

**(Translation from the Italian original which remains the definitive version)**

Cambiano, 12 May 2016 – The Board of Directors of Pininfarina S.p.A., chaired by Paolo Pininfarina, met today and approved the Group's interim financial report at 31 March 2016.

The Q1 2016 and Q1 2015 key financial figures of the Pininfarina Group are as follows:

(€'million)	Q1 2016	Q1 2015	31/12/2015	Variation *
Value of production	15.8	20.7		-4.9
EBITDA	-1.7	-0.5		-1.2
EBIT	-2.5	-1.3		-1.2
Loss for the period	-3.6	-2.6		-1.0
Net financial debt	-49.2	-48.8	-47.7	-1.5
Equity	6.2	25.4	9.8	-3.6

* Variations in the statement of financial position figures relate to the corresponding figures at 31 December 2015.

EBITDA is the operating profit or loss gross of amortisation, depreciation, provisions, impairment losses, reversals of impairment losses and utilisation of provisions.
EBIT is the operating profit or loss.

Pursuant to article 154-bis.2 of the Consolidated finance act, the manager in charge of financial reporting, Gianfranco Albertini, states that the financial disclosures provided in this press release are consistent with the relevant documentation, ledgers and accounting records.

The most significant issues that arise from a comparison of the Q1 2016 and Q1 2015 consolidated financial figures are as follows:

- the value of production (revenue) has decreased by 24% due to the smaller contribution of the design and engineering services segment;
- EBITDA and EBIT are both negative and the losses increased compared to the first quarter of 2015;
- compared to the first three months of 2015, the Group's Italian and German automotive operations recognised a loss, the contribution of the industrial design activities has decreased while Chinese operations performed positively and in line with the corresponding figures;
- the net financial expense is in line with that for the first quarter of 2015;
- the net loss for the period rose to €3.6 million from €2.6 million in the corresponding period of 2015;
- equity has decreased compared to 31 December 2015, due to the loss for the first three months of 2016. Net financial debt has increased due to the recognition of the unrealised losses for the first three months of the year.

The headcount decreased by 13% (-90 units) from 680 at 31 March 2015 to 590, mainly due to the German subsidiaries.

Performance by business segment**Operations segment**

In addition to the sale of spare parts for cars manufactured in previous years and business lease income, this segment includes the costs of the support and property management functions of the parent, Pininfarina S.p.A.. Value of production increased from €1.8 million for the first three months of 2015 to €2.0 million. Segment EBIT improved by €1.2 million to a negative €1.6 million from a negative €2.8 million in the corresponding period of the previous year, mainly due to smaller costs for restructuring and litigation.



Services segment

This segment, comprising the design and engineering businesses, recognised value of production of €13.8 million, down 27% compared to the first three months of 2015 (€18.9 million).

Segment EBIT amounted to a negative €0.9 million compared to a positive €1.6 million for the three months ended 31 March 2015. The decrease in profitability is mostly due to the fall in production revenues, especially those of engineering activities .

The key financial figures of the parent, Pininfarina S.p.A., are summarised below:

(€'million)	Q1 2016	Q1 2015	31/12/2015	Variation *
Value of production	7.4	10.9		-3.5
EBITDA	-1.8	-1.3		-0.5
EBIT	-2.3	-1.9		-0.4
Loss for the period	-3.5	-3.0		-0.5
Net financial debt	-54.3	-52.6	-54.1	-0.2
Equity	5.1	25.8	8.6	-3.5

* Variations in the statement of financial position figures relate to the corresponding figures at 31 December 2015.

EBITDA is the operating profit or loss gross of amortisation, depreciation, provisions, impairment losses, reversals of impairment losses and utilisation of provisions.
EBIT is the operating profit or loss.

Events after the reporting period

An investment agreement (the "Agreement") between Pincar S.r.l. in liquidation ("Pincar") - Pininfarina S.p.A.'s controlling shareholder – and Mahindra & Mahindra Ltd. and Tech Mahindra Ltd. (the "Investors") was signed on 14 December 2015. It provides for, inter alia, the Mahindra Group's acquisition of the Pininfarina shares held by Pincar. Execution of the agreement (closing) was conditional upon a number of conditions, including the authorisation of Pincar's debt restructuring agreement pursuant to article 182-bis of the bankruptcy law and the authorisation of the transaction by the relevant anti-trust authorities. On 25 February 2016, the Turin Court authorised Pincar's debt restructuring while the anti-trust authorities provided their authorisations on 25 February and 1 March 2016. Accordingly, the main conditions to execute the agreements of 14 December 2015 have been met and the closing is expected to take place within 30 June 2016.

