



Quarterly Report of the Pininfarina Group

Turin, November 13, 2013 – The Board of Directors of Pininfarina S.p.A., meeting today under the chairmanship of Paolo Pininfarina, approved the Interim Report on Operations outlining the Group's performance at September 30, 2013. The table below shows the consolidated operating and financial highlights and provides a comparison with those for the first nine months of 2012:

(Amounts in millions of euros)	September 30, 2013	September 30, 2013	12/31/12 financial statements	Amount of change*
Value of production	57.6	50.5		7.1
EBITDA	-2.4	-7.2		4.8
EBIT	-4.1	-9.5		5.4
Net profit (loss)	-9.0	32.6		-41.6
Net financial position	-36.9	-56.9	-30.6	-6.3
Shareholders' equity	30.7	42.1	39.8	-9.1

* The amount of change in the balance sheet data at September 30, 2013 is computed against the amounts at December 31, 2012.

EBITDA represent the profit or loss from operations before depreciation, amortization, additions to provisions, writedowns and utilizations of provisions. EBIT represent the profit or loss from operations.

Pursuant to Article 154 *bis*, Section 2, of the Uniform Financial Code, Gianfranco Albertini, in his capacity as Corporate Accounting Documents Officer, declares that the accounting information provided in this press release is consistent with the information in the supporting documents and in the Company's books of accounts and other accounting records.

The most significant issues that arise from an analysis of the consolidated data for the first nine months of 2013 are summarized below:

Compared with the data at September 30, 2012, the value of production grew by 14%, confirming the trend that characterized previous quarter, thanks mainly to engineering activities carried out in Italy and the important, positive contributions provided by the German operations and the industrial design activities.

Both EBITDA and EBIT remained negative, but the negative amounts were significantly lower than the losses reported a year ago, which reflected the impact of the debt restructuring costs incurred in the first half of 2012.

Among the Group's activities and in comparison with the first nine months of 2012, the Italian automotive operations reduced their losses, the profitability of the German subsidiaries was substantially in line with the previous year, the operations in Morocco reported negative results at the operating level and the operating loss of the activities in China increased. The industrial design and non-automotive design activities in general showed significant gains both in revenues and profitability.

The Group reported a net loss for the period, boosted by an increase in net financial expense, as against a net profit in the comparable period last year that reflected the recognition in the income statement of a large gain generated by the extinguishment of financial liabilities following the debt restructuring transaction, which became effective on May 1, 2012.

The Group's balance sheet and financial position at September 30, 2013 deteriorated compared with the data at December 31, 2012, due, respectively, to the loss for the period and the impact of net working capital dynamics, the latter effect compounded by the accounting increase of financial debt that resulted from its valuation by the amortized cost method.

The Group's staff numbered 817 employees at September 30, 2013, down from 821 a year earlier.



As for the performance of the individual sectors, the **Operations Sector** generated value of production of 6.6 million euros (10 million euros at September 30, 2012), accounting for 11.5% of consolidated value of production (19.8% the previous year). The Sector's EBIT were negative by 5.5 million euros. At September 30, 2012, EBIT were negative by 8.6 million euros, a loss that included 2 million euros in debt restructuring costs. The value of production reported by the **Service Sector** for the period amounted to 51 million euros (40.5 million euros a year earlier). The contribution provided to the total for the Group increased to 88.5%, compared with 80.2% in the same period in 2012. The Sector's EBIT were positive 1.4 million euros, for a marked improvement compared with negative EBIT of 0.8 million euros at September 30, 2012.

Information Required by the Consob Pursuant to Article 114, Section 5 of Legislative Decree No. 58/98

- 1) The net financial positions of the Pininfarina Group and Pininfarina S.p.A., with current and non-current components listed separately, are shown in the schedules annexed to this press release.
- 2) There were no past-due amounts (financial or related to tax or employee benefit liabilities) owed by the Pininfarina Group. No actions against the Group have been filed by creditors.
- 3) The transactions with related parties of the Pininfarina Group and Pininfarina S.p.A. are listed in the Annexes to this press release.
- 4) Compliance with the financial covenants in effect for the current reporting year will be verified when the consolidated financial statements at December 31, 2013 are approved. At this point, projections point to the possibility of a failure to achieve the EBITDA level required for the current year, but full compliance with the amount required for net financial debt.
- 5) The implementation of the plan to restructure the indebtedness of Pininfarina S.p.A. is proceeding in accordance with the current agreements with the Lender Institutions.
- 6) As for the progress made in implementing the Industrial Plan, there were no significant new developments compared with the situation described in the Report of the Board of Directors on the 2012 annual financial statements.

