**	**17,913**	**-**
D. Receivables from financing activities (Current financial receivables)	**3,671**	**163**	**3,727**	**201**
E. Other financial assets	**533**	**-**	**519**	**-**
F. Debt	**29,902**	**448**	**27,889**	**272**
G. Other financial liabilities	**137**	**-**	**201**	**-**
H. Net financial position (H) = (C+D+E-F-G)	**(6,149)**	**(285)**	**(5,931)**	**(71)**

The item Receivables from financing activities includes the entire portfolio of the Consolidated financial services entities, classified as current assets as they will be realized during the normal operating cycle of these companies.

The following is reconciliation between the Net financial position as presented in the above table and Net debt as presented in the Report on Operations:

(€ million)	At 31 December 2013 Total Fiat Group	At 31 December 2012 Total Fiat Group
Consolidated net debt as presented in the Report on Operations	**(9,793)**	**(9,600)**
Less: Current financial receivables, excluding those due from jointly controlled financial services companies, amounting to €27 million at 31 December 2013 (€58 million at 31 December 2012), and financial receivables for leased assets under IFRIC 4	3,644	3,669
Net financial position	**(6,149)**	**(5,931)**

Reference should be made to Notes 18, 19, 20 and 21 and the information provided in this Note for a further analysis of the items in the table.

28. Trade payables

Trade payables of €17,235 million at 31 December 2013 increased by €677 million over 31 December 2012 and entirely due within one year.

29. Other current liabilities

An analysis of Other current liabilities is as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Advances on buy-back agreements	**1,583**	1,198
Indirect tax payables	**1,302**	1,233
Accrued expenses and deferred income	**2,364**	1,920
Payables to personnel	**778**	728
Social security payables	**343**	321
Amounts due to customers for contract work (Note 17)	**212**	178
Other	**2,361**	2,203
Total Other current liabilities	**8,943**	**7,781**

An analysis of Other current liabilities (excluding Accrued expenses and deferred income) by due date is as follows:

	At 31 December 2013				At 31 December 2012			
(€ million)	due within one year	due between one and five years	due beyond five years	Total	due within one year	due between one and five years	due beyond five years	Total
Total Other current liabilities (excluding Accrued expenses and deferred income)	5,717	840	22	**6,579**	5,124	703	34	**5,861**

The item Advances on buy-back agreements refers to buy-back agreements entered into by the Group and comprises the price received for the product recognized as an advance at the date of the sale, and subsequently, the repurchase price and the remaining lease installments yet to be recognized.

Indirect tax payables includes taxes on commercial transactions accrued by the Brazilian subsidiary FIASA for which the company (as well as a number of important industrial groups which operate in Brazil) is awaiting the decision by the Supreme Court regarding its claim alleging double taxation. In March 2007, FIASA received a preliminary trial court decision allowing the payment of such tax on a taxable base consistent with the company's position. Since it is a preliminary decision and the amount may be required to be paid to the tax authorities at any time, the difference between the tax payments as preliminary allowed and the full amount determined as required by the legislation still in force is recognized as a current liability due between one and five years. Timing for the Supreme Court decision is not predictable.

Deferred income includes the revenues not yet recognized in relation to separately-priced extended warranties and service contracts offered by Chrysler. These revenues will be recognized in the Income statement over the contract period in proportion to the costs expected to be incurred based on historical information. In addition, at 31 December 2013, the item also include €214 million deferred income arising from the donation of a land from the State of Pernambuco. This deferred income will be recognized in the Income statement starting from the entering in to activity of the plant (see Note 15).

30. Fair value measurement

IFRS 13 establishes a hierarchy that categorizes into three levels the inputs to the valuation techniques used to measure fair value by giving the highest priority to quoted prices (unadjusted) in active markets for identical assets and liabilities (level 1 inputs) and the lowest priority to unobservable inputs (level 3 inputs). In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy at the lowest level input that is significant to the entire measurement.

Levels used in the hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities that the Group can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the assets and liabilities.

Assets and liabilities that are measured at fair value on a recurring basis

The following table shows the fair value hierarchy for financial assets and liabilities that are measured at fair value on a recurring basis at 31 December 2013:

(€ million)	Note	Level 1	Level 2	Level 3	Total
Assets at fair value available for sale:					
Investments at fair value with changes directly in Other comprehensive income/(losses)	(16)	134	14	-	**148**
Investments at fair value through profit or loss	(16)	151	-	-	**151**
Other non-current securities	(16)	42	-	12	**54**
Current securities available-for-sale	(19)	92	-	-	**92**
Financial assets at fair value held-for-trading:					
Current investments		35	-	-	**35**
Current securities held for trading	(19)	155	-	-	**155**
Other financial assets	(20)	20	509	4	**533**
Cash and cash equivalents	(21)	18,498	941	-	**19,439**
Total Assets		**19,127**	**1,464**	**16**	**20,607**
Other financial liabilities	(20)	-	135	2	**137**
Total Liabilities		**-**	**135**	**2**	**137**

In 2013, there were no transfers between Levels in the fair value hierarchy.

The fair value of Other financial assets and liabilities that are mainly composed by derivatives financial instruments is measured by taking into consideration market parameters at the balance sheet date and using valuation techniques widely accepted in the financial business environment. In particular:

- the fair value of forward contracts and currency swaps is determined by taking the prevailing exchange rate and interest rates at the balance sheet date;
- the fair value of interest rate swaps and forward rate agreements is determined by taking the prevailing interest rates at the balance sheet date and using the discounted expected cash flow method;
- the fair value of combined interest rate and currency swaps is determined using the exchange and interest rates prevailing at the balance sheet date and the discounted expected cash flow method;
- the fair value of swaps and options hedging commodity price risk is determined by using suitable valuation techniques and taking market parameters at the balance sheet date (in particular, underline prices, interest rates and volatility rates);
- the fair value of equity swaps is determined using market prices at the balance sheet date.

The par value of Cash and cash equivalents usually approximates fair value due to the short maturity of these instruments, which consist primarily of bank current accounts and time deposits, certificates of deposit, commercial paper, bankers' acceptances and money market funds. Money market funds valuation is also based on available market quotations. Where appropriate, the fair value of Cash equivalents is determined with discounted expected cash flow techniques, using observable market yields (represented in level 2 above).

The following table provides a reconciliation from the opening balances to the closing balances for fair value measurements categorized in Level 3 in 2013:

(€ million)	Other non-current securities	Other financial assets/(liabilities)
At 31 December 2012	**12**	**7**
(Gains)/Losses recognized in Income statement	-	6
Gains/(Losses) recognized in Other comprehensive income/losses	-	(3)
Issues/Settlements	-	(8)
At 31 December 2013	**12**	**2**

The gains/losses included in the Income statement are recognized in Cost of sales for €6 million. The gains and losses recognized in Other comprehensive income/(losses) have been included in Gains/(losses) on cash flow hedging instruments for €2 million and in Exchange differences on translating foreign operations for €1 million (see Note 23).

Assets and liabilities not measured at fair value on recurring basis

For financial instruments represented by short-term receivables and payables, for which the present value of future cash flows does not differ significantly from carrying value, we assume that carrying value is a reasonable approximation of the fair value. In particular, the carrying amount of Current receivables and Other current assets and of Trade payables and Other current liabilities approximates their fair value.

The following table represents carrying amount and fair value for the most relevant categories of financial assets and liabilities not measured at fair value on a recurring basis:

		At 31 December 2013		At 31 December 2012	
(€ million)	Note	Carrying amount	Fair Value	Carrying amount	Fair Value
Dealer financing		2,286	2,290	2,108	2,108
Retail financing		970	957	1,115	1,112
Finance lease		297	296	331	331
Other receivables from financing activities		118	118	173	173
Receivables from financing activities	(18)	**3,671**	**3,661**	**3,727**	**3,724**
Asset backed financing		596	596	449	449
Bonds		14,466	15,464	12,716	13,164
Other debt		14,840	14,952	14,724	14,747
Debt	(27)	**29,902**	**31,012**	**27,889**	**28,360**

The fair values of Receivables from financing activities, which are categorized within the Level 3 of the fair value hierarchy, have been estimated with discounted cash flows models. The most significant inputs used for this measurement are market discount rates, that reflect conditions applied in various reference markets on receivables with similar characteristics, adjusted in order to take into account the credit risk of the counterparties.

Bonds are listed in active markets, their fair value was measured with reference to year-end quoted prices and therefore they were classified within the Level 1 of the fair value hierarchy, with the exception of a residual nominal €7 million issuance maturing in 2021 classified within the Level 2 of the fair value hierarchy, whose fair value was measured by using a discounted cash flow model.

The fair value of Other debt is included in Level 2 of the fair value hierarchy and has been estimated with discounted cash flows models. The main inputs used are year-end market interest rates, adjusted for market expectations on the Group non-performance risk implied in quoted prices of traded securities issued by the Group and existing credit derivatives on Group liabilities.

31. Related party transactions

Pursuant to IAS 24, the related parties of the Group are entities and individuals capable of exercising control, joint control or significant influence over Fiat Group and its subsidiaries, companies belonging to the Exor group, (including the CNH Industrial group) and unconsolidated subsidiaries, associates or joint ventures of the Fiat Group. In addition, members of Fiat Group Board of Directors, Board of Statutory Auditors and executives with strategic responsibilities and their families are also considered related parties.

The Group carries out transactions with unconsolidated subsidiaries, jointly-controlled entities, associates and other related parties, on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved. Transactions carried out by the Group with unconsolidated subsidiaries, jointly-controlled entities, associates and other related parties are primarily of those a commercial nature, which have had an effect on revenues, cost of sales, and trade receivables and payables; in particular, these transactions relate to:

- the sale of motor vehicles to the jointly-controlled entities Tofas-Turk Otomobil Fabrikasi A.S. and FGA Capital group;
- the sale of engines, other components and production systems to the jointly-controlled entity Società Europea Veicoli Leggeri-Sevel S.p.A. and companies of the CNH Industrial group and, for 2012, to the jointly-controlled entity Société Européenne de Véhicules Légers du Nord-Sevelnord Société Anonyme;
- the provision of services, recharges of research costs and the sale of goods to the jointly-controlled entities Fiat India Automobiles Limited and GAC FIAT Automobiles Co Ltd;
- the purchase of commercial vehicles from the jointly-controlled entities Società Europea Veicoli Leggeri-Sevel S.p.A., Tofas-Turk Otomobil Fabrikasi A.S and, for 2012, Société Européenne de Véhicules Légers du Nord-Sevelnord Société Anonyme;
- the purchase of engines from the VM Motori group in 2012 and in the first half of 2013;
- the purchase of commercial vehicles from the CNH Industrial group.

The most significant financial transactions with related parties generated Receivables from financing activities of the Group's financial services companies due from jointly-controlled entities and Asset-backed financing relating to amounts due to FGA Capital for the sale of receivables which do not qualify for derecognition under IAS 39. At 31 December 2013 and at 31 December 2012, Receivables from financing activities due from related parties also included receivables due from CNH Industrial group companies mainly arising from customer factoring provided by the Group's financial services companies. On the other hand, Debt due to related parties included certain balances due to CNH Industrial group companies, mainly relating to factoring and dealer financing in Latin America.

In accordance with IAS 24, transactions with related parties also include compensation payable to Directors, Statutory Auditors and managers with strategic responsibilities.

The amounts of the transactions with related party recognized in the Income statement are as follows:

(€ million)	2013 Net Revenues	2013 Cost of sales	2013 Selling, general and administrative costs	2013 Financial income/ (expenses)	2012 Net Revenues	2012 Cost of sales	2012 Selling, general and administrative costs	2012 Financial income/ (expenses)
Tofas-Turk Otomobil Fabrikasi A.S.	1,145	1,287	3	-	1,115	1,227	4	-
Società Europea Veicoli Leggeri-Sevel S.p.A.	475	1,557	6	-	470	1,526	-	-
FGA Capital group	223	62	10	(24)	200	82	12	(28)
Fiat India Automobiles Limited	27	1	4	1	38	-	1	-
GAC FIAT Automobiles Co Ltd	137	-	1	-	147	-	-	-
Société Européenne de Véhicules Légers du Nord-Sevelnord Société Anonyme(*)	-	-	-	-	24	218	-	-
VM Motori group	-	121	-	-	-	215	-	-
Other	8	6	-	-	8	4	-	-
Total jointly-controlled entities	**2,015**	**3,034**	**24**	**(23)**	**2,002**	**3,272**	**17**	**(28)**
To-dis S.r.l.	48	4	-	-	48	2	-	-
Arab American Vehicles Company S.A.E.	15	-	-	-	24	-	-	-
Other	7	-	5	-	6	1	7	-
Total associates	**70**	**4**	**5**	**-**	**78**	**3**	**7**	**-**
CNH Industrial group	703	314	-	-	676	264	1	-
Poltrona Frau group	-	22	1	-	-	18	-	-
Directors, Statutory Auditors and Key Management	-	-	49	-	-	-	57	-
Other	-	2	12	-	1	18	7	-
Total other related parties and CNH Industrial group	**703**	**338**	**62**	**-**	**677**	**300**	**65**	**-**
Total unconsolidated subsidiaries	**44**	**15**	**28**	**1**	**36**	**99**	**27**	**3**
Total of which related parties	**2,832**	**3,391**	**119**	**(22)**	**2,793**	**3,674**	**116**	**(25)**
Total	**86,816**	**74,570**	**6,689**	**(1,964)**	**83,957**	**71,701**	**6,763**	**(1,885)**
Effect on Total (%)	**3.3%**	**4.5%**	**1.8%**		**3.3%**	**5.1%**	**1.7%**	

(*) *At 31 December 2012, the Investment was classified as Asset held for sale, then transferred at the beginning of the 2013.*

Non-financial assets and liabilities originated by related party transactions are as follows:

(€ million)	At 31 December 2013 Trade receivables	Trade payables	Other current assets	Other current liabilities	At 31 December 2012 Trade receivables	Trade payables	Other current assets	Other current liabilities
Tofas-Turk Otomobil Fabrikasi A.S.	50	232	-	-	32	257	-	2
Società Europea Veicoli Leggeri-Sevel S.p.A.	21	406	4	9	23	396	3	5
FGA Capital group	49	165	1	93	64	147	12	85
Fiat India Automobiles Limited	10	10	-	-	96	5	2	-
GAC FIAT Automobiles Co Ltd	35	3	-	5	23	4	-	-
Société Européenne de Véhicules Légers du Nord-Sevelnord Société Anonyme(*)	-	-	-	-	1	55	-	-
VM Motori group	-	-	-	-	-	20	-	-
Other	5	13	1	-	7	17	1	-
Total jointly-controlled entities	**170**	**829**	**6**	**107**	**246**	**901**	**18**	**92**
Arab American Vehicles Company S.A.E.	9	3	-	-	11	3	-	-
Other	13	3	-	25	29	4	-	27
Total associates	**22**	**6**	**-**	**25**	**40**	**7**	**-**	**27**
CNH Industrial group	48	20	24	13	74	30	27	45
Poltrona Frau group	-	6	-	-	-	5	-	-
Directors, Statutory Auditors and Key Management	-	-	-	17	-	-	-	14
Other	-	1	-	1	-	11	-	-
Total other related parties and CNH Industrial group	**48**	**27**	**24**	**31**	**74**	**46**	**27**	**59**
Total unconsolidated subsidiaries	**39**	**11**	**4**	**1**	**24**	**15**	**4**	**1**
Total of which related parties	**279**	**873**	**34**	**164**	**384**	**969**	**49**	**179**
Total	**2,406**	**17,235**	**2,302**	**8,943**	**2,702**	**16,558**	**2,163**	**7,781**
Effect on Total (%)	**11.6%**	**5.1%**	**1.5%**	**1.8%**	**14.2%**	**5.9%**	**2.3%**	**2.3%**

(*) *At 31 December 2012, the Investment was classified as Asset held for sale, then transferred at the beginning of the 2013.*

Financial assets and liabilities originated by related party transactions are as follows:

(€ million)	At 31 December 2013 Current Receivables from financing activities	Asset-backed financing	Other debt	At 31 December 2012 Current Receivables from financing activities	Asset-backed financing	Other debt
FGA Capital group	54	85	270	88	56	96
Società Europea Veicoli Leggeri-Sevel S.p.A.	28	-	20	24	-	4
Other	18	-	-	5	-	-
Total jointly-controlled entities	**100**	**85**	**290**	**117**	**56**	**100**
Global Engine Alliance LLC	-	-	-	-	-	4
Other	7	-	-	-	-	-
Total associates	**7**	**-**	**-**	**-**	**-**	**4**
Total CNH Industrial group	**18**	**-**	**53**	**18**	**5**	**87**
Total unconsolidated subsidiaries	**38**	**-**	**20**	**66**	**-**	**20**
Total of which related parties	**163**	**85**	**363**	**201**	**61**	**211**
Total	**3,671**	**596**	**29,306**	**3,727**	**449**	**27,440**
Effect on Total (%)	**4.4%**	**14.3%**	**1.2%**	**5.4%**	**13.6%**	**0.8%**

Guarantees pledged in favor of related parties

Other guarantees pledged in favor of related parties are as follows:

(€ million)	At 31 December 2013	At 31 December 2012
Total jointly-controlled entities	7	5
Total other related parties and CNH Industrial group	-	7
Total unconsolidated subsidiaries	8	13
Total of which related parties	**15**	**25**

Emoluments to Directors, Statutory Auditors and Key Management

The fees of the Director and Statutory Auditors of Fiat S.p.A. for carrying out their respective functions, including those in other consolidated companies, are as follows:

(in € thousands)	2013	2012
Directors (a)	18,912	22,780
Statutory auditors	230	229
Total Emoluments	**19,142**	**23,009**

(a) *This amount includes the notional compensation cost arising from stock grants granted to the Chief Executive Officer.*

The aggregate compensation payable to executives with strategic responsibilities was approximately €30 million for 2013. This is inclusive of an amount of €3 million as the Fiat Group's contribution to State and employer defined contribution pension funds.

