

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

PINCAR PRESS RELEASE

Agreements between PINCAR and MAHINDRA & MAHINDRA and TECHMAHINDRA

for the sale of PININFARINA S.p.A. effective

Takeover bid and capital increase

Resignation of the board of directors

Rescheduling Agreement with Pininfarina S.p.A.'s lending institutions

Turin, 30 May 2016

Today, Pincar S.r.l. in liquidation, single-member company, (**Pincar**) and shareholder of Pininfarina S.p.A. (**Pininfarina** or the **company**) sold its entire investment in the company (22,945,566 ordinary shares, equal to roughly 76.063% of its share capital) to PF Holdings BV, a Dutch company (**PF Holdings**) owned by TechMahindra Limited and Mahindra & Mahindra Limited (the **Investors**), designated by them to acquire the investment in Pininfarina. This transaction executed the agreements signed on 14 December 2015 and communicated to the market on the same date.

PF Holdings acquired the Pininfarina ordinary shares from Pincar at a price of €1.10 per share. The lending institutions (as defined later) released the shares from the pledge given by Pincar to them to allow the transaction's execution.

PF Holdings will make a mandatory takeover bid for the remaining Pininfarina ordinary shares at the same price paid to Pincar (€1.10 per share) within the applicable legal timeframe.

The investment agreement between the Investors and Pincar on 14 December 2015 (the **Agreement**) included, inter alia, the formers' commitment to invest €20 million in the form of a capital increase for Pininfarina to be offered to all its shareholders before the end of 2016.

As set out in the Agreement, Pininfarina's directors have announced their resignation effective from the date of the shareholders' meeting called for 3 August 2016 to appoint a new board of directors. The Agreement also provided that Mr. Paolo Pininfarina and Mr. Silvio Angori are to be confirmed as chairman of the board of directors and chief executive officer, respectively.

To facilitate the prompt entry of a representative of the new controlling shareholder and as part of the Agreement's terms, Mr. Albertini resigned with immediate effect and has been replaced by co-opting Mr. CP Gurnani, chief executive officer of TechMahindra LTD. Mr. Albertini has been appointed secretary to the board of directors.

Another director, Ms. Gugliemetti, also resigned with immediate effect to comply with the legal ban on holding too many directorships, as she has been given a position in another listed company.

A non-exclusive brand license agreement for certain automotive segments between Pininfarina and Mahindra & Mahindra Limited became effective concurrently with transfer of the shares.

In addition, the Rescheduling Agreement signed on 14 december 2015 as part of Pininfarina's debt restructuring plan became effective. The Agreement was authorised under article 6.3.d) of the bankruptcy law and signed by Pininfarina and Banca Regionale Europea S.p.A., Intesa Sanpaolo S.p.A., Banca Nazionale del Lavoro S.p.A., UniCredit S.p.A. (formerly UniCredit Banca di Roma S.p.A. and UniCredit Corporate Banking S.p.A.), Banca Monte dei Paschi di Siena S.p.A., Banco Popolare Società Cooperativa, UBI Leasing

S.p.A., Monte dei Paschi di Siena Leasing & Factoring, Banca per i Servizi Finanziari alle Imprese S.p.A., Selmabipiemme Leasing S.p.A., UniCredit Leasing S.p.A., BNP Paribas Leasing Solution S.p.A., Release S.p.A., Mediocredito Italiano S.p.A. and Banca IMI S.p.A. (the **lending institutions**). The Rescheduling Agreement's effectiveness was a condition precedent for the Investment Agreement.

Under the terms of the Rescheduling Agreement, certain lending institutions (representing about 58% of the loans) agreed to settle and extinguish their loans given to Pininfarina, while Intesa Sanpaolo S.p.A., Banca Nazionale del Lavoro S.p.A., Banca Regionale Europea S.p.A., Selmabipiemme Leasing S.p.A. and Mediocredito Italiano S.p.A. entered into a new rescheduling agreement with the company. Accordingly, a financing agreement was drawn up whereby PF Holdings BV, the new controlling shareholder, has granted the company an interest-bearing shareholder loan of €16 million, with an interest rate of 25 bp and a repayment date of 1 January 2017. The lender has the option to convert the loan into a capital increase. The company will use the loan, and its own resources, to pay the lending institutions that have opted to settle and extinguish their loans as part of the 2015-2025 debt Rescheduling Agreement, which became effective as of today.

The residual debt to the financial institutions will be repaid starting from 2017 with a grace period in 2015 and 2016. The interest rate remains unchanged at 0.25% per annum. The Rescheduling Agreement only has one financial covenant, to be checked starting from 31 March 2018: that the group's equity is at least €30 million.

With respect to Pincar, pursuant to its debt restructuring agreement drawn up under article 182-bis of the bankruptcy law, signed on 14 December 2015 and subsequently authorised by the Turin Court, the proceeds from the sale of its Pininfarina shares were transferred to its lending institutions to settle its debt with them, apart from an amount that will be paid to them upon conclusion of the liquidation procedure as provided for in Pincar's above-mentioned restructuring agreement.