Business Outlook for 2013

Projections for the consolidated income statement for the 2013 reporting year call for a higher consolidated value of production than in 2012 and EBIT that, while still negative (the previous guidance called for "marginally negative" EBIT), will be significantly improved compared with the previous year. The net financial position at the end of 2013 is expected to show a deterioration compared with the end of 2012, due to working capital dynamics and the cumulative amount of figurative financial expense resulting from the measurement of financial liabilities at amortized cost.

Significant Events Occurring After September 30, 2013

On October 24, 2013, Pininfarina S.p.A. and a company of the Bollorè Group entered into an agreement to lease, through December 31, 2016, certain business operations consisting of the Bairo Canavese production facilities, machinery, labor contracts for 52 employees, the provision for severance indemnities applicable to the transferred staff and contracts for some utilities. This agreement is, in practice, an extension of the agreement to lease business operations currently in effect between the Group's Parent Company and a company of the Ccomp Group, which expires on December 31, 2013.

The deed of merger by absorption of Mpx Leonberg GmbH into Mpx Munich GmbH, both subsidiaries of Pininfarina Deutschland GmbH, was executed on November 7, 2013. The purpose of this reorganization and internal simplification transaction, which is effective retroactively to October 1, 2013, is to minimize in the future the operating costs necessary to carry out engineering activities in the German market. This transaction will not have any measurable economic, financial or occupational effects.

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RECLASSIFIED FINANCIAL STATEMENTS

The reclassified financial statements regroup the data presented in the financial statements required under current statutes differently, with the objective of providing a more immediate understanding of the data, without affecting the logic of their presentation.

It is important to keep in mind that the data shown for “EBITDA” and “EBIT” in the reclassified financial statements have the same meaning as the data shown for “Profit (Loss) from operations before depreciation, amortization, provisions, writedowns and utilization of provisions” and “Profit (Loss) from operations” in the IAS/IFRS financial statements.



Pininfarina Group
Reclassified Consolidated Income Statement
(amounts in thousands of euros)

	Data at					Data at
	9/30/13	%	9/30/12	%	Change	2012
Sales and service revenues	49,876	86.54	44,120	87.35	5,756	63,779
Changes in inventory and work in progress	2,285	3.96	1,228	2.43	1,057	(799)
Other income and revenues	5,475	9.50	5,161	10.22	314	7,170
Value of production	57,636	100.00	50,509	100.00	7,127	70,150
Net gain (loss) on disposal of non-current assets	2	0.00	(1)	0.00	3	3,181
Raw materials and outside services (*)	(24,603)	(42.69)	(25,766)	(51.01)	1,163	(33,045)
Change in inventory of raw materials	(46)	(0.08)	34	0.07	(80)	42
Value added	32,989	57.24	24,776	49.05	8,213	40,328
Labor costs (**)	(35,403)	(61.43)	(31,934)	(63.22)	(3,469)	(44,746)
EBITDA	(2,414)	(4.19)	(7,158)	(14.17)	4,744	(4,418)
Depreciation and amortization	(2,609)	(4.53)	(2,487)	(4.92)	(122)	(3,340)
(Additions)/Utiliz. of provis. and (Writedowns)	892	1.55	184	0.36	708	(323)
EBIT	(4,131)	(7.17)	(9,461)	(18.73)	5,330	(8,082)
Net financial income (expense)	(4,537)	(7.87)	(2,518)	(4.99)	(2,019)	(3,674)
Gain on the extinguishment of financial liabilities	-	-	44,835	88.77	(44,835)	44,835
Valuation of equity investments by the equity method	6	0.01	-	-	6	-
Profit (Loss) before taxes	(8,662)	(15.03)	32,856	65.05	(41,518)	33,079
Income taxes	(352)	(0.61)	(245)	(0.48)	(107)	(135)
Net profit (loss)	(9,014)	(15.64)	32,611	64.57	(41,625)	32,944

(*) **Raw materials and outside services** is shown net of utilizations of provisions for warranties and provisions for risks and charges amounting to 446,000 euros at September 30, 2012 and 313,000 euros at September 30, 2013.