32. Explanatory notes to the 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 mostly derive from the Group's industrial 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 arising from these transactions.

For 2013, Other non-cash items (positive for €522 million) mainly include €336 million impairment losses on tangible and intangible assets, €54 million loss related to the devaluation of the official exchange rate of the Venezuelan Bolivar (VEF) relative to the US Dollar (Note 8) and €56 million write-off of the book value of the Equity Recapture Agreement Right. For 2012, Other non-cash items (positive for €562 million) mainly included impairment losses on fixed assets and the share of the net profit and loss of investees accounted for using the equity method and the effect, for €515 million, related to the restatement of the Income statement for 2012 following the retrospective adoption of IAS 19 amendment from 1 January 2013, as if the amendment had always been applied.

Cash flows for income tax payments net of refunds amount to €429 million in 2013 (€475 million in 2012).

Interest of €1,808 million (€1,914 million in 2012) was paid and interest of €400 million (€635 million in 2012) was received in 2013. Amounts indicated are inclusive of interest rate differentials paid or received on interest rate derivatives.

33. Guarantees granted, commitments and contingent liabilities

Guarantees granted
At 31 December 2013, the Group had pledged guarantees on the debt or commitments of third parties totaling €31 million (€50 million at 31 December 2012), as well as guarantees of €15 million on related party debt (€25 million at 31 December 2012).

SCUSA Private-Label Financing Agreement
In February 2013, Chrysler entered into a private-label financing agreement with Santander Consumer USA Inc. ("SCUSA"), an affiliate of Banco Santander (the "SCUSA Agreement"). The new financing arrangement launched on May 1, 2013. Under the SCUSA Agreement, SCUSA provides a wide range of wholesale and retail financing services to Chrysler's dealers and consumers in accordance with its usual and customary lending standards, under the Chrysler Capital brand name. The financing services include credit lines to finance dealers' acquisition of vehicles and other products that Chrysler sell or distribute, retail loans and leases to finance consumer acquisitions of new and used vehicles at Chrysler's dealerships, financing for commercial and fleet customers, and ancillary services. In addition, SCUSA work with dealers to offer them construction loans, real estate loans, working capital loans and revolving lines of credit.

Under the new financing arrangement, SCUSA has agreed to specific transition milestones for the initial year following launch. If the transition milestones are met, or otherwise satisfactory to Chrysler, the SCUSA Agreement will have a ten-year term, subject to early termination in certain circumstances, including the failure by a party to comply with certain of its ongoing obligations under the SCUSA Agreement. In accordance with the terms of the agreement, SCUSA provided Chrysler an upfront, nonrefundable payment of €109 million ($150 million) in May 2013, which was recognized as deferred revenue and will be amortized over ten years. As of 31 December 2013 €102 million remained in deferred revenue.

From time to time, Chrysler works with certain lenders to subsidize interest rates or cash payments at the inception of a financing arrangement to incentivize customers to purchase its vehicles, a practice known as "subvention." Chrysler has provided SCUSA with limited exclusivity rights to participate in specified minimum percentages of certain of its retail financing rate subvention programs. SCUSA has committed to certain revenue sharing arrangements, as well as to consider future revenue sharing opportunities. SCUSA bears the risk of loss on loans contemplated by the SCUSA Agreement. The parties share in any residual gains and losses in respect of consumer leases, subject to specific provisions in the SCUSA Agreement, including limitations on Chrysler participation in gains and losses.

Ally Auto Finance Operating Agreement and Repurchase Obligations
In April 2013, the Auto Finance Operating Agreement between Chrysler Group and Ally Financial Inc. ("Ally"), referred as the "Ally Agreement", was terminated. Notwithstanding the termination of the Ally Agreement, Ally will continue to provide wholesale and retail financing to Chrysler dealers and retail customers in the U.S. in accordance with its usual and customary lending standards. Chrysler's dealers and retail customers also obtain funding from other financing sources.

In accordance with the terms of the Ally Agreement, Chrysler remains obligated to repurchase Ally-financed U.S. dealer inventory that was acquired on or before 30 April 2013, upon certain triggering events and with certain exceptions, in the event of an actual or constructive termination of a dealer's franchise agreement, including in certain circumstances when Ally forecloses on all assets of a dealer securing financing provided by Ally. These obligations exclude vehicles that have been damaged or altered, that are missing equipment or that have excessive mileage or an original invoice date that is more than one year prior to the repurchase date.

As of 31 December 2013, the maximum potential amount of future payments required to be made to Ally under this guarantee was approximately €167 million and was based on the aggregate repurchase value of eligible vehicles financed by Ally in Chrysler's U.S. dealer stock. If vehicles are required to be repurchased under this arrangement, the total exposure would be reduced to the extent the vehicles can be resold to another dealer. The fair value of the guarantee was less than €0.1 million at 31 December 2013, which considers both the likelihood that the triggering events will occur and the estimated payment that would be made net of the estimated value of inventory that would be reacquired upon the occurrence of such events. The estimates are based on historical experience.

On 1 February 2013, the Canadian automotive finance business of Ally was acquired by the Royal Bank of Canada ("RBC"). Dealers with financing through Ally were offered new lending agreements with RBC, as the Ally-financing arrangements did not transfer with the sale. As such, Chrysler Group no longer has an obligation to repurchase dealer inventory in Canada that was acquired prior to 1 February 2013 and was financed by Ally.

Other Repurchase Obligations

In accordance with the terms of other wholesale financing arrangements in Mexico, Chrysler is required to repurchase dealer inventory financed under these arrangements, upon certain triggering events and with certain exceptions, including in the event of an actual or constructive termination of a dealer's franchise agreement. These obligations exclude certain vehicles including, but not limited to, vehicles that have been damaged or altered, that are missing equipment or that have excessive mileage or an original invoice date that is more than one year prior to the repurchase date.

As of 31 December 2013, the maximum potential amount of future payments required to be made in accordance with these other wholesale financing arrangements was approximately €262 million and was based on the aggregate repurchase value of eligible vehicles financed through such arrangements in the respective dealer's stock. If vehicles are required to be repurchased through such arrangements, the total exposure would be reduced to the extent the vehicles can be resold to another dealer. The fair value of the guarantee was less than €0.1 million at 31 December 2013, which considers both the likelihood that the triggering events will occur and the estimated payment that would be made net of the estimated value of inventory that would be reacquired upon the occurrence of such events. These estimates are based on historical experience.

Arrangements with Key Suppliers

From time to time, in the ordinary course of our business, Chrysler enter into various arrangements with key suppliers in order to establish strategic and technological advantages. A limited number of these arrangements contain unconditional purchase obligations to purchase a fixed or minimum quantity of goods and/or services with fixed and determinable price provisions. Purchases under these arrangements from third parties were €167 million in 2013 (€340 million in 2012). Future minimum purchase obligations under these arrangements as of 31 December 2013 were as follows:

(in €million)	
2014	197
2015	153
2016	109
2017	62
2018	9
2019 and thereafter	22

Other commitments and important contractual rights

The Group has important commitments and rights deriving from outstanding agreements, summarized below.

Teksid

Fiat S.p.A. is subject to a put contract with Renault in reference to the original investment of 33.5% in Teksid, now 15.2%. In particular, Renault would acquire the right to exercise a sale option to Fiat on its interest in Teksid, in the following cases:

- in the event of non-fulfillment in the application of the protocol of the agreement and admission to receivership or any other redressement procedure;
- in the event Renault's investment in Teksid falls below 15% or Teksid decides to invest in a structural manner outside the foundry sector;
- should Fiat be the object of the acquisition of control by another car manufacturer.

The exercise price of the option is established as follows:

- for the original 6.5% of the share capital of Teksid, the initial investment price as increased by a given interest rate;
- for the remaining amount of share capital of Teksid, the share of the accounting net equity at the exercise date.

Chrysler

At 31 December 2013 Fiat held a 58.5% membership interest in Chrysler; the remaining 41.5% was held by the VEBA Trust. As described in Note 39 - Subsequent events, on 1 January 2014, Fiat S.p.A. announced an agreement with the VEBA Trust, under which its wholly-owned subsidiary, Fiat North America LLC ("FNA"), acquired all of the VEBA Trust's equity membership interests in Chrysler, representing 41.5% interest of Chrysler. The transaction closed on 21 January 2014. In consideration for the sale of its membership interests in Chrysler, the VEBA Trust received an aggregate consideration of $3,650 million consisting of a special distribution paid by Chrysler to its members, in an aggregate amount of $1,900 million (FNA directed its portion of the special distribution to the *VEBA Trust* as part of the purchase consideration), and a payment from FNA for the remainder of $1,750 million in cash purchase consideration to the VEBA Trust. At the date of publication of this Annual report, therefore, Fiat holds a 100% interest in Chrysler and all rights (*VEBA Trust Call Option* and *Equity Recapture Agreement*) previously existing in respect to Fiat's investment in Chrysler lapsed.

Agreement with UAW

On 21 January 2014 Chrysler and the *International Union, United Automobile, Aerospace and Agricultural Implement Workers of America* (the "UAW") entered into a memorandum of understanding ("MoU") under the collective bargaining agreement with the UAW, in which the UAW made commitments to continue to support Chrysler industrial operations and the further implementation of the Fiat-Chrysler Alliance. In particular, the UAW has committed to use its best efforts to cooperate in the continued roll-out of our World Class Manufacturing ("WCM") programs, actively participate in benchmarking efforts associated with implementation of WCM programs across all Fiat-Chrysler manufacturing sites to ensure objective performance assessments and provide for proper application of WCM principles, and to actively assist in the achievement of the Group long-term business plan. In consideration of these commitments, Chrysler agreed to make payments to the VEBA Trust totaling $700 million to be paid in four equal annual installments. The initial payment of $175 million was made on 21 January 2014 and additional payments will be payable on each of the next three anniversaries of the initial payment.

Sevel

As part of the Sevel cooperation agreement with PSA, the Fiat group is party to a call agreement with PSA whereby, from 1 July 2017 to 30 September 2017, Fiat will have the right to acquire the residual interest in Sevel S.p.A. held by PSA, with effect from 31 December 2017.

Operating lease contracts

The Group has entered operating lease contracts for the right to use industrial buildings and equipment with an average term of 10-20 years and 3-5 years, respectively. At 31 December 2013, the total future minimum lease payments under non-cancellable lease contracts are as follows:

	At 31 December 2013				At 31 December 2012			
(€ million)	due within one year	due between one and five years	due beyond five years	Total	due within one year	due between one and five years	due beyond five years	Total
Future minimum lease payments under operating lease agreements	133	350	227	**710**	147	347	222	**716**

During 2013, the Group has recorded costs for lease payments of €199 million (€184 million in 2012).

Contingent liabilities

As a global group with a diverse business portfolio, the Group is exposed to numerous legal risks, particularly in the areas of product liability, competition and antitrust law, environmental risks and tax matters, dealer and supplier relationships and intellectual property rights. The outcome of any proceedings cannot be predicted with certainty. These proceedings seek recovery for damage to property, personal injuries and in some cases include a claim for exemplary or punitive damage. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect the Group's financial position and results.

At 31 December 2013, contingent liabilities estimated by the Group for which no provisions have been recognized since an outflow of resources is not considered to be probable and for which a reliable estimate can be made amount to approximately €100 million (approximately €100 million at 31 December 2012). Furthermore, contingent assets and expected reimbursement in connection with these contingent liabilities for approximately €12 million (€16 million at 31 December 2012) have been estimated but not recognized.

Instead, when it is probable that an outflow of resources embodying economic benefits will be required to settle obligations and this amount can be reliably estimated, the Group recognizes specific provisions for this purpose (see Note 26).

Furthermore, in connection with significant asset divestitures carried out in prior years, the Group provided indemnities to purchasers with the maximum amount of potential liability under these contracts generally capped at a percentage of the purchase price. These liabilities refer principally to potential liabilities arising from possible breaches of representations and warranties provided in the contracts and, in certain instances, environmental or tax matters, generally for a limited period of time. At 31 December 2013, potential obligations with respect to these indemnities were approximately €240 million (approximately €430 million at 31 December 2012). Against these obligations, at 31 December 2013 provisions of €62 million (€62 million 31 December 2012) have been made which are classified as Other provisions. The Group has provided certain other indemnifications that do not limit potential payment; it is not possible to estimate a maximum amount of potential future payments that could result from claims made under these indemnities.

34. Segment reporting

The regions and operating segments, as defined at the beginning of this Notes (section – *Segment reporting*), reflect the components of the Group that are regularly reviewed by the Chief Executive Officer together with the Group Executive Council for making strategic decisions, allocating resources and assessing performance.

Transactions among regions generally are presented on a "where-sold" basis, which reflects the profit/(loss) on the ultimate sale to the external customer within the region. This presentation generally eliminates the effect of the legal entity transfer price within the regions. For the regions which also provide financial services activities, revenues and costs also include interest income and expense and other financial income and expense arising from those activities.

Revenues, Trading profit/(loss) and EBIT of the other operating segments 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 arising from transactions with regions and other operating segments, recognized at normal market prices. For Luxury Brands segment which also provides financial services activities, revenues and costs include interest income and expense, and other financial income and expense arising from those activities.

Other activities include the results of the activities and businesses that are not an operating segment under IFRS 8, the Unallocated items and adjustments include consolidation adjustments and eliminations in addition to financial income and expense and income taxes that are not attributable to the performance of the segments and are subject to separate assessment by the Chief Executive Officer.

Operating assets are not included in the data reviewed by the Chief Executive Officer, consequently, as permitted by IFRS 8, the related information is not provided.

Details of the Income statement by segments in 2013 and 2012 are as follows:

	Car Mass-Market brands									
(€ million)	NAFTA	LATAM	APAC	EMEA	Luxury Brands	Components	Other activities	Unallocated items & adjustments	Fiat Group	of which: Fiat Group excluding Chrysler
2013										
Revenues	45,777	9,973	4,621	17,420	3,809	8,080	929	(3,793)	**86,816**	**35,593**
Revenues from transactions with regions and other operating segments	(173)	(100)	(1)	(640)	(33)	(2,395)	(451)	3,793	-	(1,635)
Revenues from external customers	**45,604**	**9,873**	**4,620**	**16,780**	**3,776**	**5,685**	**478**	**-**	**86,816**	33,958
Trading profit/(loss)	**2,220**	**619**	**358**	**(470)**	**535**	**201**	**(67)**	**(2)**	**3,394**	**246**
Profit/(loss) from investments	(1)	-	(39)	145	-	5	(13)	-	97	103
Unusual income/(expense)	71	(127)	(1)	(195)	(65)	(60)	(87)	(55)	(519)	(537)
EBIT	**2,290**	**492**	**318**	**(520)**	**470**	**146**	**(167)**	**(57)**	**2,972**	**(188)**
Financial income/(expense)									(1,964)	(989)
Profit/(loss) before taxes									**1,008**	**(1,177)**
Tax (income)/expenses									(943)	(736)
Profit/(loss) for the period									**1,951**	**(441)**

(€ million)	Car Mass-Market brands NAFTA	LATAM	APAC	EMEA	Luxury Brands	Components	Other activities	Unallocated items & adjustments	Fiat Group	of which: Fiat Group excluding Chrysler
2012										
Revenues	43,521	11,062	3,128	17,800	2,898	8,030	979	(3,461)	**83,957**	**35,566**
Revenues from transactions with regions and other operating segments	(27)	(89)	(2)	(543)	(11)	(2,341)	(448)	3,461	-	(893)
Revenues from external customers	**43,494**	**10,973**	**3,126**	**17,257**	**2,887**	**5,689**	**531**	**-**	**83,957**	34,673
Trading profit/(loss)	**2,443**	**1,056**	**260**	**(703)**	**392**	**174**	**(85)**	**4**	**3,541**	338
Profit/(loss) from investments	-	-	(5)	160	-	2	(52)	2	107	110
Unusual income/(expense)	48	(31)	-	(194)	-	(11)	(12)	(44)	(244)	(261)
EBIT	**2,491**	**1,025**	**255**	**(737)**	**392**	**165**	**(149)**	**(38)**	**3,404**	187
Financial income/(expense)									(1,885)	(817)
Profit/(loss) before taxes									**1,519**	**(630)**
Tax (income)/expenses									623	418
Profit/(loss) for the period									**896**	**(1,048)**

Unallocated items, and in particular financial income/(expenses), are not attributed to the regions and operating segments as they do not fall under the scope of their operational responsibilities and are therefore assessed separately. These items arise from the management of treasury assets and liabilities by the treasuries of Fiat and Chrysler, which work independently and separately within the Group.