On 29 April 2016, Mahindra & Mahindra Ltd. and Tech Mahindra Ltd. set up PF Holdings BV in Holland. It will hold the controlling investment in Pininfarina S.p.A.. Its shareholders signed an agreement on 3 May 2016, which was made public on 7 May 2016 (an extract was posted on Consob's and the parent's websites).

There are no other significant events that occurred after the reporting date.

Going concern

The figures for 2015 and the first quarter of 2016 confirm that Pininfarina must acquire the resources necessary for its growth and to redress its financial and capital situation. This is only possible through the entry of an investor that can contribute these resources and secure the Pininfarina Group's future.

As mentioned above and described in detail in the sections on "The agreements of 14 December 2015" and "Events after the reporting date" of the 2015 Annual Financial Report, the Mahindra Group's acquisition of Pincar's Pininfarina shares is nearing its expected closing.

Once the above arrangements have been executed, the parent will immediately benefit from their positive effects in terms of its capitalisation and ability to repay the outstanding debt. As a result, it will no longer fall within the scope of article 2446 of the Italian Civil Code and its ability to continue as a going concern will be ensured.

Accordingly, the board of directors continued to adopt the going concern assumption to prepare the condensed interim financial statements at 31 March 2016.



Information required by Consob (the Italian Commission for listed companies and the stock exchange) pursuant to article 114.5 of Legislative decree no. 58/98

- 1) The tables showing the net financial debt of the Pininfarina Group and Pininfarina S.p.A., with separate classification of current and non-current items, are attached hereto.
- 2) The Group has no past-due liabilities (of a commercial, financial, tax or social security nature). No actions against the Group have been filed by creditors.
- 3) The tables showing the Group's and parent's related party transactions are attached hereto.
- 4) As described above, the agreements of 14 December 2015 established a grace period for the existing debt rescheduling agreement (which ends on 30 June 2016 or before that if the closing date of the Mahindra Group's acquisition is earlier). During the grace period, the lending institutions waived their right to the remedies provided for by the current Rescheduling Agreement, even if the 2015 covenants are not met.
- 5) A grace period was also agreed for Pininfarina S.p.A.'s 2012 debt rescheduling plan starting on 14 December 2015 and ending on the earlier of the date of execution of the acquisition of the Pininfarina shares held by Pincar and 30 June 2016. During the grace period, interest on the debt accrues and is paid but no principal repayments are required.
- 6) The progress of the 2016-2025 business plan, which was approved by the board of directors on 27 November 2015, continues as forecast and in agreement with the Mahindra Group.

Outlook for 2016

Consolidated value of production for 2016 is expected to decrease by roughly 15% (compared to the previously estimated decrease of 5%), EBIT is forecast to be negative and the profit for the year is expected to be extremely positive, following the new debt rescheduling provided for in the agreements between the Mahindra Group, the lending institutions and Pininfarina S.p.A..

Net financial debt at the end of 2016 is expected to be considerably smaller thanks to Pininfarina S.p.A.'s new debt restructuring agreement, which will become effective after the closing of the above acquisition. Most of the lending institutions have decided to settle and extinguish their loans.

Contacts:

Pininfarina:

Gianfranco Albertini, CFO and Investor Relators, tel. +39.011.9438367

Francesco Fiordelisi, Corporate and Product Communication Manager, tel. +39.011.9438105/335.7262530

Mailander:

Carolina Mailander, tel. +39.011.5527311/335.6555651

Carlo Dotta, tel. +39 333.2306748



RECLASSIFIED INTERIM FINANCIAL STATEMENTS

The reclassified interim financial statements group the figures presented in the legally-required statements to improve their understanding, without however changing their presentation logic.

The terms “EBITDA” and “EBIT” as used in the reclassified interim financial statements are the “operating profit or loss”, gross of amortisation, depreciation, provisions, impairment losses, reversals of impairment losses and utilisation of provisions, and “operating profit or loss” presented in the IFRS interim financial statements, respectively.