(**) **Labor costs** is shown net of utilizations of the provision for restructuring programs and other provisions amounting to 695,000 euros at September 30, 2012 and 791,000 euros at September 30, 2013.

Pursuant to Consob Resolution No. DEM/6064293 of July 28, 2006, a reconciliation of the data for the period with the those in the reclassified statements is provided below:

- **Raw materials and outside services** includes Raw materials and components, Other variable production costs, Variable external engineering services, Foreign exchange gains (losses) and Sundry expenses.
- **Depreciation and amortization** includes depreciation of property plant and equipment and amortization of intangible assets.
- **(Additions)/Utilizations of provisions and (Writedowns)** includes (Additions)/Utilizations of provisions and (Writedowns) and Addition to provision for inventory risk.
- **Net financial income (expense)** includes Net financial income (expense) and dividends.

The data at September 30, 2012 and December 31, 2012, provided for comparison purposes, were restated to reflect the adoption of the revised version of IAS 19 Employee Benefits.



Pininfarina Group
Reclassified Consolidated Statement of Financial Position
(amounts in thousands of euros)

	Data at			Data at
	9/30/13	12/31/12	Variazioni	9/30/12
Net non-current assets (A)				
Net intangible assets	3,133	3,211	(78)	2,733
Net property, plant and equipment	63,363	64,825	(1,462)	65,132
Equity investments	362	356	6	29,784
Total A	66,858	68,392	(1,534)	97,649
Working capital (B)				
Inventory	5,006	2,771	2,235	5,050
Net trade receivables and other receivables	23,438	33,067	(9,629)	32,214
Assets held for sale	-	-	-	-
Deferred-tax assets	934	929	5	892
Trade accounts payable	(10,617)	(14,259)	3,642	(15,700)
Provisions for risks and charges	(4,798)	(6,816)	2,018	(7,460)
Other liabilities (*)	(5,868)	(6,407)	539	(6,220)
Total B	8,095	9,285	(1,190)	8,776
Net invested capital (C=A+B)	74,953	77,677	(2,724)	106,426
Provision for termination indemnities (D)	7,308	7,286	22	7,469
Net capital requirements (E=C-D)	67,645	70,391	(2,746)	98,956
Shareholders' equity (F)	30,711	39,814	(9,103)	42,091
Net financial position (G)				
Long-term debt	92,571	90,293	2,278	118,692
(Net liquid assets)/Net borrowings	(55,637)	(59,716)	4,079	(61,827)
Total G	36,934	30,577	6,357	56,865
Total as in E (H=F+G)	67,645	70,391	(2,746)	98,956

Pininfarina Group
Consolidated Net Financial Position
(amounts in thousands of euros)

	Data at			Data at
	9/30/13	12/31/12	Change	9/30/12
Cash and cash equivalents	35,773	41,501	(5,728)	16,364
Current assets held for trading	52,460	50,809	1,651	50,702
Current loans receivable and other receivables	-	-	-	-
Loans receivable from related parties and joint ventures	-	-	-	-
Due to banks	(169)	(167)	(2)	(202)
Current liabilities under finance leases	(16,898)	(16,898)	-	-
Current portion of long-term bank debt	(15,529)	(15,529)	0	(5,037)
Net liquid assets / (Net borrowings)	55,637	59,716	(4,079)	61,827
Long-term loans and other receiv. from outsiders	-	-	-	-
Long-term loans and other receivables from associates and joint ventures	82	50	32	-
Held-to-maturity non-current assets	-	-	-	-
Long-term liabilities under finance leases	(50,967)	(47,988)	(2,979)	(63,924)
Long-term bank debt	(41,686)	(42,355)	669	(54,768)
Net long-term debt	(92,571)	(90,293)	(2,278)	(118,692)
NET FINANCIAL POSITION	(36,934)	(30,577)	(6,357)	(56,865)



Pininfarina SpA
Reclassified Income Statement
(amounts in thousands of euros)