The Group's treasury assets and liabilities are as follows, as presented in the Report on operations:

		At 31 December 2013			At 31 December 2012		
(€ million)	Note	Fiat Group	Chrysler	Fiat excluding Chrysler	Fiat Group	Chrysler	Fiat excluding Chrysler
Debt:	(27)	(29,902)	(9,544)	(20,451)	(27,889)	(10,312)	(17,586)
Asset-backed financing		(596)	-	(596)	(449)	-	(449)
Bonds, bank loans and other debt		(29,306)	(9,544)	(19,855)	(27,440)	(10,312)	(17,137)
Current financial receivables from jointly controlled financial services companies[a]		27	-	27	58	-	58
Intersegment financial receivables[b]		-	7	86	-	9	-
Debt, net of current financial receivables from jointly controlled financial services companies and intersegment financial receivables		**(29,875)**	**(9,537)**	**(20,338)**	**(27,831)**	**(10,303)**	**(17,528)**
Other financial assets[c]	(20)	533	97	436	519	45	474
Other financial liabilities[c]	(20)	(137)	(21)	(116)	(201)	(42)	(159)
Current securities	(19)	247	-	247	256	-	256
Cash and cash equivalents	(21)	19,439	9,676	9,763	17,657	8,803	8,854
(Net debt)/Net cash		**(9,793)**	**215**	**(10,008)**	**(9,600)**	**(1,497)**	**(8,103)**
Industrial Activities		*(6,649)*	*215*	*(6,864)*	*(6,545)*	*(1,497)*	*(5,048)*
Financial Services		*(3,144)*	-	*(3,144)*	*(3,055)*	-	*(3,055)*
Cash, cash equivalents and current securities		19,686	9,676	10,010	17,913	8,803	9,110
Undrawn committed credit lines		3,043	943	2,100	2,935	985	1,950
Total available liquidity		**22,729**	**10,619**	**12,110**	**20,848**	**9,788**	**11,060**

(a) *Includes current financial receivables from FGA Capital.*
(b) *Relates to intragroup manufacturing agreements reclassified as finance leases in accordance with IFRIC 4, in addition to receivables relating to factoring transactions between Chrysler Group companies and Fiat Group financial services companies in EMEA.*
(c) *Includes fair value of derivative financial instruments.*

Information about geographical area

Total Non-current assets (excluding financial assets, deferred tax assets and post-employment benefits assets) located in Italy totaled €10,555 million at 31 December 2013 (€9,852 million at 31 December 2012). Non-current assets attributed to all foreign countries totaled €33,709 million at 31 December 2013 (€33,352 million 31 December 2012) and may be analyzed as follow: United States, Canada and Mexico €26,689 million (€26,733 million at 31 December 2012), Brazil €2,955 million (€2,306 million at 31 December 2012), Poland €1,277 million (€1,455 million at 31 December 2012) and Serbia €1,007 million (€985 million at 31 December 2012).

35. Qualitative and quantitative information on financial risks

The Group is exposed to the following financial risks connected with its operations:

- credit risk, arising both from its normal commercial relations with final customers and dealers, and its financing activities;
- liquidity risk, with particular reference to the availability of funds and access to the credit market and to financial instruments in general;
- financial market risk (principally relating to exchange rates, interest rates and commodity prices), since the Group operates at an international level in different currencies and uses financial instruments which generate interests. The Group is also exposed to the risk of changes in the price of certain commodities and of certain listed shares.

These risks could significantly affect the Group's financial position and results, and for this reason the Group systematically identifies, and monitors these risks, in order to detect potential negative effects in advance and take the necessary action to mitigate them, primarily through its operating and financing activities and if required, through the use of derivative financial instruments.

Financial instruments held by the funds that manage pension plan assets are not included in this analysis (see the Note 25).

The following section provides qualitative and quantitative disclosures on the effect that these risks may have upon the Group. The quantitative data reported in the following does not have any predictive value, in particular the sensitivity analysis on finance market risks does not reflect the complexity of the market or the reaction which may result from any changes that are assumed to take place.

Credit risk

Credit risk is the risk of economic loss arising from the failure to collect a receivable. Credit risk encompasses the direct risk of default and the risk of a deterioration of the creditworthiness of the counterparty.

The Group's credit risk differs in relation to the activities carried out. In particular, dealer financing and operating and financial lease activities that are carried out through the Group's financial services companies are exposed both to the direct risk of default and the deterioration of the creditworthiness of the counterparty, while the sale of vehicles and spare parts is mostly exposed to the direct risk of default of the counterparty. These risks are however mitigated by the fact that collection exposure is spread across a large number of counterparties and customers.

Taken overall, however, the credit risk regarding the Group's trade receivables and receivables from financing activities is concentrated in the European Union and Latin America markets for Fiat excluding Chrysler and in the North American market for Chrysler.

In order to test for impairment, significant receivables from corporate customers and receivables for which collectability is at risk are assessed individually, while receivables from end customers or small business customers are grouped into homogeneous risk categories. A receivable is considered impaired when there is objective evidence that the Group will be unable to collect all amounts due specified in the contractual terms. Objective evidence may be provided by the following factors: significant financial difficulties of the counterparty, the probability that the counterparty will be involved in an insolvency procedure or will default on its installment payments, the restructuring or renegotiation of open items with the counterparty, changes in the payment status of one or more debtors included in a specific risk category and other contractual breaches. The calculation of the amount of the impairment loss is based on the risk of default by the counterparty, which is determined by taking into account all the information available as to the customer's solvency, the fair value of any guarantees received for the receivable and the Group's historical experience.

The maximum credit risk to which the Group is theoretically exposed at 31 December 2013 is represented by the carrying amounts of financial assets in the financial statements and the nominal value of the guarantees provided on liabilities and commitments to third parties as discussed in Note 31.

Dealers and final customers for which the Group provides financing are subject to specific assessments of their creditworthiness under a detailed scoring system; in addition to carrying out this screening process, the Group also obtains financial and non-financial guarantees for risks arising from credit granted. These guarantees are further strengthened where possible by reserve of title clauses on financed vehicle sales to the sales network made by Group financial service companies and on vehicles assigned under finance and operating lease agreements.

Receivables for financing activities amounting to €3,671 million at 31 December 2013 contain balances totaling €21 million (€7 million at 31 December 2012), which have been written down on an individual basis. Of the remainder, balances totaling €72 million are past due by up to one month (€107 million at 31 December 2012), while balances totaling €23 million are past due by more than one month (€62 million at 31 December 2012). In the event of installment payments, even if only one installment is overdue, the whole amount of the receivable is classified as such.

Trade receivables and Other receivables amounting to €4,266 million at 31 December 2013 contain balances totaling €19 million (€39 million at 31 December 2012) which have been written down on an individual basis. Of the remainder, balances totaling €243 million are past due by up to one month (€216 million at 31 December 2012), while balances totaling €358 million are past due by more than one month (€307 million at 31 December 2012).

Provided that Current securities and Cash and cash equivalents consist of balances spread across various primary national and international banking institutions and money market instruments that are measured at fair value, there was no exposure to sovereign debt securities at 31 December 2013 which might lead to significant repayment risk.

Liquidity risk

Liquidity risk arises if the Group is unable to obtain the funds needed to carry out its operations under economic conditions. Any actual or perceived limitations on the Group's liquidity may affect the ability of counterparties to do business with the Group or may require additional amounts of cash and cash equivalents to be allocated as collateral for outstanding obligations.

The continuation of a difficult economic situation in the markets in which the Group operates and the uncertainties that characterize the financial markets, necessitate giving special attention to the management of liquidity risk. In that sense measures taken to generate funds through operations and to maintain a conservative level of available liquidity are an important factor for ensuring operational flexibility and addressing strategic challenges over the next few years.

The two main factors that determine the Group's liquidity situation are on the one hand the funds generated by or used in operating and investing activities and on the other the debt lending period and its renewal features or the liquidity of the funds employed and market terms and conditions.

The Group has adopted a series of policies and procedures whose purpose is to optimize the management of funds and to reduce liquidity risk as follows:

- centralizing the management of receipts and payments, where it may be economical in the context of the local civil, currency and fiscal regulations of the countries in which the Group is present;
- maintaining a conservative level of available liquidity;
- diversifying the means by which funds are obtained and maintaining a continuous and active presence in the capital markets;
- obtaining adequate credit lines;
- monitoring future liquidity on the basis of business planning.

From an operating point of view the Group manages liquidity risk by monitoring cash flows and keeping an adequate level of funds at its disposal. The operating cash flows, main funding operations and liquidity of the Fiat Group excluding Chrysler are centrally managed in the Group's treasury companies with the aim of ensuring effective and efficient management of the Group's funds. These companies obtain funds on the financial markets by means which may assume different technical forms.

Chrysler manages the cash generated by its operations and coverage of its funding requirements independently. In this respect Fiat has pledged no guarantee, commitment or similar obligation in relation to any of Chrysler's financing obligations, nor has it assumed any kind of obligation or commitment to fund Chrysler in the future.

Details of the repayment structure of the Group's financial assets and liabilities are provided in Note 18 - Current Receivables and Other current assets and in Note 27 - Debt. Details of the repayment structure of derivative financial instruments are provided in Note 20.

The Group believes that the funds currently available to the treasuries of Fiat and Chrysler, in addition to those that will be generated from operating and financing activities, will enable the Fiat Group to satisfy the requirements of its investing activities and working capital needs, fulfill its obligations to repay its debt at the natural due dates and ensure an appropriate level of operating and strategic flexibility.

Financial market risks

The Group is exposed to the risks from fluctuations in foreign currency exchange and interest rates and the commodity prices associated with business operations.

The Group's exposure to currency risk arises both in connection with the geographical distribution of the Group's industrial activities compared to the markets in which it sells its products, and in relation to the use of external borrowing denominated in foreign currencies.

The Group's exposure to interest rate risk arises from the need to fund industrial and financial operating activities and the necessity to deploy surplus funds. Changes in market interest rates may have the effect of either increasing or decreasing the Group's net profit/(loss), thereby indirectly affecting the costs and returns of financing and investing transactions.

The Group's exposure to commodity price risk arises from the risk of changes occurring in the price of certain raw materials used in production. Changes in the price of raw materials could have a significant effect on the Group's results by indirectly affecting costs and product margins.

The Group regularly assesses its exposure to finance market risk and manages those risks through the use of derivative financial instruments in accordance with its established risk management policies.

The Group's policy permits derivatives to be used only for managing the exposure to fluctuations in exchange and interest rates as well as commodities prices connected with future cash flows and assets and liabilities, and not for speculative purposes.

The Group utilizes derivative financial instruments designated as fair value hedges, mainly to hedge:

- the currency risk on financial instruments denominated in foreign currency;
- the interest rate risk on fixed rate loans and borrowings.

The instruments used for these hedges are mainly currency forward contracts, interest rate swaps and combined interest rate and currency financial instruments.

The Group uses derivative financial instruments as cash flow hedges for the purpose of pre-determining:

- the exchange rate at which forecasted transactions denominated in foreign currencies will be accounted for;
- the interest paid on borrowings, both to match the fixed interest received on loans (customer financing activity), and to achieve a targeted mix of floating versus fixed rate funding structured loans;
- the price of certain commodities.

The exchange rate exposure on forecasted commercial flows is hedged by currency swaps, forward contracts and currency options. Interest rate exposures are usually hedged by interest rate swaps and, in limited cases, by forward rate agreements. Exposure to changes in the price of commodities is generally hedged by using commodity swaps.

Counterparties to these agreements are major and diverse financial institutions.

Information on the fair value of derivative financial instruments held at the balance sheet date is provided in Note 20.

Quantitative information on currency risk
The Group is exposed to risk resulting from changes in exchange rates, which can affect its earnings and equity. In particular:

- Where a Group company incurs costs in a currency different from that of its revenues, any change in exchange rates can affect the Operating result of that company. In 2013, the total trade flows exposed to currency risk amounted to the equivalent of 13% of the Group's turnover.
- The principal exchange rates to which the Group is exposed are the following:
  - USD/CAD, relating to sales in Canadian Dollars made by Chrysler in Canada;
  - EUR/USD, relating to sales in US Dollars made by Italian companies (in particular, companies belonging to the Luxury Brands operating segment) and to sales and purchases in Euro made by Chrysler;
  - GBP, AUD, MXN, CHF, CNY, ARS and VEF in relation to sales in the UK, Australian, Mexican, Swiss, Chinese, Argentinian and Venezuelan markets;
  - PLN and TRY, relating to manufacturing costs incurred in Poland and Turkey;
  - USD/BRL, EUR/BRL, relating to Brazilian manufacturing operations and the related import and export flows.

  Taken overall trade flows exposed to changes in these exchange rates in 2013 made up approximately 90% of the exposure to currency risk from trade transactions.
- It is the Group's policy to use derivative financial instruments to hedge a certain percentage, on average between 55% and 85%, of the forecast trading transaction exchange risk exposure for the coming 12 months (including such risk beyond that date where it is believed to be appropriate in relation to the characteristics of the business) and to hedge completely the exposure resulting from firm commitments.
- Group companies may find themselves with trade receivables or payables denominated in a currency different from the functional currency of the company itself. In addition, in a limited number of cases, it may be convenient from an economic point of view, or it may be required under local market conditions, for companies to obtain finance or use funds in a currency different from the functional currency. Changes in exchange rates may result in exchange gains or losses arising from these situations. It is the Group's policy to hedge fully, whenever possible, the exposure resulting from receivables, payables and securities denominated in foreign currencies different from the company's functional currency.

- Certain of the Group's subsidiaries are located in countries which are outside of the Eurozone, in particular the United States, Brazil, Canada, Poland, Serbia, Turkey, Mexico, Argentina, the Czech Republic, India, China and South Africa. As the Group's reference currency is the Euro, the Income statements of those entities are converted into Euros using the average exchange rate for the period, and while revenues and margins are unchanged in local currency, changes in exchange rates may lead to effects on the converted balances of revenues, costs and the result in Euro.
- The assets and liabilities of consolidated companies whose money of account is different from the Euro may acquire converted values in Euros which differ as a function of the fluctuation in exchange rates. The effects of these changes are recognized directly in the item Cumulative Translation Adjustments reserve, included in Other comprehensive income/(losses) (see Note 23).

  The Group monitors its principal exposure to conversion exchange risk, although there was no specific hedging in this respect at the balance sheet date.

There have been no substantial changes in 2013 in the nature or structure of exposure to currency risk or in the Group's hedging policies.

The potential loss in fair value of derivative financial instruments held for currency risk management (currency swaps/forwards, currency options, interest rate and currency swaps) at 31 December 2013 resulting from a hypothetical, unfavorable and instantaneous change of 10% in the exchange rates of the leading foreign currencies with the Euro would have been approximately €745 million (€690 million at 31 December 2012).

Receivables, payables and future trade flows whose hedging transactions have been analyzed were not considered in this analysis. It is reasonable to assume that changes in exchange rates will produce the opposite effect, of an equal or greater amount, on the underlying transactions that have been hedged.

Quantitative information on interest rate risk

The manufacturing companies and treasuries of the Group make use of external funds obtained in the form of financing and invest in monetary and financial market instruments. In addition, Group companies make sales of receivables resulting from their trading activities on a continuing basis. Changes in market interest rates can affect the cost of the various forms of financing, including the sale of receivables, or the return on investments, and the employment of funds, causing an impact on the level of net financial expenses incurred by the Group.

In addition, the financial services companies provide loans (mainly to customers and dealers), financing themselves using various forms of direct debt or asset-backed financing (e.g. factoring of receivables). Where the characteristics of the variability of the interest rate applied to loans granted differ from those of the variability of the cost of the financing obtained, changes in the current level of interest rates can affect the Operating result of those companies and the Group as a whole.

In order to manage these risks, the Group uses interest rate derivative financial instruments, mainly interest rate swaps and forward rate agreements, when available in the market, with the object of mitigating, under economically acceptable conditions, the potential variability of interest rates on net profit/(loss).