PININFARINA GROUP
Reclassified income statement
 (€'000)

	Q1 2016	%	Q1 2015	%	Variation	2015
Revenue from sales and services	17,301	109.81	17,275	83.27	26	75,126
Change in inventories and contract work in progress	(2,983)	(18.93)	2,037	9.82	(5,020)	2,045
Other revenue and income	1,438	9.12	1,433	6.91	5	5,635
Value of production	15,756	100.00	20,745	100.00	(4,989)	82,806
Net gains on the sale of non-current assets	-	-	50	0.24	(50)	50
Materials and services (*)	(6,892)	(43.74)	(8,488)	(40.92)	1,596	(33,696)
Change in raw materials	3	0.02	33	0.16	(30)	29
Value added	8,867	56.28	12,340	59.48	(3,473)	49,189
Labour cost (**)	(10,532)	(66.84)	(12,840)	(61.89)	2,308	(47,689)
EBITDA	(1,665)	(10.56)	(500)	(2.41)	(1,165)	1,500
Amortisation and depreciation	(811)	(5.15)	(846)	(4.08)	35	(3,397)
(Additions to)/utilisation of provisions and impairment losses	24	0.15	77	0.37	(53)	(10,506)
EBIT	(2,452)	(15.56)	(1,269)	(6.12)	(1,183)	(12,403)
Net financial expense	(1,190)	(7.55)	(1,197)	(5.77)	7	(5,202)
Share of profit of equity-accounted investees	8	0.05	2	0.01	6	12
Loss before taxes	(3,634)	(23.06)	(2,464)	(11.88)	(1,170)	(17,593)
Income taxes	22	0.14	(138)	(0.66)	160	(576)
Loss from continuing operations	(3,612)	(22.92)	(2,602)	(12.54)	(1,010)	(18,169)
Profit (loss) from discontinued operations	-	-	-	-	-	-
Loss for the period/year	(3,612)	(22.92)	(2,602)	(12.54)	(1,010)	(18,169)

(*) Materials and services are net of utilisations of the provisions for product warranty and risks (€31 thousand and €7 thousand for the first quarters of 2015 and 2016, respectively).

(**) Labour cost is net of utilisations of the restructuring and other provisions (€232 thousand and €646 thousand for the first quarters of 2015 and 2016, respectively).

As required by Consob resolution no. DEM/6064293 of 28 July 2006, a reconciliation of the data in the condensed interim consolidated financial statements with those in the reclassified schedules is provided below:

- **Materials and services** include raw materials and components, other variable production costs, external variable engineering services, exchange rate gains and losses and other expenses.
- **Amortisation and depreciation** comprise amortisation of intangible assets and depreciation of property, plant and equipment and investment property.
- **(Additions to)/utilisation of provisions and impairment losses** include additions to/utilisation of provisions, impairment losses and inventory write-downs.
- **Net financial expense** comprises net financial expense and dividends.



PININFARINA GROUP
Reclassified statement of financial position
(€'000)

	31.03.2016	31.12.2015	Variation	31.03.2015
Net non-current assets (A)				
Net intangible assets	2,100	2,252	(152)	2,620
Net property, plant and equipment and investment property	51,064	51,383	(319)	60,570
Equity investments	330	323	7	313
Total A	53,494	53,958	(464)	63,503
Working capital (B)				
Inventories	2,725	5,721	(2,996)	5,754
Net trade receivables and other assets	19,244	22,395	(3,151)	31,695
Assets held for sale	-	-	-	-
Deferred tax assets	926	926	-	1,064
Trade payables	(9,164)	(10,722)	1,558	(13,989)
Provisions for risks and charges	(585)	(1,266)	681	(503)
Other liabilities (*)	(6,429)	(8,545)	2,116	(8,250)
Total B	6,717	8,509	(1,792)	15,771
Net invested capital (C=A+B)	60,211	62,467	(2,256)	79,274
Post-employment benefits (D)	4,805	4,980	(175)	5,097
Net capital requirements (E=C-D)	55,406	57,487	(2,081)	74,177
Equity (F)	6,161	9,830	(3,669)	25,397
Net financial debt (G)				
Non-current loans and borrowings	67,271	66,122	1,149	70,290
Net current financial position	(18,026)	(18,465)	439	(21,510)
Total G	49,245	47,657	1,588	48,780
Total as in E (H=F+G)	55,406	57,487	(2,081)	74,177

(*) Other liabilities include the following items: deferred tax liabilities, other financial liabilities, current tax liabilities and other liabilities.