	9/30/13	%	9/30/12	%	Change
Sales and service revenues	27,301	81.85	22,762	81.55	4,539
Changes in inventory and work in progress	1,266	3.80	637	2.28	629
Other income and revenues	4,786	14.35	4,514	16.17	272
Work performed internally and capitalized	-	-	-	-	-
Value of production	33,353	100.00	27,913	100.00	5,440
Net gain (loss) on disposal of non-current assets	2	0.01	-	-	2
Raw materials and outside services (*)	(19,636)	(58.87)	(20,044)	(71.81)	408
Change in inventory of raw materials	(47)	(0.14)	34	0.12	(81)
Value added	13,672	41.00	7,903	28.31	5,769
Labor costs (**)	(17,729)	(53.16)	(16,634)	(59.59)	(1,095)
EBITDA	(4,057)	(12.16)	(8,731)	(31.28)	4,674
Depreciation and amortization	(1,929)	(5.78)	(1,812)	(6.49)	(117)
(Additions)/Utiliz. of provis. and (Writedowns)	956	2.87	220	0.79	736
EBIT	(5,030)	(15.07)	(10,323)	(36.98)	5,293
Net financial income (expense)	(3,887)	(11.65)	(1,234)	(4.42)	(2,653)
Gain on the extinguishment of financial liabilities	-	-	44,835	160.62	(44,835)
Profit (Loss) before taxes	(8,917)	(26.72)	33,278	119.22	(42,195)
Income taxes	(16)	(0.05)	26	0.09	(42)
Net profit (loss)	(8,933)	(26.77)	33,304	119.31	(42,237)

(*) **Raw materials and outside services** is shown net of utilizations of provisions for warranties and provisions for risks amounting to 425,000 euros in 2012 and 313,000 euros in 2013.

(**) **Labor costs** is shown net of the utilization of the provision for restructuring programs totaling 424,000 euros in 2012 and 588,000 euros in 2013.

Pursuant to Consob Resolution No. DEM/6064293 of July 28, 2006, a reconciliation of the data for the period with the those in the reclassified statements is provided below:

- **Raw materials and outside services** includes Raw materials and components, Other variable production costs, Variable external engineering services, Foreign exchange gains (losses) and Sundry expenses.
- **Depreciation and amortization** includes depreciation of property plant and equipment and amortization of intangible assets.
- **(Additions)/Utilizations of provisions and (Writedowns)** includes (Additions)/Utilizations of provisions and (Writedowns) and Addition to provision for inventory risk.
- **Net financial income (expense)** includes Net financial income (expense) and dividends.

The data at September 30, 2012 and December 31, 2012, provided for comparison purposes, were restated to reflect the adoption of the revised version of IAS 19 Employee Benefits.



Pininfarina SpA
Reclassified Statement of Financial Position
(amounts in thousands of euros)

	Data at			Data at
	9/30/13	12/31/12	Change	9/30/12
Net non-current assets (A)				
Net intangible assets	1,096	963	133	455
Net property, plant and equipment	53,676	54,832	(1,156)	55,063
Equity investments	22,848	22,848	-	52,476
Total A	77,620	78,643	(1,023)	107,994
Working capital (B)				
Inventory	3,527	2,307	1,220	3,883
Net trade receivables and other receivables	15,286	26,073	(10,787)	24,153
Trade accounts payable	(9,434)	(13,942)	4,508	(14,291)
Provisions for risks and charges	(4,753)	(6,671)	1,918	(6,860)
Other liabilities	(3,073)	(4,290)	1,217	(3,385)
Total B	1,553	3,477	(1,924)	3,500
Net invested capital (C=A+B)	79,173	82,120	(2,947)	111,494
Provision for termination indemnities (D)	6,790	6,823	(33)	7,018
Net capital requirements (E=C-D)	72,383	75,297	(2,914)	104,476
Shareholders' equity (F)	35,019	44,028	(9,009)	46,297
Net financial position (G)				
Long-term debt	87,990	85,220	2,770	113,872
(Net liquid assets)/Net borrowings	(50,626)	(53,951)	3,325	(55,693)
Total G	37,364	31,269	6,095	58,179
Total as in E (H=F+G)	72,383	75,297	(2,914)	104,476

Pininfarina SpA
Net Financial Position
(amounts in thousands of euros)