In assessing the potential impact of changes in interest rates, the Group separates out fixed rate financial instruments (for which the impact is assessed in terms of fair value) from floating rate financial instruments (for which the impact is assessed in terms of cash flows).

The fixed rate financial instruments used by the Group consist principally of part of the portfolio of the financial services companies (basically customer financing and financial leases) and part of debt (including subsidized loans and bonds).

The potential loss in fair value of fixed rate financial instruments (including the effect of interest rate derivative financial instruments) held at 31 December 2013, resulting from a hypothetical, unfavorable and instantaneous change of 10% in market interest rates, would have been approximately €110 million (approximately €100 million at 31 December 2012).

Floating rate financial instruments consist principally of cash and cash equivalents, loans provided by the financial services companies to the sales network and part of debt. The effect of the sale of receivables is also considered in the sensitivity analysis as well as the effect of hedging derivative instruments.

A hypothetical, unfavorable and instantaneous change of 10% in short-term interest rates at 31 December 2013, applied to floating rate financial assets and liabilities, operations for the sale of receivables and derivative financial instruments, would have caused increased net expenses before taxes, on an annual basis, of approximately €13 million (€10 million at 31 December 2012).

This analysis is based on the assumption that there is a general and instantaneous change of 10% in interest rates across homogeneous categories. A homogeneous category is defined on the basis of the currency in which the financial assets and liabilities are denominated.

Quantitative information on commodity price risk

The Group has entered into derivative contracts for certain commodities to hedge its exposure to commodity price risk associated with buying raw materials used in its normal operations.

In connection with the commodity price derivative contracts outstanding at 31 December 2013, a hypothetical, unfavorable and instantaneous change of 10% in the price of the commodities at that date would have caused a fair value loss of €45 million (€51 million at 31 December 2012).

36. Non-recurring transactions

Pursuant to Consob Communication DEM/6064293 of 28 July 2006, the Group did not carry out any significant non-recurring operations in 2013.

37. Transactions resulting from unusual and/or abnormal operations

Pursuant to Consob Communication DEM/6064293 of 28 July 2006, the Group did not carry out any unusual and/or abnormal operations in 2013 as defined in that Communication (for the definition of these see the Section – Format of the financial statements).

38. Other information

Pursuant to Articles 70 (8) and 71 (1-bis) of the Consob Issuer Regulations, the Board of Directors approved the opt-out from the obligation to publish an information document for significant transactions (e.g., significant mergers, spin-offs, share capital increases by means of in-kind contributions of assets, acquisitions and disposals).

39. Subsequent events

- On 1 January 2014, Fiat S.p.A. announced an agreement with the VEBA Trust, under which its wholly-owned subsidiary, Fiat North America LLC ("FNA"), would acquire all of the VEBA Trust's equity membership interests in Chrysler Group LLC ("Chrysler Group"), representing 41.5% of Chrysler Group. The transaction closed on 21 January 2014. In consideration for the sale of its membership interests in Chrysler Group, the VEBA Trust received an aggregate consideration of $3,650 million consisting of a special distribution paid from available cash on hand by Chrysler Group to its members, in an aggregate amount of $1,900 million (FNA directed its portion of the special distribution to the VEBA Trust as part of the purchase consideration) and a payment from FNA for the remainder of $1,750 million in cash purchase consideration to the VEBA Trust. Fiat funded the $1,750 million in cash from available cash on hand. Contemporaneously with the transactions described above, Chrysler and the UAW entered into a memorandum of understanding under the collective bargaining agreement with the UAW in which the UAW made commitments to continue to support Chrysler industrial operations and the further implementation of the Fiat-Chrysler Alliance. In particular, the UAW has committed to use its best efforts to cooperate in the continued roll-out of World Class Manufacturing, or WCM, programs, actively participate in benchmarking efforts associated with implementation of WCM programs across all Fiat-Chrysler manufacturing sites to ensure objective performance assessments and provide for proper application of WCM principles, and to actively assist in the achievement of the Group long-term business plan. In consideration of these commitments, Chrysler agreed to make payments to the VEBA Trust totaling $700 million to be paid in four equal annual installments. The initial payment of $175 million was made on 21 January 2014 and additional payments will be payable on each of the next three anniversaries of the initial payment.
- On 10 January, Standard & Poor's Ratings Services:
  - raised its ratings on Chrysler Group LLC, including the corporate credit rating, to 'BB-' from 'B+'. The outlook is stable.
  - confirmed its rating on Fiat S.p.A.'s long-term debt at 'BB-'. The short-term rating was confirmed at 'B'. The outlook remains stable.
- On 29 January, the Board of Directors of Fiat S.p.A. 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 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 decided to establish Fiat Chrysler Automobiles N.V., organized in the Netherlands, as the parent company of the Group.

  Under the proposal approved by the Fiat Board, Fiat shareholders will receive one FCA common share for each Fiat share held 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. It is intended that FCA will 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 where their activities are carried out.
- On 7 February, Chrysler Group closed its offering of secured senior debt securities, raising approximately $3.0 billion in net proceeds; and senior secured term loan facilities, raising approximately $2.0 billion in net proceeds. Chrysler Group applied the proceeds of the debt offering to prepay all amounts outstanding, including accrued and unpaid interest, of approximately $5.0 billion under the senior unsecured note issued on 10 June 2009 to the VEBA Trust with an original face amount of $4.587 billion (the "VEBA Trust Note").

  The secured senior debt securities, issued on top of existing bonds, consist of $1.375 billion aggregate principal amount of 8% Secured Senior Notes due 2019 at an issue price of 108.25% of their aggregate principal amount plus accrued interest from 15 December 2013, and $1.380 billion aggregate principal amount of 8¼% Secured Senior Notes due 2021 at an issue price of 110.50% of their aggregate principal amount plus accrued interest from 15 December 2013. The issue prices represent a yield to maturity of 6.165% per annum for the Notes due 2019 and 6.433% per annum for the Notes due 2021.

In connection with the term loan facilities, Chrysler Group borrowed (1) an additional $250 million of term loans under its existing senior secured credit facilities maturing 24 May 2017, under which Chrysler Group borrows at 2.75% over LIBOR, subject to a LIBOR floor of 0.75%; and (2) $1.75 billion of term loans under a new senior secured term loan facility maturing 31 December 2018, at 2.50% over LIBOR, subject to a LIBOR floor of 0.75%.

The refinancing transactions are expected to result in yearly interest expense savings, for the period from 2014 to 2016, of approximately $134 million.[1]

- On 11 February, Moody's Investors Service lowered Fiat S.p.A.'s Corporate Family Rating from 'Ba3' to 'B1' and consequently, in accordance with their methodology, ratings on the notes issued by Fiat Finance & Trade Ltd. S.A. and Fiat Finance North America Inc. were also lowered from 'B1' to 'B2'.

27 February 2014

On behalf of the Board of Directors

/s/ John Elkann

John Elkann

CHAIRMAN

[1] *For the purposes of Chrysler Group consolidated financial statements (prepared in accordance with US GAAP) the refinancing transactions are expected to result in yearly interest expense savings, for the period from 2014 to 2016, of approximately $200 million including the elimination of the non-cash VEBA Trust Note discount amortization of approximately $65 million per annum. In addition, for the same reason, Chrysler Group expects to record a non-cash charge of approximately $500 million in connection with the repayment of the VEBA Trust Note. For the purposes of its consolidated financial statements (prepared in accordance with IFRS) Fiat Group expects to record interest expense savings lower than those recorded by Chrysler Group and to report no non-cash charges in connection with the repayment of the VEBA Trust Note, which has been carried at face value as a result of the purchase accounting related to the acquisition of control and consolidation of Chrysler Group in May 2011.*

Appendix I
Fiat Group Companies at 31 December 2013

In accordance with Article 126 of Consob Regulation 11971 of 14 May 1999, as subsequently amended, a complete list of Group companies and significant investments at 31 December 2013 is provided on the following pages.

Companies in the list are grouped according to type of control, method of consolidation and classification by operating segment (pursuant to IFRS 8).

For each company, the following information is provided: name, location of registered office, country and share capital stated in original currency. Additionally, the percentage consolidated and the percentage interest held directly by Fiat S.p.A. or its subsidiary is also shown.

The column on the far right shows the percentage of voting rights exercisable at an ordinary general meeting, where such percentage differs from the percentage of shares held.