PININFARINA GROUP
Net financial debt
(€'000)

	31.03.2016	31.12.2015	Variation	31.03.2015
Cash and cash equivalents	36,916	20,996	15,920	21,841
Current assets held for trading	-	16,359	(16,359)	16,136
Current loans and receivables	-	-	-	-
Loan assets - related parties	-	-	-	-
Current bank overdrafts	-	-	-	-
Current finance lease liabilities	(11,654)	(11,654)	-	(5,827)
Current portion of bank loans and borrowings	(7,236)	(7,236)	-	(10,640)
Net current financial position	18,026	18,465	(439)	21,510
Non-current loans and receivables - third parties	-	-	-	-
Non-current loans and receivables - related parties	269	269	-	1,797
Non-current held-to-maturity investments	-	-	-	-
Non-current finance lease liabilities	(41,483)	(40,774)	(709)	(44,288)
Non-current bank loans and borrowings	(26,057)	(25,617)	(440)	(27,799)
Non-current loans and borrowings	(67,271)	(66,122)	(1,149)	(70,290)
NET FINANCIAL DEBT	(49,245)	(47,657)	(1,588)	(48,780)

Cash and cash equivalents include a restricted account of €5,000,000.

PININFARINA S.p.A.
Reclassified income statement
(€'000)

	Q1 2016	%	Q1 2015	%	Variation	2015
Revenue from sales and services	10,538	143.04	9,485	86.75	1,053	38,809
Change in inventories and contract work in progress	(4,402)	(59.75)	229	2.09	(4,631)	1,626
Other revenue and income	1,231	16.71	1,220	11.16	11	4,738
Internal work capitalised	-	-	-	-	-	-
Value of production	7,367	100.00	10,934	100.00	(3,567)	45,173
Net gains on the sale of non-current assets	-	-	50	0.45	(50)	50
Materials and services (*)	(4,036)	(54.78)	(5,978)	(54.67)	1,942	(24,946)
Change in raw materials	3	0.04	33	0.30	(30)	29
Value added	3,334	45.26	5,039	46.08	(1,705)	20,306
Labour cost (**)	(5,094)	(69.15)	(6,362)	(58.18)	1,268	(23,806)
EBITDA	(1,760)	(23.89)	(1,323)	(12.10)	(437)	(3,500)
Amortisation and depreciation	(565)	(7.67)	(623)	(5.69)	58	(2,505)
(Additions to)/utilisation of provisions and impairment losses	28	0.38	79	0.72	(51)	(10,417)
EBIT	(2,297)	(31.18)	(1,867)	(17.07)	(430)	(16,422)
Net financial expense	(1,184)	(16.07)	(1,193)	(10.91)	9	(4,180)
Loss before taxes	(3,481)	(47.25)	(3,060)	(27.98)	(421)	(20,602)
Income taxes	-	-	40	0.36	(40)	339
Loss for the period	(3,481)	(47.25)	(3,020)	(27.62)	(461)	(20,263)

(*) **Materials and services** are net of utilisations of the provisions for product warranty and risks (€31 thousand and €7 thousand for the first quarters of 2015 and 2016, respectively).

(**) **Labour cost** is net of utilisations of the restructuring and other provisions (€232 thousand and €646 thousand for the first quarters of 2015 and 2016, respectively).

As required by Consob resolution no. DEM/6064293 of 28 July 2006, a reconciliation of the data in the interim separate financial statements with those in the reclassified schedules is provided below:

- **Materials and services** include raw materials and components, other variable production costs, external variable engineering services, exchange rate gains and losses and other expenses.
- **Amortisation and depreciation** comprise amortisation of intangible assets and depreciation of property, plant and equipment and investment property.
- **(Additions to)/utilisation of provisions and impairment losses** include additions to/utilisation of provisions, impairment losses and inventory write-downs.
- **Net financial expense** comprises net financial expense and dividends.



PININFARINA S.p.A.
Reclassified statement of financial position
(€'000)