	Data at			Data at
	9/30/13	12/31/12	Change	9/30/12
Cash and cash equivalents	31,418	36,306	(4,888)	10,831
Current assets held for trading	51,883	50,320	1,563	50,115
Current loans receivable and other receivables	-	-	-	-
Loans receivable from related parties and joint ventu	-	-	-	-
Due to banks	-	-	-	-
Current liabilities under finance leases	(16,898)	(16,898)	-	-
Loans payable to related parties and joint ventures	(248)	(248)	-	(216)
Current portion of long-term bank debt	(15,529)	(15,529)	-	(5,037)
Net liquid assets / (Net borrowings)	50,626	53,951	(3,325)	55,693
Long-term loans and other receiv. from outsiders	-	-	-	-
Long-term loans and other receivables from associates and joint ventures	4,163	4,623	(460)	4,320
Held-to-maturity non-current assets	-	-	-	-
Long-term liabilities under finance leases	(50,967)	(47,988)	(2,979)	(63,924)
Long-term bank debt	(41,186)	(41,855)	669	(54,268)
Net long-term debt	(87,990)	(85,220)	(2,770)	(113,872)
NET FINANCIAL POSITION	(37,364)	(31,269)	(6,095)	(58,179)



Transactions with Related Parties of the Pininfarina Group at September 30, 2013

Transactions executed with related parties, including intra-Group transaction, do not qualify as atypical and/or unusual transactions, as they were carried out by Group companies in the regular course of business. These transactions were settled on market terms, consistent with the nature of the goods exchanged or the services provided.

	Commercial		Financial		Operating		Financial	
	Receivables	Payables	Receivables	Payables	Revenues	Costs	Income	Expense
Goodmind Srl	-	-	81,502	-	15,019	-	1,189	-
Total	-	-	81,502	-	15,019	-	1,189	-

On February 11, 2013, Matra Automobiles Engineering SAS sold to Pininfarina Extra Srl its interest in Pininfarina Maroc SAS, equal to 0.1% of the share capital, for a consideration of 1,697 euros.

Transactions with Related Parties of Pininfarina S.p.A. at September 30, 2013

Transactions executed with related parties, including intra-Group transaction, do not qualify as atypical and/or unusual transactions, as they were carried out by Group companies in the regular course of business. These transactions were settled on market terms, consistent with the nature of the goods exchanged or the services provided.

	Commercial		Financial		Operating		Financial	
	Receivables	Payables	Receivables	Payables	Income	Expense	Income	Expense
Pininfarina Extra S.r.l.	69,737	4,590	44,775	248,280	241,250	8,253	601,400	-
Goodmind Srl	-	-	-	-	15,019	-	-	-
Pininfarina Deutschland GmbH	-	-	550,827	-	-	-	6,893	-
mxp Entwicklung GmbH Monaco	-	486,350	2,250,000	-	-	2,272,837	26,300	-
mxp Entwicklung GmbH Leonberg	-	-	-	-	-	-	-	-
Pininfarina Automotive Engineering (Shanghai) Co Ltd	372,612	26,250	1,317,462	-	99,176	82,252	53,182	-
Pininfarina Maroc SAS	597	7,475	-	-	597	91,900	-	-
Total	442,946	524,665	4,163,064	248,280	356,041	2,455,243	687,745	-

Please note that the financial receivables and payables owed by/to Pininfarina Extra S.r.l. arise from the contract for the filing of a national consolidated tax return.

Compensation of Directors, Statutory Auditors and Executives with Strategic Responsibilities

The table below lists the compensation earned by Directors and Statutory Auditors of Pininfarina S.p.A. for their services:

(in thousands of euros)	9/31/13	9/31/12
Directors	498	449
Statutory Auditors	75	73
Total Compensation	573	522

The total cost incurred in the first nine months of 2013 for the compensation of executives of Pininfarina S.p.A. with strategic responsibilities amounted to about 1.2 million euros.

In addition to the amounts reported in the table above, transactions with other related parties requiring disclosure included legal consulting services provided to Pininfarina S.p.A. by Studio Professionale Pavesio e Associati, related to the Director Carlo Pavesio, for a total amount of 68,068 euros, and commercial consulting services provided by Pantheon Italia S.r.l., related to the Director Roberto Testore, for a total amount of 45,000 euros.