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Controlling company								
Parent Company								
Fiat S.p.A.	Turin	Italy	4,477,462,227	EUR	--	--	--	--
Subsidiaries consolidated on a line-by-line basis								
Business Auto: Car Mass-Market brands								
NAFTA								
0847574 B.C. Unlimited Liability Company	Vancouver	Canada	1	CAD	58.54	New CarCo Acquisition Canada Ltd.	100.000	
Auburn Hills Mezzanine LLC	Wilmington	U.S.A.	100	USD	58.54	CHRYSLER GROUP REALTY COMPANY LLC	100.000	
Auburn Hills Owner LLC	Wilmington	U.S.A.	100	USD	58.54	Auburn Hills Mezzanine LLC	100.000	
Autodie LLC	Wilmington	U.S.A.	10,000,000	USD	58.54	Chrysler Group LLC	100.000	
CG MID LLC	Wilmington	U.S.A.	2,700,000	USD	58.54	Chrysler Group LLC	100.000	
Chrysler Canada Cash Services Inc.	Toronto	Canada	1,000	CAD	58.54	Chrysler Group LLC	100.000	
Chrysler Canada Inc.	Windsor	Canada	0	CAD	58.54	0847574 B.C. Unlimited Liability Company	100.000	
Chrysler de Mexico S.A. de C.V.	Santa Fe	Mexico	238,621,186	MXN	58.54	Chrysler Mexico Holding, S. de R.L. de C.V. Chrysler Group Minority LLC	99.996 0.004	
CHRYSLER GROUP AUTO TRANSPORT LLC	Wilmington	U.S.A.	100	USD	58.54	Chrysler Group LLC	100.000	
CHRYSLER GROUP DEALER CAPITAL LLC	Wilmington	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
CHRYSLER GROUP INTERNATIONAL LLC	Wilmington	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
CHRYSLER GROUP INTERNATIONAL SERVICES LLC	Wilmington	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
Chrysler Group LLC	Wilmington	U.S.A.	1,632,654	USD	58.54	FIAT NORTH AMERICA LLC	58.538	
Chrysler Group Minority LLC	Wilmington	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
CHRYSLER GROUP REALTY COMPANY LLC	Wilmington	U.S.A.	168,769,528	USD	58.54	Chrysler Group LLC	100.000	
Chrysler Group Service Contracts LLC	Wilmington	U.S.A.	100,000,000	USD	58.54	Chrysler Group LLC	100.000	
CHRYSLER GROUP TRANSPORT LLC	Wilmington	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
CHRYSLER GROUP VANS LLC	Wilmington	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
Chrysler Investment Holdings LLC	Wilmington	U.S.A.	173,350,999	USD	58.54	Chrysler Group LLC	100.000	
Chrysler Lease Receivables 1 Inc.	Windsor	Canada	100	CAD	58.54	Chrysler Canada Inc.	100.000	
Chrysler Lease Receivables 2 Inc.	Windsor	Canada	100	CAD	58.54	Chrysler Canada Inc.	100.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Chrysler Lease Receivables Limited Partnership	Windsor	Canada	0	CAD	58.54	Chrysler Canada Inc. Chrysler Lease Receivables 1 Inc. Chrysler Lease Receivables 2 Inc.	99.990 0.005 0.005	
Chrysler Mexico Holding, S. de R.L. de C.V.	Santa Fe	Mexico	3,377,922,033	MXN	58.54	Chrysler Mexico Investment Holdings Cooperatie U.A. CarCo Intermediate Mexico LLC	99.900 0.100	
CPK Interior Products Inc.	Windsor	Canada	1,000	CAD	58.54	Chrysler Canada Inc.	100.000	
Extended Vehicle Protection LLC	Wilmington	U.S.A.	2,000,000	USD	58.54	Chrysler Group LLC	100.000	
Global Engine Manufacturing Alliance LLC	Wilmington	U.S.A.	300,000	USD	58.54	Chrysler Group LLC	100.000	
New CarCo Acquisition Canada Ltd.	Toronto	Canada	1,000	CAD	58.54	New CarCo Acquisition Holdings Canada Ltd.	100.000	
New CarCo Acquisition Holdings Canada Ltd.	Toronto	Canada	1,000	CAD	58.54	Chrysler Group LLC	100.000	
				LATAM				
Banco Fidis S.A.	Betim	Brazil	473,669,238	BRL	100.00	Fidis S.p.A. Fiat Automoveis S.A. - FIASA	75.000 25.000	
Chrysler Argentina S.R.L.	Buenos Aires	Argentina	29,335,170	ARS	58.54	Chrysler Group LLC Chrysler Group Minority LLC	98.000 2.000	
Chrysler Chile Importadora Ltda	Santiago	Chile	41,800,000	CLP	58.54	Chrysler Group LLC Chrysler Group Minority LLC	99.990 0.010	
Chrysler de Venezuela LLC	Wilmington	U.S.A.	132,474,694	USD	58.54	CG Venezuela UK Holdings Limited	100.000	
CHRYSLER GROUP DO BRASIL COMERCIO DE VEICULOS Ltda.	São Paulo	Brazil	31,517,999	BRL	58.54	Chrysler Group LLC	100.000	
CMP Componentes e Modulos Plasticos Industria e Comercio Ltda.	Contagem	Brazil	25,007,977	BRL	100.00	Fiat Automoveis S.A. - FIASA	100.000	
Fiat Auto Argentina S.A.	Buenos Aires	Argentina	476,464,366	ARS	100.00	Fiat Automoveis S.A. - FIASA	100.000	
Fiat Auto S.A. de Ahorro para Fines Determinados	Buenos Aires	Argentina	109,535,149	ARS	100.00	Fiat Auto Argentina S.A.	100.000	
Fiat Automoveis S.A. - FIASA	Betim	Brazil	1,069,492,850	BRL	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Credito Compania Financiera S.A.	Buenos Aires	Argentina	319,798,129	ARS	100.00	Fidis S.p.A.	100.000	
FPT Powertrain Technologies do Brasil - Industria e Comércio de Motores Ltda	Campo Largo	Brazil	197,792,500	BRL	100.00	Fiat Automoveis S.A. - FIASA	100.000	
TCA - Tecnologia em Componentes Automotivos SA	Jaboatao do Guararapes	Brazil	70,840,185	BRL	100.00	Fiat Automoveis S.A. - FIASA	100.000	
				APAC				
Chrysler (Hong Kong) Automotive Limited	Hong Kong	People's Rep. of China	10,000,000	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Asia Pacific Investment Co. Ltd.	Shanghai	People's Rep. of China	4,500,000	CNY	58.54	Chrysler (Hong Kong) Automotive Limited	100.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Chrysler Australia Pty. Ltd.	Mulgrave	Australia	143,629,774	AUD	58.54	Chrysler Group LLC	100.000	
Chrysler Group (China) Sales Co. Ltd.	Beijing	People's Rep. of China	10,000,000	EUR	58.54	Chrysler (Hong Kong) Automotive Limited	100.000	
Chrysler India Automotive Private Limited	Chennai	India	99,990	INR	58.54	Chrysler Netherlands Distribution B.V. CHRYSLER GROUP DUTCH OPERATING LLC	99.990 0.010	
Chrysler Japan Co., Ltd.	Tokyo	Japan	100,000,000	JPY	58.54	Chrysler Group LLC	100.000	
Chrysler Korea, Ltd.	Seoul	South Korea	32,639,200,000	KRW	58.54	Chrysler Group LLC	100.000	
Chrysler South East Asia Pte. Ltd.	Singapore	Singapore	3,010,513	SGD	58.54	Chrysler Group LLC	100.000	
Fiat Automotive Finance Co. Ltd.	Shanghai	People's Rep. of China	750,000,000	CNY	100.00	Fidis S.p.A.	100.000	
FIAT GROUP AUTOMOBILES INDIA Private Limited	Mumbai	India	937,900,000	INR	100.00	Fiat Group Automobiles S.p.A. FGA Investimenti S.p.A.	99.990 0.010	
Fiat Group Automobiles Japan K.K.	Minatu-Ku. Tokyo	Japan	420,000,000	JPY	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Powertrain Technologies (Shanghai) R&D Co. Ltd.	Shanghai	People's Rep. of China	10,000,000	EUR	100.00	Fiat Powertrain Technologies SpA	100.000	
Mopar (Shanghai) Auto Parts Trading Co. Ltd.	Shanghai	People's Rep. of China	5,000,000	USD	58.54	Chrysler Asia Pacific Investment Co. Ltd.	100.000	
				EMEA				
Abarth & C. S.p.A.	Turin	Italy	1,500,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Alfa Romeo Automobiles S.p.A.	Turin	Italy	120,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Alfa Romeo U.S.A. S.p.A.	Turin	Italy	120,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
C.R.F. Società Consortile per Azioni	Orbassano	Italy	45,000,000	EUR	100.00	Fiat Group Automobiles S.p.A. Fiat Partecipazioni S.p.A. Fiat Powertrain Technologies SpA	75.000 20.000 5.000	
CG EU NSC LIMITED	Cardiff	United Kingdom	3	GBP	58.54	Chrysler Group LLC	100.000	
CG Venezuela UK Holdings Limited	Slough Berkshire	United Kingdom	100	GBP	58.54	CG EU NSC LIMITED	100.000	
Chrysler & Jeep Vertriebsgesellschaft mbH	Berlin	Germany	25,600	EUR	100.00	Fiat Group Automobiles Germany AG	100.000	
Chrysler Austria GmbH	Vienna	Austria	4,300,000	EUR	58.54	Chrysler Deutschland GmbH	100.000	
CHRYSLER BALKANS d.o.o. Beograd	Beograd	Serbia	500	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Belgium Luxembourg NV/SA	Brussels	Belgium	28,262,700	EUR	58.54	Chrysler Group LLC Chrysler Group Minority LLC	99.998 0.002	
Chrysler Czech Republic s.r.o.	Prague	Czech Republic	55,932,000	EUR	58.54	Chrysler Group LLC Chrysler Group Minority LLC	99.964 0.036	
Chrysler Danmark ApS	Glostrup	Denmark	1,000,000	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Deutschland GmbH	Berlin	Germany	20,426,200	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Espana S.L.	Alcalá De Henares	Spain	16,685,690	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler France S.A.S.	Trappes	France	460,000	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Group Egypt Limited	New Cairo	Egypt	240,000	EGP	58.54	Chrysler Group LLC Chrysler Group Minority LLC	99.000 1.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Chrysler Group Middle East FZ-LLC	Dubai	United Arab Emirates	300,000	AED	58.54	CHRYSLER GROUP INTERNATIONAL LLC	100.000	
Chrysler International GmbH	Stuttgart	Germany	25,000	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Italia S.r.l.	Rome	Italy	100,000	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Jeep International S.A.	Brussels	Belgium	1,860,000	EUR	58.54	Chrysler Group LLC Chrysler Group Minority LLC	99.998 0.002	
Chrysler Management Austria GmbH	Gossendorf	Austria	75,000	EUR	58.54	Chrysler Austria GmbH	100.000	
Chrysler Mexico Investment Holdings Cooperatie U.A.	Amsterdam	Netherlands	0	EUR	58.54	Chrysler Investment Holdings LLC Chrysler Group Minority LLC	99.990 0.010	
Chrysler Nederland B.V.	Utrecht	Netherlands	19,000	EUR	58.54	Chrysler Group LLC	100.000	
Chrysler Netherlands Distribution B.V.	Amsterdam	Netherlands	90,000	EUR	58.54	Chrysler Netherlands Holding Cooperatie U.A.	100.000	
Chrysler Polska Sp. z o.o.	Warsaw	Poland	30,356,000	PLN	58.54	Chrysler Group LLC	100.000	
Chrysler Russia SAO	Moscow	Russia	574,665,000	RUB	58.54	Chrysler Group LLC Chrysler Group Minority LLC	99.999 0.001	
Chrysler South Africa (Pty) Limited	Centurion	South Africa	200	ZAR	58.54	Chrysler Group LLC	100.000	
Chrysler Sweden AB	Kista	Sweden	100,000	SEK	58.54	Chrysler Group LLC	100.000	
Chrysler Switzerland GmbH	Schlieren	Switzerland	2,000,000	CHF	58.54	Chrysler Group LLC	100.000	
Chrysler UK Limited	Slough Berkshire	United Kingdom	46,582,132	GBP	58.54	CG EU NSC LIMITED	100.000	
Customer Services Centre S.r.l.	Turin	Italy	2,500,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Easy Drive S.r.l.	Turin	Italy	10,400	EUR	100.00	Fiat Group Automobiles S.p.A. Fiat Center Italia S.p.A.	99.000 1.000	
Fabbrica Italia Pomigliano S.p.A.	Pomigliano d'Arco	Italy	1,000,000	EUR	100.00	FGA Real Estate Services S.p.A.	100.000	
FGA Austro Car GmbH	Vienna	Austria	35,000	EUR	100.00	Fiat Group Automobiles Austria GmbH	100.000	
FGA Investimenti S.p.A.	Turin	Italy	2,000,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
FGA Real Estate Services S.p.A.	Turin	Italy	150,679,554	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
FGA Versicherungsservice GmbH	Heilbronn	Germany	26,000	EUR	100.00	Fiat Group Automobiles Germany AG Rimaco S.A.	51.000 49.000	
Fiat Auto Poland S.A.	Bielsko-Biala	Poland	660,334,600	PLN	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Auto Var S.r.l.	Turin	Italy	7,370,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Automobil Vertriebs GmbH	Frankfurt	Germany	8,700,000	EUR	100.00	Fiat Group Automobiles Germany AG	100.000	
Fiat Automobiles S.p.A.	Turin	Italy	120,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
FIAT AUTOMOBILES SERBIA DOO KRAGUJEVAC	Kragujevac	Serbia	30,707,843,314	RSD	66.67	Fiat Group Automobiles S.p.A.	66.670	
Fiat Center (Suisse) S.A.	Meyrin	Switzerland	13,000,000	CHF	100.00	Fiat Group Automobiles Switzerland S.A.	100.000	
Fiat Center Italia S.p.A.	Turin	Italy	2,000,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat CR Spol. S.R.O.	Prague	Czech Republic	1,000,000	CZK	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat France	Trappes	France	235,480,520	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Fiat Group Automobiles Austria GmbH	Vienna	Austria	37,000	EUR	100.00	Fiat Group Automobiles S.p.A.	98.000	
						FGA Investimenti S.p.A.	2.000	
Fiat Group Automobiles Belgium S.A.	Auderghem	Belgium	7,000,000	EUR	100.00	Fiat Group Automobiles S.p.A.	99.998	
						Fiat Group Automobiles Switzerland S.A.	0.002	
Fiat Group Automobiles Central and Eastern Europe KFT.	Budapest	Hungary	150,000,000	HUF	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Denmark A/S	Glostrup	Denmark	55,000,000	DKK	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Germany AG	Frankfurt	Germany	82,650,000	EUR	100.00	Fiat Group Automobiles S.p.A.	99.000	
						Fiat Group Automobiles Switzerland S.A.	1.000	
Fiat Group Automobiles Hellas S.A.	Argyroupoli	Greece	62,783,499	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Ireland Ltd.	Dublin	Ireland	5,078,952	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Maroc S.A.	Casablanca	Morocco	1,000,000	MAD	99.95	Fiat Group Automobiles S.p.A.	99.950	
Fiat Group Automobiles Netherlands B.V.	Lijnden	Netherlands	5,672,250	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Portugal, S.A.	Alges	Portugal	1,000,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles S.p.A.	Turin	Italy	800,000,000	EUR	100.00	Fiat S.p.A.	100.000	
Fiat Group Automobiles South Africa (Proprietary) Ltd	Bryanston	South Africa	640	ZAR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Spain S.A.	Alcalá De Henares	Spain	8,079,280	EUR	100.00	Fiat Group Automobiles S.p.A.	99.998	
						Fiat Group Automobiles Switzerland S.A.	0.002	
Fiat Group Automobiles Sweden AB	Kista	Sweden	10,000,000	SEK	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles Switzerland S.A.	Schlieren	Switzerland	21,400,000	CHF	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Automobiles UK Ltd	Slough Berkshire	United Kingdom	44,600,000	GBP	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Group Marketing & Corporate Communication S.p.A.	Turin	Italy	100,000,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
FIAT NORTH AMERICA LLC	Wilmington	U.S.A.	0	USD	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Partecipazioni France Société par actions simplifiée	Trappes	France	37,000	EUR	100.00	FGA Real Estate Services S.p.A.	100.000	
Fiat Powertrain Technologies Poland Sp. z o.o.	Bielsko-Biala	Poland	269,037,000	PLN	100.00	Fiat Powertrain Technologies SpA	100.000	
Fiat Powertrain Technologies SpA	Turin	Italy	525,000,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Professional S.p.A.	Turin	Italy	120,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Real Estate Germany GmbH	Frankfurt	Germany	25,000	EUR	100.00	Fiat Automobil Vertriebs GmbH	100.000	
Fiat SR Spol. SR.O.	Bratislava	Slovack Republic	33,194	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fidis S.p.A.	Turin	Italy	250,000,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
i-FAST Automotive Logistics S.r.l.	Turin	Italy	1,250,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
i-FAST Container Logistics S.p.A.	Turin	Italy	2,500,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
International Metropolitan Automotive Promotion (France) S.A.	Trappes	France	5,955,360	EUR	100.00	Fiat France	99.997	
Italian Automotive Center S.A.	Auderghem	Belgium	5,000,000	EUR	100.00	Fiat Group Automobiles Belgium S.A.	99.988	
						Fiat Group Automobiles S.p.A.	0.012	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Italian Motor Village Ltd.	Slough Berkshire	United Kingdom	1,500,000	GBP	100.00	Fiat Group Automobiles UK Ltd	100.000	
Italian Motor Village S.A.	Alges	Portugal	50,000	EUR	100.00	Fiat Group Automobiles Portugal, S.A.	100.000	
Italian Motor Village, S.L.	Alcalá De Henares	Spain	1,454,420	EUR	100.00	Fiat Group Automobiles Spain S.A.	100.000	
Lancia Automobiles S.p.A.	Turin	Italy	120,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Mecaner S.A.	Urdùliz	Spain	3,000,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Motor Village Austria GmbH	Vienna	Austria	37,000	EUR	100.00	Fiat Group Automobiles Austria GmbH	100.000	
New Business 32 S.r.l.	Turin	Italy	50,000	EUR	58.54	Chrysler Italia S.r.l.	100.000	
Officine Maserati Grugliasco S.p.A.	Turin	Italy	500,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Sata-Società Automobilistica Tecnologie Avanzate S.p.A.	Melfi	Italy	276,640,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Società di Commercializzazione e Distribuzione Ricambi S.p.A. in liquidation	Turin	Italy	100,000	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
VM Motori S.p.A.	Cento	Italy	21,008,000	EUR	100.00	Fiat Powertrain Technologies SpA	100.000	
Business Auto: Luxury and Performance Brands								
Ferrari								
Ferrari S.p.A.	Modena	Italy	20,260,000	EUR	90.00	Fiat S.p.A.	90.000	
410 Park Display Inc.	Englewood Cliffs	U.S.A.	100	USD	90.00	Ferrari N.America Inc.	100.000	
Ferrari Australasia Pty Limited	Lane Cove	Australia	2,000,100	AUD	90.00	Ferrari S.p.A.	100.000	
Ferrari Central / East Europe GmbH	Wiesbaden	Germany	1,000,000	EUR	90.00	Ferrari S.p.A.	100.000	
FERRARI FAR EAST PTE LTD	Singapore	Singapore	1,000,000	SGD	90.00	Ferrari S.p.A.	100.000	
Ferrari Financial Services AG	Munich	Germany	1,777,600	EUR	81.00	Ferrari Financial Services S.p.A.	100.000	
Ferrari Financial Services Japan KK	Tokyo	Japan	199,950,000	JPY	81.00	Ferrari Financial Services S.p.A.	100.000	
Ferrari Financial Services S.p.A.	Modena	Italy	5,100,000	EUR	81.00	Ferrari S.p.A.	90.000	
Ferrari Financial Services, Inc.	Wilmington	U.S.A.	1,000	USD	81.00	Ferrari Financial Services S.p.A.	100.000	
Ferrari GE.D. S.p.A.	Modena	Italy	11,570,000	EUR	90.00	Ferrari S.p.A.	100.000	
Ferrari Japan KK	Tokyo	Japan	160,050,000	JPY	90.00	Ferrari S.p.A.	100.000	
Ferrari Management Consulting (Shanghai) CO., LTD	Shanghai	People's Rep. of China	2,100,000	USD	90.00	Ferrari S.p.A.	100.000	
Ferrari Maserati Cars International Trading (Shanghai) Co. Ltd.	Shanghai	People's Rep. of China	3,000,000	USD	53.10	Ferrari S.p.A.	59.000	
Ferrari N.America Inc.	Englewood Cliffs	U.S.A.	200,000	USD	90.00	Ferrari S.p.A.	100.000	
Ferrari North Europe Limited	Slough Berkshire	United Kingdom	50,000	GBP	90.00	Ferrari S.p.A.	100.000	
Ferrari South West Europe S.A.R.L.	Levallois-Perret	France	172,000	EUR	90.00	Ferrari S.p.A.	100.000	
GSA-Gestions Sportives Automobiles S.A.	Meyrin	Switzerland	1,000,000	CHF	90.00	Ferrari S.p.A.	100.000	
Iniziativa Fiorano S.r.l.	Modena	Italy	90,000	EUR	90.00	Ferrari S.p.A.	100.000	
Mugello Circuit S.p.A.	Scarperia	Italy	10,000,000	EUR	90.00	Ferrari S.p.A.	90.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
				Maserati				
Maserati S.p.A.	Modena	Italy	40,000,000	EUR	100.00	Fiat S.p.A.	100.000	
Maserati (Suisse) S.A.	Schlieren	Switzerland	1,000,000	CHF	100.00	Maserati S.p.A.	100.000	
Maserati Deutschland GmbH	Wiesbaden	Germany	500,000	EUR	100.00	Maserati S.p.A.	100.000	
Maserati GB Limited	Slough Berkshire	United Kingdom	20,000	GBP	100.00	Maserati S.p.A.	100.000	
Maserati Japan KK	Tokyo	Japan	18,000,000	JPY	100.00	Maserati S.p.A.	100.000	
Maserati North America Inc.	Englewood Cliffs	U.S.A.	1,000	USD	100.00	Maserati S.p.A.	100.000	
Maserati West Europe societé par actions simplifiée	Paris	France	37,000	EUR	100.00	Maserati S.p.A.	100.000	
				Components and Production Systems				
				Magneti Marelli				
Magneti Marelli S.p.A.	Corbetta	Italy	254,325,965	EUR	99.99	Fiat S.p.A.	99.990	100.00
ABC Industria, Comercio, Importacao e Exportacao de Componentes Automotivos Ltda	Nova Goiana	Brazil	1,000	BRL	99.99	Plastic Components and Modules Automotive S.p.A. Magneti Marelli Cofap Autopecas Ltda	99.900 0.100	
Administracion Magneti Marelli Sistemi Sospensioni Mexicana S.R.L. de C.V.	Mexico City	Mexico	3,000	MXN	51.49	Magneti Marelli Promatcor Sistemi Sospensioni Mexicana S.R.L. de C.V. Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	99.000 1.000	
Automotive Lighting Brotterode GmbH	Brotterode	Germany	7,270,000	EUR	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting Italia S.p.A.	Venaria Reale	Italy	12,000,000	EUR	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting LLC	Farmington Hills	U.S.A.	25,001,000	USD	99.99	Magneti Marelli Holding U.S.A. Inc.	100.000	
Automotive Lighting o.o.o.	Rjiasan	Russia	36,875,663	RUB	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting Rear Lamps France S.a.s.	Saint Julien du Sault	France	5,134,480	EUR	99.99	Automotive Lighting Italia S.p.A.	100.000	
Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	El Marques Queretaro	Mexico	50,000	MXN	99.99	Magneti Marelli Holding U.S.A. Inc.	100.000	
Automotive Lighting Reutlingen GmbH	Reutlingen	Germany	1,330,000	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Automotive Lighting S.R.O.	Jihlava	Czech Republic	927,637,000	CZK	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Automotive Lighting UK Limited	Chadwell Heath	United Kingdom	40,387,348	GBP	99.99	Magneti Marelli S.p.A.	100.000	
Centro Ricerche Plast-Optica S.p.A.	Amaro	Italy	1,033,000	EUR	75.49	Automotive Lighting Italia S.p.A.	75.500	
CHANGCHUN MAGNETI MARELLI POWERTRAIN COMPONENTS Co.Ltd.	Changchun	People's Rep. of China	5,600,000	EUR	51.00	Magneti Marelli S.p.A.	51.000	
Ergom Soffiaggio S.r.l.	Leno	Italy	45,900	EUR	84.99	Plastic Components and Modules Automotive S.p.A.	85.000	
Fiat CIEI S.p.A. in liquidation	Corbetta	Italy	220,211	EUR	99.99	Magneti Marelli S.p.A.	100.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Hefei Magneti Marelli Exhaust Systems Co.Ltd.	Hefei	People's Rep. of China	3,900,000	EUR	51.00	Magneti Marelli S.p.A.	51.000	
Industrial Yorka de Mexico S.A. de C.V.	Mexico City	Mexico	50,000	MXN	99.99	Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	98.000	
						Industrial Yorka de Tepotzotlan S.A. de C.V.	2.000	
Industrial Yorka de Tepotzotlan S.A. de C.V.	Mexico City	Mexico	50,000	MXN	99.99	Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	99.000	
						Industrial Yorka de Mexico S.A. de C.V.	1.000	
Industrias Magneti Marelli Mexico S.A. de C.V.	Tepotzotlan	Mexico	50,000	MXN	99.99	Magneti Marelli Sistemas Electronicos Mexico S.A.	99.998	
						Servicios Administrativos Corp. IPASA S.A.	0.002	
Magneti Marelli (China) Co. Ltd.	Shanghai	People's Rep. of China	17,500,000	USD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli After Market Parts and Services S.p.A.	Corbetta	Italy	7,000,000	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Aftermarket GmbH	Heilbronn	Germany	100,000	EUR	99.99	Magneti Marelli After Market Parts and Services S.p.A.	100.000	
Magneti Marelli Aftermarket Sp. z o.o.	Katowice	Poland	2,000,000	PLN	99.99	Magneti Marelli After Market Parts and Services S.p.A.	100.000	
Magneti Marelli Argentina S.A.	Buenos Aires	Argentina	700,000	ARS	99.99	Magneti Marelli S.p.A.	95.000	
						Magneti Marelli France S.a.s.	5.000	
Magneti Marelli Automotive Components (Changsha) Co. Ltd	Changsha	People's Rep. of China	5,400,000	USD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Automotive Components (WUHU) Co. Ltd.	Wuhu	People's Rep. of China	32,000,000	USD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Automotive d.o.o. Kragujevac	Kragujevac	Serbia	154,200,876	RSD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Automotive Electronics (Guangzhou) Co. Limited	Guangzhou	People's Rep. of China	16,100,000	USD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Automotive Lighting (Foshan) Co. Ltd	Guangzhou	People's Rep. of China	10,800,000	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Cofap Autopecas Ltda	São Paulo	Brazil	7,554,539	BRL	99.99	Magneti Marelli After Market Parts and Services S.p.A.	100.000	
Magneti Marelli Cofap Fabricadora de Pecas Ltda	Santo Andre	Brazil	46,284,200	BRL	99.99	Magneti Marelli After Market Parts and Services S.p.A.	100.000	
Magneti Marelli Componentes Plasticos Ltda	Itauna	Brazil	6,402,500	BRL	99.99	Plastic Components and Modules Automotive S.p.A.	100.000	
Magneti Marelli Conjuntos de Escape S.A.	Buenos Aires	Argentina	7,480,071	ARS	99.99	Magneti Marelli S.p.A.	95.000	
						Magneti Marelli Argentina S.A.	5.000	
Magneti Marelli d.o.o. Kragujevac	Kragujevac	Serbia	1,363,504,543	RSD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli do Brasil Industria e Comercio SA	Hortolandia	Brazil	40,568,427	BRL	99.86	Magneti Marelli S.p.A.	99.872	99.990
Magneti Marelli Espana S.A.	Llinares del Valles	Spain	781,101	EUR	99.99	Magneti Marelli Iberica S.A.	100.000	
Magneti Marelli France S.a.s.	Trappes	France	19,066,824	EUR	99.99	Magneti Marelli S.p.A.	100.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Magneti Marelli GmbH	Russelsheim	Germany	200,000	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Holding U.S.A. Inc.	Wixom	U.S.A.	10	USD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Iberica S.A.	Santpedor	Spain	389,767	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli India Private Ltd	Haryana	India	20,000,000	INR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli International Trading (Shanghai) Co. LTD	Shanghai	People's Rep. of China	200,000	USD	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Japan K.K.	KohoKu-Ku-Yokohama	Japan	60,000,000	JPY	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Mako Elektrik Sanayi Ve Ticaret Anonim Sirketi	Bursa	Turkey	50,005	TRY	99.94	Automotive Lighting Reutlingen GmbH PLASTIFORM PLASTIK SANAY ve TICARET A.S. Sistemi Comandi Meccanici Otomotiv Sanayi Ve Ticaret A.S.	99.842 0.052 0.052	
Magneti Marelli Motopropulsion France SAS	Argentan	France	37,002	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli North America Inc.	Wilmington	U.S.A.	7,491,705	USD	99.99	Magneti Marelli Cofap Fabricadora de Pecas Ltda	100.000	
Magneti Marelli of Tennessee LLC	Auburn Hills	U.S.A.	1,300,000	USD	99.99	Magneti Marelli Holding U.S.A. Inc.	100.000	
Magneti Marelli Poland Sp. z o.o.	Sosnowiec	Poland	83,500,000	PLN	99.99	Automotive Lighting Reutlingen GmbH	100.000	
Magneti Marelli Powertrain India Private Limited	Haryana	India	450,000,000	INR	51.00	Magneti Marelli S.p.A.	51.000	
Magneti Marelli Powertrain Slovakia s.r.o.	Bratislava	Slovack Republic	7,000,000	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Powertrain U.S.A. LLC	Sanford	U.S.A.	25,000,000	USD	99.99	Magneti Marelli Holding U.S.A. Inc.	100.000	
Magneti Marelli Promatcor Sistemi Sospensioni Mexicana S.R.L. de C.V.	Mexico City	Mexico	3,000	MXN	51.00	Sistemi Sospensioni S.p.A.	51.000	
Magneti Marelli Repuestos S.A.	Buenos Aires	Argentina	2,012,000	ARS	99.99	Magneti Marelli After Market Parts and Services S.p.A. Magneti Marelli Cofap Autopecas Ltda	52.000 48.000	
Magneti Marelli Sistemas Automotivos Industria e Comercio Ltda	Contagem	Brazil	206,834,874	BRL	99.99	Magneti Marelli S.p.A. Automotive Lighting Reutlingen GmbH	66.111 33.889	
Magneti Marelli Sistemas Electronicos Mexico S.A.	Tepotzotlan	Mexico	50,000	MXN	99.99	Magneti Marelli S.p.A. Servicios Administrativos Corp. IPASA S.A.	99.998 0.002	
Magneti Marelli Slovakia s.r.o.	Bratislava	Slovack Republic	80,006,639	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli South Africa (Proprietary) Limited	Johannesburg	South Africa	1,950,000	ZAR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Suspension Systems Bielsko Sp. z.o.o.	Bielsko-Biala	Poland	70,050,000	PLN	99.99	Sistemi Sospensioni S.p.A.	100.000	
Magneti Marelli Um Electronic Systems Private Limited	Haryana	India	420,000,000	INR	51.00	Magneti Marelli S.p.A.	51.000	
Malaysian Automotive Lighting SDN. BHD	Bayan Lepas	Malaysia	6,000,000	MYR	79.99	Automotive Lighting Reutlingen GmbH	80.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consolidation	Interest held by	% interest held	% of voting rights
MM I&T Sas	Valbonne Sophia Antipolis	France	7,000	EUR	99.99	Magneti Marelli S.p.A.	100.000	
MMH Industria e Comercio De Componentes Automotivos Ltda	Nova Goiana	Brazil	1,000	BRL	99.99	Magneti Marelli Sistemas Automotivos Industria e Comercio Ltda	99.900	
						Magneti Marelli Cofap Autopecas Ltda	0.100	
Plastic Components and Modules Automotive S.p.A.	Grugliasco	Italy	10,000,000	EUR	99.99	Plastic Components and Modules Holding S.p.A.	100.000	
Plastic Components and Modules Holding S.p.A.	Grugliasco	Italy	10,000,000	EUR	99.99	Magneti Marelli S.p.A.	100.000	
Plastic Components and Modules Poland S.A.	Sosnowiec	Poland	21,000,000	PLN	99.99	Plastic Components and Modules Automotive S.p.A.	100.000	
Plastic Components Fuel Systems Poland Sp. z o.o.	Sosnowiec	Poland	29,281,500	PLN	99.99	Plastic Components and Modules Poland S.A.	100.000	
PLASTIFORM PLASTIK SANAY ve TICARET A.S.	Bursa	Turkey	715,000	TRY	99.94	Magneti Marelli Mako Elektrik Sanayi Ve Ticaret Anonim Sirketi	100.000	
Servicios Administrativos Corp. IPASA S.A.	Col. Chapultepec	Mexico	1,000	MXN	99.99	Magneti Marelli Sistemas Electronicos Mexico S.A.	99.990	
						Industrias Magneti Marelli Mexico S.A. de C.V.	0.010	
Sistemi Sospensioni S.p.A.	Corbetta	Italy	37,622,179	EUR	99.99	Magneti Marelli S.p.A.	100.000	
SNIARICERCHE S.P.A. in liquidation	Pisticci	Italy	880,000	EUR	99.99	Plastic Components and Modules Holding S.p.A.	95.000	
						Plastic Components and Modules Automotive S.p.A.	5.000	
Tecnologia de Iluminacion Automotriz S.A. de C.V.	Juarez	Mexico	50,000	MXN	99.99	Automotive Lighting LLC	99.998	
						Automotive Lighting Rear Lamps Mexico S. de r.l. de C.V.	0.002	
Ufima S.A.S.	Trappes	France	44,940	EUR	99.99	Magneti Marelli S.p.A.	65.020	
						Fiat Partecipazioni S.p.A.	34.980	
				Teksid				
Teksid S.p.A.	Turin	Italy	71,403,261	EUR	84.79	Fiat S.p.A.	84.791	
Compania Industrial Frontera S.A. de C.V.	Frontera	Mexico	50,000	MXN	84.79	Teksid Hierro de Mexico S.A. de C.V.	99.800	
						Teksid Inc.	0.200	
(*) Fonderie du Poitou Fonte S.A.S.	Ingrandes-sur-Vienne	France	26,958,464	EUR	84.79	Teksid S.p.A.	100.000	
Funfrap-Fundicao Portuguesa S.A.	Cacia	Portugal	13,697,550	EUR	70.89	Teksid S.p.A.	83.607	
Teksid Aluminum S.r.l.	Carmagnola	Italy	5,000,000	EUR	100.00	Fiat S.p.A.	100.000	
Teksid do Brasil Ltda	Betim	Brazil	202,602,013	BRL	84.79	Teksid S.p.A.	100.000	
Teksid Hierro de Mexico S.A. de C.V.	Frontera	Mexico	716,088,300	MXN	84.79	Teksid S.p.A.	100.000	
Teksid Inc.	Wilmington	U.S.A.	100,000	USD	84.79	Teksid S.p.A.	100.000	
Teksid Iron Poland Sp. z o.o.	Skoczow	Poland	115,678,500	PLN	84.79	Teksid S.p.A.	100.000	

