



## Preliminary 2004 results and 2005 outlook

**The design and engineering operations continue to grow.**

**Expiring manufacturing orders are being replaced, with two new models coming in 2005 and three in 2006.**

*Turin* – The Board of Directors of Pininfarina S.p.A. met today in Turin under the chairmanship of Sergio Pininfarina and approved the Quarterly Report on Operations at September 30, 2004 for Pininfarina S.p.A. and the Pininfarina Group.

The consolidated results for the first nine months of 2004 confirm the trends outlined in the Semiannual Report. Overall, the results for the period reflect the impact of lower automobile production, due to changes in the model lineup, and of the startup costs of the operations headed by Matra Automobile Engineering and Open Air Systems. These negative factors were offset in part by the steady growth of the design and engineering operations (+85% compared with the first nine months of 2003).

Evidence of the Group's vitality is provided by the positive news reported recently by all areas of its operations.

The design operations used the latest Paris Motor Show for the world unveiling of two new models: the Ferrari F430 and the Peugeot 1007. The simultaneous styling of two cars for such diverse segments of the automobile market demonstrates Pininfarina's versatility. Two other projects presented at the Paris Motor Show — the Nido, a prototype used for safety research that was named the 2004 Most Beautiful Car in the World in the prototype and concept car category, and the Double-Face, a study in technological and process innovation developed in cooperation with Matra Automobile Engineering — helped bolster the Group's image as a global partner for the automotive industry.

In China, where the Group already has an established relationship with AviChina (Hafei) and Chery, the engineering operations signed a major agreement with Changfeng, a new customer, thereby demonstrating Pininfarina's ability to increase its penetration of the growing Chinese market.

The manufacturing operations remained in a transitional phase, with the current production orders winding down in 2005 and five new models due for launch by 2006. Future production work will be carried out in Italy (for Alfa Romeo, Ford and Mitsubishi) and in Sweden by the Pininfarina Sverige AB subsidiary (for Volvo). As confirmation that the order replacement program is progressing, Ford has announced that production of a new convertible based on the Focus Vignale concept car, one of the stars of the Paris Motor Show, will begin in 2006. Pininfarina will provide fully integrated design, engineering and production services for this model.

The data for the first nine months of 2004 show value of production of 453.2 million euros, compared with 586.9 million euros at September 30, 2003 (-22.8%).

EBIT totaled 12.3 million euros (22.1 million euros in the first nine months of 2003), equal to 2.7% of the value of production (3.8 % at September 30, 2003). Profit before taxes came to 4.2 million euros, compared with 16.5 million euros for the first nine months of 2003. The net profit amounted to 856,000 euros, down from the 7.1 million euros reported at September 30, 2003.

The net financial position was positive by 10.9 million euros (positive by 105.9 million euros at December 31, 2003). The funding required to support the development of new manufacturing orders and the financing provided to startup companies account for this decrease.

For all of 2004, the Pininfarina Group confirms the projected decrease of about 20% in the value of production compared with 2003. Profitability, both in absolute terms and as a percentage of the value of production, should also be lower than in the previous year. The year-end net financial position should show a further decrease, for the reasons stated in the previous paragraph.

The Group's Parent Company, Pininfarina S.p.A., absorbed the subsidiaries Industrie Pininfarina S.p.A. and Pininfarina Ricerca e Sviluppo S.p.A., effective January 1, 2004. To allow a homogeneous comparison between the first nine months of 2003 and the same period in 2004, the consolidated data at September 30, 2003 and December 31, 2003 have been restated to include the contribution of the merged companies. The comments provided in this press release refer to these pro forma consolidated data.

Pininfarina S.p.A. ended the first nine months of 2004 with a value of production of 415.3 million euros, down from 577.3 million euros in the same period last year (-28.1%). Profit before taxes was 13.5 million euros (3.3% of the value of production), compared with 23.4 million euros at September 30, 2003 (4.1% of the value of production). The net profit totaled 7.6 million euros (12 million euros in the first nine months of 2003). The net financial position was 108.8 million euros, compared with 102 million euros at December 31, 2003. The comments made regarding the outlook for the Group for all of 2004 also apply to the Parent Company.