	31.03.2016	31.12.2015	Variation	31.03.2015
Net non-current assets (A)				
Net intangible assets	803	896	(93)	1,060
Net property, plant and equipment and investment property	40,946	41,360	(414)	51,255
Equity investments	21,578	21,578	-	21,578
Total A	63,327	63,834	(507)	73,893
Working capital (B)				
Inventories	589	4,988	(4,399)	3,594
Net trade receivables and other assets	10,758	13,366	(2,608)	22,902
Trade payables	(6,885)	(8,416)	1,531	(11,658)
Provisions for risks and charges	(525)	(1,206)	681	(503)
Other liabilities	(3,612)	(5,459)	1,847	(5,284)
Total B	325	3,273	(2,948)	9,051
Net invested capital (C=A+B)	63,652	67,107	(3,455)	82,944
Post-employment benefits (D)	4,195	4,383	(188)	4,459
Net capital requirements (E=C-D)	59,457	62,724	(3,267)	78,485
Equity (F)	5,138	8,619	(3,481)	25,849
Net financial debt (G)				
Non-current loans and borrowings	65,250	64,104	1,146	67,759
Net current financial position	(10,931)	(9,999)	(932)	(15,123)
Total G	54,319	54,105	214	52,636
Total as in E (H=F+G)	59,457	62,724	(3,267)	78,485

Pininfarina S.p.A.
Net financial debt
(€'000)

	31.03.2016	31.12.2015	Variation	31.03.2015
Cash and cash equivalents	30,069	12,778	17,291	15,752
Current assets held for trading	-	16,359	(16,359)	16,136
Current loans and receivables	-	-	-	-
Loan assets - related parties	-	-	-	-
Current bank overdrafts	-	-	-	-
Current finance lease liabilities	(11,654)	(11,654)	-	(5,827)
Loans and borrowings - related parties	(248)	(248)	-	(298)
Current portion of bank loans and borrowings	(7,236)	(7,236)	-	(10,640)
Net current financial position	10,931	9,999	932	15,123
Non-current loans and receivables - third parties	-	-	-	-
Non-current loans and receivables - related parties	1,990	1,987	3	4,028
Non-current held-to-maturity investments	-	-	-	-
Non-current finance lease liabilities	(41,483)	(40,774)	(709)	(44,288)
Non-current bank loans and borrowings	(25,757)	(25,317)	(440)	(27,499)
Non-current loans and borrowings	(65,250)	(64,104)	(1,146)	(67,759)
NET FINANCIAL DEBT	(54,319)	(54,105)	(214)	(52,636)

Cash and cash equivalents include a restricted account of €5,000,000.

**Related party transactions for the three months ended 31 March 2016 - Pininfarina Group**

The table below, which is presented pursuant to Consob communication no. DEM/6064293 of 28 July 2006, summarises related party transactions, including intragroup transactions. These transactions were carried out at market conditions, consistent with the nature of the goods exchanged or services provided. They were neither atypical nor unusual for the purposes of the above-mentioned communication.

	Commercial		Financial		Operating		Financial	
	Assets	Liabilities	Assets	Liabilities	Revenue	Expense	Income	Expense
Pincar S.r.l. in liquidation	-	-	138,191	-	-	-	2,798	-
Goodmind S.r.l.	-	-	130,997	-	8,000	-	997	-
Total	-	-	269,188	-	8,000	-	3,795	-

In addition to the above figures, Studio Professionale Pavesio e Associati, related to the director Carlo Pavesio, provided legal assistance to the parent for total fees of €7,176.

Related party transactions for the three months ended 31 March 2016 - Pininfarina S.p.A.

	Commercial		Financial		Operating		Financial	
	Assets	Liabilities	Assets	Liabilities	Revenue	Expense	Income	Expense
Pincar S.r.l. in liquidation	-	-	138,191	-	-	-	2,798	-
Pininfarina Extra S.r.l.	119,174	15,451	350,264	247,744	141,485	10,829	-	-
Goodmind S.r.l.	-	-	-	-	8,000	-	-	-
Pininfarina Deutschland Holding GmbH	-	-	-	-	-	-	-	-
Pininfarina Deutschland GmbH	175,833	44,562	1,501,312	-	175,833	73,332	4,071	-
Pininfarina Automotive Engineering (Shanghai) Co Ltd	516,699	-	-	-	28,152	-	-	-
Total	811,706	60,013	1,989,767	247,744	353,470	84,161	6,869	-

The financial assets and liabilities with Pininfarina Extra S.r.l. relate to the domestic tax consolidation agreement.

In addition to the above figures, Studio Professionale Pavesio e Associati, related to the director Carlo Pavesio, provided legal assistance to the company for total fees of €7,176.

Fees to directors, statutory auditors and key management personnel

Fees to the parent's directors and statutory auditors for their respective duties are as follows:

(€'000)	Q1 2016	Q1 2015
Directors	157	154
Statutory auditors	26	26
Total	183	180

The total fees to Pininfarina S.p.A.'s key management personnel approximate €0.2 million for the first three months of 2016.