(*) Asset held for sale.

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Comau								
Comau S.p.A.	Grugliasco	Italy	48,013,959	EUR	100.00	Fiat S.p.A.	100.000	
COMAU (KUNSHAN) Automation Co. Ltd.	Kunshan	People's Rep. of China	3,000,000	USD	100.00	Comau S.p.A.	100.000	
Comau (Shanghai) Engineering Co. Ltd.	Shanghai	People's Rep. of China	5,000,000	USD	100.00	Comau S.p.A.	100.000	
Comau (Shanghai) International Trading Co. Ltd.	Shanghai	People's Rep. of China	200,000	USD	100.00	Comau S.p.A.	100.000	
Comau Argentina S.A.	Buenos Aires	Argentina	500,000	ARS	100.00	Comau S.p.A.	55.280	
						Comau do Brasil Industria e Comercio Ltda.	44.690	
						Fiat Argentina S.A.	0.030	
Comau Automatizacion S.de R.L. C.V.	Tepotzotlan	Mexico	62,204,118	MXN	100.00	Comau Mexico S.de R.L. de C.V.	100.000	
Comau Canada Inc.	Windsor	Canada	100	CAD	100.00	Comau Inc.	100.000	
Comau Deutschland GmbH	Boblingen	Germany	1,330,000	EUR	100.00	Comau S.p.A.	100.000	
Comau do Brasil Industria e Comercio Ltda.	Betim	Brazil	102,742,653	BRL	100.00	Comau S.p.A.	100.000	
Comau Estil Unl.	Luton	United Kingdom	107,665,056	USD	100.00	Comau S.p.A.	100.000	
Comau France S.A.S.	Trappes	France	6,000,000	EUR	100.00	Comau S.p.A.	100.000	
Comau Iaisa S.de R.L. de C.V.	Tepotzotlan	Mexico	17,181,062	MXN	100.00	Comau Mexico S.de R.L. de C.V.	100.000	
Comau Inc.	Southfield	U.S.A.	100	USD	100.00	Comau S.p.A.	100.000	
Comau India Private Limited	Pune	India	239,935,020	INR	100.00	Comau S.p.A.	99.990	
						Comau Deutschland GmbH	0.010	
Comau Mexico S.de R.L. de C.V.	Tepotzotlan	Mexico	99,349,172	MXN	100.00	Comau S.p.A.	100.000	
Comau Poland Sp. z o.o.	Bielsko-Biala	Poland	3,800,000	PLN	100.00	Comau S.p.A.	100.000	
Comau Romania S.R.L.	Oradea	Romania	23,673,270	RON	100.00	Comau S.p.A.	100.000	
Comau Russia OOO	Moscow	Russia	4,770,225	RUB	100.00	Comau S.p.A.	99.000	
						Comau Deutschland GmbH	1.000	
Comau Service Systems S.L.	Madrid	Spain	250,000	EUR	100.00	Comau S.p.A.	100.000	
Comau Trebol S.de R.L. de C.V.	Tepotzotlan	Mexico	16,168,211	MXN	100.00	Comau Mexico S.de R.L. de C.V.	100.000	
Comau U.K. Limited	Rugby	United Kingdom	2,502,500	GBP	100.00	Comau S.p.A.	100.000	
Other Activities: Holding companies and Other companies								
BMI S.p.A.	Genoa	Italy	124,820	EUR	88.00	Editrice La Stampa S.p.A.	88.000	
Deposito Avogadro S.p.A.	Turin	Italy	5,100,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
Editrice La Stampa S.p.A.	Turin	Italy	5,700,000	EUR	100.00	Fiat S.p.A.	100.000	
Fiat Argentina S.A.	Buenos Aires	Argentina	5,292,117	ARS	100.00	Fiat Services S.p.A.	90.961	
						Fiat do Brasil S.A.	9.029	
						SGR-Sociedad para la Gestion de Riesgos S.A.	0.009	
						Fiat Auto Argentina S.A.	0.001	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Fiat do Brasil S.A.	Nova Lima	Brazil	42,985,146	BRL	100.00	FGA Real Estate Services S.p.A.	99.998	
						Fiat Services S.p.A.	0.002	
Fiat Financas Brasil Ltda	Nova Lima	Brazil	2,469,701	BRL	100.00	Fiat Finance S.p.A.	99.994	
						Fiat do Brasil S.A.	0.006	
Fiat Finance and Trade Ltd S.A.	Luxembourg	Luxembourg	251,494,000	EUR	100.00	Fiat Finance S.p.A.	60.003	
						Fiat S.p.A.	39.997	
Fiat Finance Canada Ltd.	Calgary	Canada	10,099,885	CAD	100.00	Fiat Finance and Trade Ltd S.A.	100.000	
Fiat Finance et Services S.A.	Trappes	France	3,700,000	EUR	100.00	Fiat Services S.p.A.	99.997	
Fiat Finance North America Inc.	Wilmington	U.S.A.	190,090,010	USD	100.00	Fiat Finance and Trade Ltd S.A.	100.000	
Fiat Finance S.p.A.	Turin	Italy	224,440,000	EUR	100.00	Fiat S.p.A.	100.000	
Fiat GmbH	Ulm	Germany	200,000	EUR	100.00	Fiat Services S.p.A.	100.000	
Fiat Group Purchasing France S.a.r.l.	Trappes	France	7,700	EUR	100.00	Fiat Group Purchasing S.r.l.	100.000	
Fiat Group Purchasing Poland Sp. z o.o.	Bielsko-Biala	Poland	300,000	PLN	100.00	Fiat Group Purchasing S.r.l.	100.000	
Fiat Group Purchasing S.r.l.	Turin	Italy	600,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
Fiat Iberica S.A.	Madrid	Spain	2,797,054	EUR	100.00	Fiat Services S.p.A.	100.000	
Fiat Information Technology, Excellence and Methods S.p.A.	Turin	Italy	500,000	EUR	100.00	Fiat Services S.p.A.	100.000	
Fiat Partecipazioni S.p.A.	Turin	Italy	614,071,587	EUR	100.00	Fiat S.p.A.	100.000	
Fiat Polska Sp. z o.o.	Warsaw	Poland	25,500,000	PLN	100.00	Fiat Partecipazioni S.p.A.	100.000	
Fiat Services Belgium N.V.	Zedelgem	Belgium	62,000	EUR	100.00	Fiat Services S.p.A.	99.960	
						Servizi e Attività Doganali per l'Industria S.p.A.	0.040	
Fiat Services d.o.o. Kragujevac	Kragujevac	Serbia	15,047,880	RSD	100.00	Fiat Services S.p.A.	100.000	
Fiat Services Polska Sp. z o.o.	Bielsko-Biala	Poland	3,600,000	PLN	100.00	Fiat Services S.p.A.	100.000	
Fiat Services S.p.A.	Turin	Italy	3,600,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
Fiat Servizi per l'Industria S.c.p.a.	Turin	Italy	1,652,669	EUR	90.70	Fiat Partecipazioni S.p.A.	51.000	
						Fiat Group Automobiles S.p.A.	25.500	
						Fiat S.p.A.	5.000	
						Teksid S.p.A.	2.000	
						C.R.F. Società Consortile per Azioni	1.500	
						Comau S.p.A.	1.500	
						Editrice La Stampa S.p.A.	1.500	
						Fiat Services S.p.A.	1.500	
						Magneti Marelli S.p.A.	1.500	
Fiat U.K. Limited	Basildon	United Kingdom	750,000	GBP	100.00	Fiat Partecipazioni S.p.A.	100.000	
Fiat U.S.A. Inc.	New York	U.S.A.	16,830,000	USD	100.00	Fiat S.p.A.	100.000	
Neptunia Assicurazioni Marittime S.A.	Lugano	Switzerland	10,000,000	CHF	100.00	Rimaco S.A.	100.000	
Nexta Srl	Turin	Italy	50,000	EUR	100.00	Editrice La Stampa S.p.A.	100.000	
Publikompass S.p.A.	Milan	Italy	3,068,000	EUR	100.00	Editrice La Stampa S.p.A.	100.000	
Rimaco S.A.	Lausanne	Switzerland	350,000	CHF	100.00	Fiat Partecipazioni S.p.A.	100.000	
Risk Management S.p.A.	Turin	Italy	120,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Sadi Polska-Agencja Celna Sp. z o.o.	Bielsko-Biala	Poland	500,000	PLN	100.00	Servizi e Attività Doganali per l'Industria S.p.A.	100.000	
Servizi e Attività Doganali per l'Industria S.p.A.	Turin	Italy	520,000	EUR	100.00	Fiat Services S.p.A.	100.000	
SIRIO - Sicurezza Industriale Società consortile per azioni	Turin	Italy	120,000	EUR	86.59	Fiat Partecipazioni S.p.A.	58.252	
						Fiat Group Automobiles S.p.A.	16.600	
						Magneti Marelli S.p.A.	1.841	
						Fiat Powertrain Technologies SpA	1.314	
						Sata-Società Automobilistica Tecnologie Avanzate S.p.A.	0.833	
						C.R.F. Società Consortile per Azioni	0.768	
						Fiat S.p.A.	0.751	
						Comau S.p.A.	0.729	
						Ferrari S.p.A.	0.729	
						Teksid S.p.A.	0.664	
						Fiat Services S.p.A.	0.593	
						Sistemi Sospensioni S.p.A.	0.551	
						Teksid Aluminum S.r.l.	0.540	
						Fiat Servizi per l'Industria S.c.p.a.	0.503	
						Fiat Finance S.p.A.	0.406	
						Fidis S.p.A.	0.325	
						Editrice La Stampa S.p.A.	0.273	
						Automotive Lighting Italia S.p.A.	0.255	
						FGA Real Estate Services S.p.A.	0.103	
						Fiat Group Marketing & Corporate Communication S.p.A.	0.103	
						Fiat Group Purchasing S.r.l.	0.103	
						Servizi e Attività Doganali per l'Industria S.p.A.	0.103	
						Plastic Components and Modules Automotive S.p.A.	0.065	
						Fiat Center Italia S.p.A.	0.045	
						Abarth & C. S.p.A.	0.039	
						Maserati S.p.A.	0.039	
						Orione-Società Industriale per la Sicurezza e la Vigilanza Consortile per Azioni	0.039	
						Risk Management S.p.A.	0.039	
						Sisport Fiat S.p.A. - Società sportiva dilettantistica	0.039	
						Magneti Marelli After Market Parts and Services S.p.A.	0.037	
						Customer Services Centre S.r.l.	0.022	
						Easy Drive S.r.l.	0.022	
						Fiat Auto Var S.r.l.	0.022	
						Fiat Information Technology, Excellence and Methods S.p.A.	0.022	
						i-FAST Automotive Logistics S.r.l.	0.020	
						i-FAST Container Logistics S.p.A.	0.020	

Subsidiaries consolidated on a line-by-line basis (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Sisport Fiat S.p.A. - Società sportiva dilettantistica	Turin	Italy	889,049	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
Jointly-controlled entities accounted for using the equity method								
Business Auto: Car Mass-Market brands								
APAC								
Fiat India Automobiles Limited	Ranjangaon	India	24,451,596,600	INR	50.00	Fiat Group Automobiles S.p.A.	50.000	
GAC FIAT Automobiles Co. Ltd.	Changsha	People's Rep. of China	2,400,000,000	CNY	50.00	Fiat Group Automobiles S.p.A.	50.000	
EMEA								
FGA CAPITAL S.p.A.	Turin	Italy	700,000,000	EUR	50.00	Fiat Group Automobiles S.p.A.	50.000	
FAL Fleet Services S.A.S.	Trappes	France	3,000,000	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FC France S.A.	Trappes	France	11,360,000	EUR	50.00	FGA CAPITAL S.p.A.	99.999	
FGA Bank G.m.b.H.	Vienna	Austria	5,000,000	EUR	50.00	FGA CAPITAL S.p.A. Fidis S.p.A.	50.000 25.000	
FGA Bank Germany GmbH	Heilbronn	Germany	39,600,000	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA CAPITAL BELGIUM S.A.	Auderghem	Belgium	3,718,500	EUR	50.00	FGA CAPITAL S.p.A.	99.999	
FGA Capital Danmark A/S	Glostrup	Denmark	14,154,000	DKK	50.00	FGA CAPITAL S.p.A.	100.000	
FGA CAPITAL HELLAS S.A.	Argyroupoli	Greece	1,200,000	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA CAPITAL IFIC SA	Alges	Portugal	10,000,000	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA CAPITAL IRELAND Public Limited Company	Dublin	Ireland	132,562	EUR	50.00	FGA CAPITAL S.p.A.	99.994	
FGA Capital Netherlands B.V.	Lijnden	Netherlands	3,085,800	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA CAPITAL RE Limited	Dublin	Ireland	1,000,000	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA Capital Services Spain S.A.	Alcalá De Henares	Spain	25,145,299	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA Capital Spain E.F.C. S.A.	Alcalá De Henares	Spain	26,671,557	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA CAPITAL UK LTD.	Slough Berkshire	United Kingdom	50,250,000	GBP	50.00	FGA CAPITAL S.p.A.	100.000	
FGA CONTRACTS UK LTD.	Slough Berkshire	United Kingdom	19,000,000	GBP	50.00	FGA CAPITAL S.p.A.	100.000	
FGA Distribuidora Portugal S.A.	Alges	Portugal	500,300	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA INSURANCE HELLAS S.A.	Argyroupoli	Greece	60,000	EUR	49.99	FGA CAPITAL HELLAS S.A.	99.975	
FGA Leasing GmbH	Vienna	Austria	40,000	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FGA Leasing Polska Sp. z o.o.	Warsaw	Poland	24,384,000	PLN	50.00	FGA CAPITAL S.p.A.	100.000	
FGA WHOLESALE UK LTD.	Slough Berkshire	United Kingdom	20,500,000	GBP	50.00	FGA CAPITAL S.p.A.	100.000	
Fiat Bank Polska S.A.	Warsaw	Poland	125,000,000	PLN	50.00	FGA CAPITAL S.p.A.	100.000	
Fidis Finance (Suisse) S.A.	Schlieren	Switzerland	24,100,000	CHF	50.00	FGA CAPITAL S.p.A.	100.000	
FL Auto Snc	Trappes	France	8,954,581	EUR	50.00	FC France S.A.	99.998	
FL Location SNC	Trappes	France	76,225	EUR	49.99	FC France S.A.	99.980	

Jointly-controlled entities accounted for using the equity method (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Leasys S.p.A.	Turin	Italy	77,979,400	EUR	50.00	FGA CAPITAL S.p.A.	100.000	
FER MAS Oto Ticaret A.S.	Istanbul	Turkey	5,500,000	TRY	37.64	Tofas-Turk Otomobil Fabrikasi A.S.	99.418	
Koc Fiat Kredi Tuketici Finansmani A.S.	Istanbul	Turkey	30,000,000	TRY	37.86	Tofas-Turk Otomobil Fabrikasi A.S.	100.000	
Società Europea Veicoli Leggeri-Sevel S.p.A.	Atessa	Italy	68,640,000	EUR	50.00	Fiat Group Automobiles S.p.A.	50.000	
Tofas-Turk Otomobil Fabrikasi A.S.	Levent	Turkey	500,000,000	TRY	37.86	Fiat Group Automobiles S.p.A.	37.856	
Components and Production Systems								
Magneti Marelli								
JCMM Automotive d.o.o.	Beograd	Serbia	1,223,910,473	RSD	50.00	Plastic Components and Modules Automotive S.p.A.	50.000	
Magneti Marelli Motherson Auto System Limited	New Delhi	India	1,300,000,000	INR	50.00	Magneti Marelli S.p.A.	35.385	0.000
						Magneti Marelli Motherson India Holding B.V.	29.231	100.000
Magneti Marelli Motherson India Holding B.V.	Lijnden	Netherlands	2,000,000	EUR	50.00	Magneti Marelli S.p.A.	50.000	
Magneti Marelli SKH Exhaust Systems Private Limited	New Delhi	India	274,190,000	INR	50.00	Magneti Marelli S.p.A.	50.000	
Magneti Marelli Talbros Chassis Systems Pvt. Ltd.	Haryana	India	100,600,000	INR	50.00	Sistemi Sospensioni S.p.A.	50.000	
SAIC MAGNETI MARELLI Powertrain Co. Ltd	Shanghai	People's Rep. of China	23,000,000	EUR	50.00	Magneti Marelli S.p.A.	50.000	
SKH Magneti Marelli Exhaust Systems Private Limited	New Delhi	India	95,450,000	INR	46.62	Magneti Marelli S.p.A.	46.621	50.000
Zhejiang Wanxiang Magneti Marelli Shock Absorbers Co. Ltd.	Zhenjiang-Jangsu	People's Rep. of China	100,000,000	CNY	50.00	Magneti Marelli S.p.A.	50.000	
Teksid								
Hua Dong Teksid Automotive Foundry Co. Ltd.	Zhenjiang-Jangsu	People's Rep. of China	385,363,500	CNY	42.40	Teksid S.p.A.	50.000	
Subsidiaries accounted for using the equity method								
Business Auto: Car Mass-Market brands								
NAFTA								
Alhambra Chrysler Jeep Dodge, Inc.	Wilmington	U.S.A.	1,272,700	USD	58.54	Chrysler Group LLC	100.000	
Bessemer Chrysler Jeep Dodge, Inc.	Wilmington	U.S.A.	3,590,000	USD	58.54	Chrysler Group LLC	100.000	
CG EC1 LLC	Wilmington	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
CG EC2 LLC	Wilmington	U.S.A.	0	USD	58.54	CG EC1 LLC	100.000	
Downriver Dodge, Inc.	Wilmington	U.S.A.	604,886	USD	58.54	Chrysler Group LLC	100.000	
Gwinnett Automotive Inc.	Wilmington	U.S.A.	3,505,019	USD	58.54	Chrysler Group LLC	100.000	

Subsidiaries accounted for using the equity method (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
La Brea Avenue Motors, Inc.	Wilmington	U.S.A.	7,373,800	USD	58.54	Chrysler Group LLC	100.000	
North Tampa Chrysler Jeep Dodge, Inc.	Wilmington	U.S.A.	1,014,700	USD	58.54	Chrysler Group LLC	100.000	
Superstition Springs Chrysler Jeep, Inc.	Wilmington	U.S.A.	675,400	USD	58.54	Chrysler Group LLC	100.000	
Superstition Springs MID LLC	Wilmington	U.S.A.	3,000,000	USD	58.54	CG MID LLC	100.000	
APAC								
Chrysler Group Taiwan Sales Ltd.	Taipei	Taiwan	229,500,000	TWD	29.85	Chrysler Group LLC	51.000	
EMEA								
AC Austro Car Handelsgesellschaft m.b.h. & Co. OHG	Vienna	Austria	0	EUR	100.00	FGA Austro Car GmbH	100.000	
Alfa Romeo Inc.	Orlando	U.S.A.	3,000,000	USD	100.00	Fiat Group Automobiles S.p.A.	100.000	
Chrysler Jeep Ticaret A.S.	Istanbul	Turkey	5,357,000	TRY	58.49	Chrysler Group LLC	99.920	
Fabbrica Italia Mirafiori S.p.A.	Turin	Italy	200,000	EUR	100.00	FGA Real Estate Services S.p.A.	100.000	
GESTIN POLSKA Sp. z o.o.	Bielsko-Biala	Poland	500,000	PLN	100.00	Fiat Auto Poland S.A.	100.000	
Italcar SA	Casablanca	Morocco	4,000,000	MAD	99.85	Fiat Group Automobiles Maroc S.A.	99.900	
Sirio Polska Sp. z o.o.	Bielsko-Biala	Poland	1,350,000	PLN	100.00	Fiat Auto Poland S.A.	100.000	
Components and Production Systems								
Magneti Marelli								
Cofap Fabricadora de Pecas Ltda	Santo Andre	Brazil	75,720,716	BRL	68.26	Magneti Marelli do Brasil Industria e Comercio SA	68.350	
Magneti Marelli Shock Absorbers (India) Private Limited	Pune	India	1,198,999,990	INR	99.99	Magneti Marelli S.p.A.	100.000	
Other Activities: Holding companies and Other companies								
Fiat (China) Business Co., Ltd.	Beijing	People's Rep. of China	3,000,000	USD	100.00	Fiat Partecipazioni S.p.A.	100.000	
Iveco Motors of China Limited in liquidation	Shanghai	People's Rep. of China	300,000	USD	100.00	Fiat Partecipazioni S.p.A.	100.000	
SGR-Sociedad para la Gestion de Riesgos S.A.	Buenos Aires	Argentina	150,000	ARS	99.96	Rimaco S.A.	99.960	
Subsidiaries valued at cost								
Business Auto: Car Mass-Market brands								
NAFTA								
CarCo Intermediate Mexico LLC	Wilmington	U.S.A.	1	USD	58.54	Chrysler Mexico Investment Holdings Cooperatie U.A.	100.000	
CG Co-Issuer Inc.	Wilmington	U.S.A.	100	USD	58.54	Chrysler Group LLC	100.000	

Subsidiaries valued at cost (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
CHRYSLER GROUP DUTCH OPERATING LLC	Wilmington	U.S.A.	0	USD	58.54	CNI CV	100.000	
Chrysler Receivables 1 Inc.	Windsor	Canada	100	CAD	58.54	Chrysler Canada Inc.	100.000	
Chrysler Receivables 2 Inc.	Windsor	Canada	100	CAD	58.54	Chrysler Canada Inc.	100.000	
Chrysler Receivables Limited Partnership	Windsor	Canada	0	CAD	58.54	Chrysler Canada Inc.	99.990	
						Chrysler Receivables 1 Inc.	0.005	
						Chrysler Receivables 2 Inc.	0.005	
Fundacion Chrysler, I.A.P.	Santa Fe	Mexico	0	MXN	58.54	Chrysler de Mexico S.A. de C.V.	100.000	
The Chrysler Foundation	Bingham Farms	U.S.A.	0	USD	58.54	Chrysler Group LLC	100.000	
EMEA								
Banbury Road Motors Limited	Slough Berkshire	United Kingdom	100	GBP	100.00	Fiat Group Automobiles UK Ltd	100.000	
Chrysler Netherlands Holding Cooperatie U.A.	Amsterdam	Netherlands	0	EUR	58.54	CNI CV	99.000	
						CHRYSLER GROUP DUTCH OPERATING LLC	1.000	
Chrysler UK Pension Trustees Limited	Slough Berkshire	United Kingdom	1	GBP	58.54	Chrysler UK Limited	100.000	
CNI CV	Amsterdam	Netherlands	0	EUR	58.54	Chrysler Group LLC	99.000	
						Chrysler Group Minority LLC	1.000	
CODEFIS Società consortile per azioni	Turin	Italy	120,000	EUR	51.00	Fiat Group Automobiles S.p.A.	51.000	
CONSORZIO FIAT ENERGY	Turin	Italy	7,000	EUR	54.97	Comau S.p.A.	14.286	
						Fiat Group Automobiles S.p.A.	14.286	
						Plastic Components and Modules Automotive S.p.A.	14.286	
						Teksid S.p.A.	14.286	
Consorzio Servizi Balocco	Turin	Italy	10,000	EUR	91.37	Fiat Group Automobiles S.p.A.	77.800	
						Ferrari S.p.A.	5.300	
						Fiat Powertrain Technologies SpA	4.500	
						Maserati S.p.A.	2.800	
						Abarth & C. S.p.A.	1.500	
FAS FREE ZONE Ltd. Kragujevac	Kragujevac	Serbia	2,281,603	RSD	66.67	FIAT AUTOMOBILES SERBIA DOO KRAGUJEVAC	100.000	
FGA Russia S.r.l.	Turin	Italy	1,682,028	EUR	100.00	Fiat Group Automobiles S.p.A.	100.000	
Fiat Auto Espana Marketing Instituto Agrupacion de Interes Economico	Alcalá De Henares	Spain	30,051	EUR	95.00	Fiat Group Automobiles Spain S.A.	95.000	
Fiat Motor Sales Ltd	Slough Berkshire	United Kingdom	1,500,000	GBP	100.00	Fiat Group Automobiles UK Ltd	100.000	
OOO "CABEKO"	Nizhniy Novgorod	Russia	181,869,062	RUB	100.00	FGA Russia S.r.l.	99.591	
						Fiat Group Automobiles S.p.A.	0.409	
VM North America Inc.	Auburn Hills	U.S.A.	1,000	USD	100.00	VM Motori S.p.A.	100.000	
Business Auto: Luxury and Performance Brands								
Ferrari								
New Business 28 S.r.l.	Turin	Italy	50,000	EUR	90.00	Ferrari S.p.A.	100.000	
Scuderia Ferrari Club S.c. a r.l.	Maranello	Italy	105,000	EUR	84.45	Ferrari S.p.A.	93.829	

Subsidiaries valued at cost (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Components and Production Systems								
Magneti Marelli								
Automotive Lighting Japan K.K.	KohoKu-Ku-Yokohama	Japan	10,000,000	JPY	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Automotive Components (India) Limited in liquidation	Pune	India	125,000,000	INR	99.99	Magneti Marelli S.p.A.	100.000	
Magneti Marelli Comandos Mecanicos Industria e Comercio Ltda	Itauna	Brazil	1,000	BRL	99.99	Magneti Marelli Sistemas Automotivos Industria e Comercio Ltda Fiat do Brasil S.A.	99.900 0.100	
Sistemi Comandi Meccanici Otomotiv Sanayi Ve Ticaret A.S.	Bursa	Turkey	90,000	TRY	99.89	Magneti Marelli Mako Elektrik Sanayi Ve Ticaret Anonim Sirketi	99.956	
Comau								
Consorzio Fermag in liquidation	Bareggio	Italy	144,608	EUR	68.00	Comau S.p.A.	68.000	
Other Activities: Holding companies and Other companies								
Fiat Common Investment Fund Limited	London	United Kingdom	2	GBP	100.00	Fiat U.K. Limited	100.000	
Fiat Danismanlik Ve Temsilcilik Limited Sirketi	Istanbul	Turkey	120,000	TRY	100.00	Fiat Partecipazioni S.p.A.	100.000	
Fiat Investimenti S.p.A.	Turin	Italy	120,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
Fiat Investments S.p.A.	Turin	Italy	120,000	EUR	100.00	New Business Netherlands N.V.	100.000	
Fiat Oriente S.A.E. in liquidation	Cairo	Egypt	50,000	EGP	100.00	Fiat Partecipazioni S.p.A.	100.000	
Fiat Partecipazioni India Private Limited	New Delhi	India	28,605,400	INR	100.00	Fiat Partecipazioni S.p.A. Fiat Group Purchasing S.r.l.	99.825 0.175	
Fiat Services Support Mexico S.A. de C.V.	Mexico City	Mexico	100	MXN	100.00	Fiat Services S.p.A. Servizi e Attività Doganali per l'Industria S.p.A.	99.000 1.000	
Fiat Services U.S.A., Inc.	Wilmington	U.S.A.	500,000	USD	100.00	Fiat Services S.p.A.	100.000	
Fides Corretagens de Seguros Ltda	Belo Horizonte	Brazil	365,525	BRL	100.00	Rimaco S.A.	99.998	
Isvor Fiat India Private Ltd. in liquidation	New Delhi	India	1,750,000	INR	100.00	Fiat Partecipazioni S.p.A.	100.000	
New Business 29 S.c.r.l.	Turin	Italy	50,000	EUR	100.00	Fiat Partecipazioni S.p.A. Fiat S.p.A.	80.000 20.000	
New Business 30 S.r.l.	Turin	Italy	50,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
New Business 34 S.r.l.	Turin	Italy	50,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
New Business 35 s.r.l.	Turin	Italy	50,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
New Business 36 s.r.l.	Turin	Italy	50,000	EUR	100.00	Fiat Partecipazioni S.p.A.	100.000	
New Business Netherlands N.V.	Amsterdam	Netherlands	50,000	EUR	100.00	Fiat S.p.A.	100.000	
OOO Sadi Rus	Moscow	Russia	2,700,000	RUB	100.00	Sadi Polska-Agencja Celna Sp. z o.o. Fiat Services Polska Sp. z o.o.	90.000 10.000	

Subsidiaries valued at cost (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Orione-Società Industriale per la Sicurezza e la Vigilanza Consortile per Azioni	Turin	Italy	120,000	EUR	97.51	Fiat Partecipazioni S.p.A.	76.722	
						Fiat S.p.A.	18.003	
						Editrice La Stampa S.p.A.	0.439	
						Fiat Group Automobiles S.p.A.	0.439	
						Comau S.p.A.	0.220	
						Ferrari S.p.A.	0.220	
						Fiat Finance S.p.A.	0.220	
						Fiat Powertrain Technologies SpA	0.220	
						Fiat Services S.p.A.	0.220	
						Fiat Servizi per l'Industria S.c.p.a.	0.220	
						Magneti Marelli S.p.A.	0.220	
						Sisport Fiat S.p.A. - Società sportiva dilettantistica	0.220	
						Teksid S.p.A.	0.220	
Associated companies accounted for using the equity method								
Business Auto: Car Mass-Market brands								
NAFTA								
Global Engine Alliance LLC	Wilmington	U.S.A.	1,500,000	USD	19.51	Chrysler Group LLC	33.330	
United States Council for Automotive Research LLC	Southfield	U.S.A.	100	USD	19.51	Chrysler Group LLC	33.330	
APAC								
Hangzhou IVECO Automobile Transmission Technology Co., Ltd.	Hangzhou	People's Rep. of China	555,999,999	CNY	33.33	Fiat Partecipazioni S.p.A.	33.333	
Haveco Automotive Transmission Co. Ltd.	Zhajiang	People's Rep. of China	200,010,000	CNY	33.33	Fiat Partecipazioni S.p.A.	33.330	
EMEA								
Arab American Vehicles Company S.A.E.	Cairo	Egypt	6,000,000	USD	28.68	Chrysler Group LLC	49.000	
Components and Production Systems								
Magneti Marelli								
HMC MM Auto Ltd	New Delhi	India	30,000,000	INR	40.00	Magneti Marelli S.p.A.	40.000	
Other Activities: Holding companies and Other companies								
Iveco-Motor Sich, Inc.	Zaporozhye	Ukraine	26,568,000	UAH	38.62	Fiat Partecipazioni S.p.A.	38.618	
Otoyol Sanayi A.S. in liquidation	Samandira-Kartal/ Istanbul	Turkey	52,674,386	TRY	27.00	Fiat Partecipazioni S.p.A.	27.000	
RCS MediaGroup S.p.A.	Milan	Italy	475,134,602	EUR	16.41	Fiat S.p.A.	16.411	20.552

Name	Registered Office	Country	Share capital	Currency	% of Group consoli-dation	Interest held by	% interest held	% of voting rights
Associated companies valued at cost								
Business Auto: Car Mass-Market brands								
EMEA								
Consorzio per la Reindustrializzazione Area di Arese S.r.l. in liquidation	Arese	Italy	20,000	EUR	30.00	Fiat Group Automobiles S.p.A.	30.000	
Consorzio Prode	Naples	Italy	51,644	EUR	20.00	C.R.F. Società Consortile per Azioni	20.000	
Innovazione Automotive e Metalmeccanica Scrl	Santa Maria Imbaro	Italy	115,000	EUR	24.52	Fiat Group Automobiles S.p.A. C.R.F. Società Consortile per Azioni Sistemi Sospensioni S.p.A.	17.391 6.957 0.174	
New Holland Fiat (India) Private Limited	Mumbai	India	12,485,547,400	INR	3.59	Fiat Group Automobiles S.p.A.	3.593	51.035
Tecnologie per il Calcolo Numerico-Centro Superiore di Formazione S.c. a r.l.	Trento	Italy	100,000	EUR	25.00	C.R.F. Società Consortile per Azioni	25.000	
Turin Auto Private Ltd. in liquidation	Mumbai	India	43,300,200	INR	50.00	FGA Investimenti S.p.A.	50.000	
Business Auto: Luxury and Performance Brands								
Ferrari								
Senator Software Gmbh	Munich	Germany	25,565	EUR	39.69	Ferrari Financial Services AG	49.000	
Components and Production Systems								
Magneti Marelli								
Auto Componentistica Mezzogiorno - A.C.M. Melfi Società Consortile a responsabilità limitata	Turin	Italy	40,000	EUR	24.25	Plastic Components and Modules Automotive S.p.A. Sistemi Sospensioni S.p.A.	16.500 7.750	
Bari Servizi Industriali S.c.r.l.	Modugno	Italy	24,000	EUR	25.00	Magneti Marelli S.p.A.	25.000	
Flexider S.p.A.	Turin	Italy	4,080,000	EUR	25.00	Magneti Marelli S.p.A.	25.000	
L.U.C.I. SRL	Amaro	Italy	11,600	EUR	26.03	Centro Ricerche Plast-Optica S.p.A.	34.483	
Mars Seal Private Limited	Mumbai	India	400,000	INR	24.00	Magneti Marelli France S.a.s.	24.000	
Matay Otomotiv Yan Sanay Ve Ticaret A.S.	Bursa	Turkey	3,800,000	TRY	28.00	Magneti Marelli S.p.A.	28.000	
Other Activities: Holding companies and Other companies								
ANFIA Automotive S.c.r.l.	Turin	Italy	20,000	EUR	20.00	C.R.F. Società Consortile per Azioni Fiat Group Automobiles S.p.A. Fiat Powertrain Technologies SpA Magneti Marelli S.p.A.	5.000 5.000 5.000 5.000	
Consorzio per lo Sviluppo delle Aziende Fornitrici in liquidation	Turin	Italy	241,961	EUR	21.34	Fiat Group Automobiles S.p.A. Fiat Partecipazioni S.p.A.	10.672 10.672	

Associated companies valued at cost (continued)

Name	Registered Office	Country	Share capital	Currency	% of Group consolidation	Interest held by	% interest held	% of voting rights
FMA-Consultoria e Negocios Ltda	São Paulo	Brazil	1	BRL	50.00	Fiat do Brasil S.A.	50.000	
Maxus MC2 S.p.A.	Turin	Italy	219,756	EUR	20.00	Fiat Partecipazioni S.p.A.	20.000	
Parco Industriale di Chivasso Società Consortile a responsabilità limitata	Chivasso	Italy	10,000	EUR	36.70	Fiat Partecipazioni S.p.A. Plastic Components and Modules Automotive S.p.A.	25.800 10.900	
Società Editrice Mercantile - S.E.M. S.R.L.	Genoa	Italy	3,000,000	EUR	40.00	Editrice La Stampa S.p.A.	40.000	
To-dis S.r.l.	Turin	Italy	510,000	EUR	45.00	Editrice La Stampa S.p.A.	45.000	
Zastava-Kamioni D.O.O.	Kragujevac	Serbia	1,673,505,893	RSD	33.68	Fiat Partecipazioni S.p.A.	33.677	
Other companies								
Business Auto: Car Mass-Market brands								
EMEA								
Centro di Eccellenza su Metodi e Sistemi per le Aziende Competitive	Fisciano	Italy	225,000	EUR	16.00	C.R.F. Società Consortile per Azioni	16.000	
Consorzio Calef (Consorzio per la ricerca e lo sviluppo delle applicazioni industriali laser e del fascio elettronico)	Rotondella	Italy	90,131	EUR	11.57	C.R.F. Società Consortile per Azioni Fiat Group Automobiles S.p.A.	5.787 5.787	
Consorzio Technapoli	Naples	Italy	1,626,855	EUR	11.11	C.R.F. Società Consortile per Azioni	11.110	
Business Auto: Luxury and Performance Brands								
Ferrari								
Nuova Didactica S.c. a r.l.	Modena	Italy	112,200	EUR	14.73	Ferrari S.p.A.	16.364	
Components and Production Systems								
Magneti Marelli								
Editori Riuniti S.p.A. in liquidation	Rome	Italy	441,652	EUR	13.11	Plastic Components and Modules Holding S.p.A.	13.110	
Other Activities: Holding companies and Other companies								
Consorzio Edicola Italiana	Milan	Italy	60,000	EUR	16.67	Editrice La Stampa S.p.A.	16.667	
Consorzio Lingotto	Turin	Italy	9,612	EUR	18.26	Fiat Partecipazioni S.p.A. Fiat S.p.A.	12.856 5.400	
Distretto Meccatronico Regionale Della Puglia S.c.a r.l. "MEDIS Scarl"	Bari	Italy	150,000	EUR	13.33	C.R.F. Società Consortile per Azioni	6.667	
Fin. Priv. S.r.l.	Milan	Italy	20,000	EUR	14.29	Fiat S.p.A.	14.285	

Appendix II - Information required under Article 149-*duodecies* of the "Regolamento Emittenti" issued by Consob

The following table, prepared in accordance with Article 149-*duodecies* of the "Regolamento Emittenti" issued by Consob, reports fees related to 2013 for audit and other services provided by the independent auditors and members of their network.

(€ thousand)	Service Provider	Fiat Group Entity		2013 Fees
Audit	Reconta Ernst & Young S.p.A.	Parent Company – Fiat S.p.A.		117
	Reconta Ernst & Young S.p.A.	Subsidiaries		3,180
	Reconta Ernst & Young network	Subsidiaries		11,039
Attestation	Reconta Ernst & Young S.p.A.	Parent Company – Fiat S.p.A.	(1)	680
	Reconta Ernst & Young S.p.A.	Subsidiaries		28
	Reconta Ernst & Young network	Subsidiaries	(2)	1,028
Other services	Reconta Ernst & Young S.p.A.	Parent Company – Fiat S.p.A.	(3)	318
	Reconta Ernst & Young S.p.A.	Subsidiaries		187
	Reconta Ernst & Young network	Subsidiaries	(4)	920
Total Reconta Ernst & Young S.p.A. & network				**17,497**

(1) Includes voluntary review of system of Internal Control over Financial Reporting (ICFR).
(2) Issuance of Comfort Letters connected with bond issues and acquisition of remaining equity interest in Chrysler Group LLC from the VEBA Trust.
(3) Analysis of various accounting activities, analysis of system of Internal Control over Financial Reporting, review activities relating to available liquidity of Group as requested by Consob.
(4) Primarily relating to fulfillment of requirements imposed by local authorities and tax related activities.

Attestation of the Consolidated Financial Statements under Article 154-*bis* of Legislative Decree 58/98

1. The undersigned, Sergio Marchionne, in his capacity as the Chief Executive Officer of the Company, and Richard Palmer, as the executive officer responsible for the preparation of the Company's financial statements, pursuant to the provisions of Article 154-*bis*, clauses 3 and 4, of Legislative Decree no. 58 of 1998, hereby attest

   - the adequacy with respect to the Company structure,
   - and the effective application,

   of the administrative and accounting procedures applied in the preparation of the Company's consolidated financial statements at 31 December 2013.

2. The assessment of the adequacy of the administrative and accounting procedures used for the preparation of the consolidated financial statements at 31 December 2013 was based on a process defined by Fiat in accordance with the *Internal Control – Integrated Framework* model issued by the *Committee of Sponsoring Organizations of the Treadway Commission,* an internationally-accepted reference framework.

3. The undersigned moreover attest that:

   3.1 the consolidated financial statements at 31 December 2013:

   a) have been prepared in accordance with International Financial Reporting Standards, as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Council, dated 19 July 2002;

   b) correspond to the amounts shown in the Company's accounts, books and records; and

   c) provide a fair and correct representation of the financial conditions, results of operations and cash flows of the Company and its consolidated subsidiaries as of 31 December 2013 and for the year then ended

   3.2 the report on operations includes a reliable operating and financial review of the Company and of the Group as well as a description of the main risks and uncertainties to which they are exposed.

27 February 2014

/s/ Sergio Marchionne

Sergio Marchionne

CHIEF EXECUTIVE OFFICER

/s/ Richard Palmer

Richard Palmer

EXECUTIVE OFFICER RESPONSIBLE FOR THE PREPARATION OF THE COMPANY'S FINANCIAL STATEMENTS