



## Quarterly Report of the Pininfarina Group

**Turin – The Board of Directors of Pininfarina S.p.A. met today under the chairmanship of Sergio Pininfarina and approved the quarterly report on the Group's operations in the first quarter of 2003.**

During the first three months of the year, production value rose to 165.8 million euros, or 13.09% more than the 146.6 million euros reported in the first quarter of 2002. Business was up in all areas during the period. The industrial operations continued to ramp up production of the Streetka for Ford, reaching full capacity by the end-of-March contractual deadline. As a result, all employees were removed from the Government's layoff benefits program as of the end of January, and the payroll grew to 2,500 employees by March 31, 2003. The engineering operations more than doubled their production value, compared with the first three months of 2002.

At the operating level, the Group incurred most of the startup costs for the Ford order in the first quarter of the year. This situation, which was announced when the Board of Directors approved the preliminary Annual Report, produced lower operating results than in the first three months of 2002. EBIT declined to 4.6 million euros, compared with 4.8 million euros in the first quarter of 2002 (-4.2%). Over the same period, net profit decreased from 1.5 million euros to 1.4 million euros. The net financial position was positive by 97.8 million euros, compared with 116.4 million euros at December 31, 2002 and 87.4 million euros at March 31, 2002.

The performance in the opening quarter of 2003 confirmed the Group's expectations for the current year: an increase of about 30% in the value of production compared with 2002, but lower margins due to a change in the production mix and the startup costs incurred by the Open Air Systems GmbH joint venture. This operating company will design, engineer and manufacture retractable roof systems.

Significant developments that occurred during the first three months of 2003 included the presentation of the Enjoy concept car at the Geneva International Motor Show. This small roadster, built on a Lotus powertrain, can be configured for use both on the racetrack and on the road. AutoWeek, a prestigious U.S. magazine, named the Enjoy Most Fun Car.

### Reclassified Profit and Loss Account (in thousands of euros)

	12/31/02	%	12/31/01	%	Change
Net revenues	485,826	91.70	701,457	94.51	-215,631
Change in inventory of work in process and finished products	16,266	3.07	16,064	2.16	202
Other income and revenues	27,701	5.23	24,496	3.30	3,205
Fixed assets					
constructed internally	26	0.00	204	0.03	-178
<b>Value of production for the period</b>	<b>529,819</b>	<b>100.00</b>	<b>742,221</b>	<b>100.00</b>	<b>-212,402</b>
Purchases of raw materials and outside services	-414,878	(78.31)	-596,946	(80.43)	182,068
Change in inventory of raw materials	-1,765	(0.33)	-16,465	(2.22)	14,7
<b>Value added</b>	<b>113,176</b>	<b>21.36</b>	<b>128,81</b>	<b>17.35</b>	<b>-15,634</b>
Personnel costs	-74,666	(14.09)	-85,51	(11.52)	10,844
<b>EBITDA</b>	<b>38,51</b>	<b>7.27</b>	<b>43,3</b>	<b>5.83</b>	<b>-4,79</b>
Depreciation and amortization	-17,473	(3.30)	-188	(0.03)	12

<b>EBIT</b>	<b>20,861</b>	<b>3.94</b>	<b>25,501</b>	<b>3.44</b>	<b>-4,64</b>
Net financial income	1,635	0.31	6,473	0.87	-4,838
Other charges, net	-10,358	(1.96)	-11,692	(1.58)	1,334
<b>Profit before taxes</b>	<b>12,138</b>	<b>2.29</b>	<b>20,282</b>	<b>2.73</b>	<b>-8,144</b>
Income taxes	2,776	0.52	-10,932	(1.47)	13,708
<b>Net profit</b>	<b>14,914</b>	<b>2.81</b>	<b>9,349</b>	<b>1.26</b>	<b>5,565</b>

### Reclassified Balance Sheet (in thousands of euros)

3/31/02		3/31/03	21/31/02	Change
	<b>A) Net non-current assets</b>			
6,534	Net intangible assets	5,847	6,231	-384
93,289	Net fixed assets	90,498	93,227	-2,729
1,585	Net financial assets	4,356	3,352	1,004
<b>101,41</b>		<b>100,7</b>	<b>102,81</b>	<b>-2,109</b>
	<b>B) Working capital</b>			
61,33	Inventory	94,532	68,583	25,949
90,795	Trade accounts receivable, net	75,759	45,082	30,677
27,695	Other assets	23,111	22,343	768
-139	Trade accounts payable	-141,2	-108,71	-32,49
-14,4	Taxes payable	-13,077	-13,475	398
-32,44	Other liabilities	-44,856	-40,543	-4,313
<b>-6,03</b>		<b>-5,729</b>	<b>-26,718</b>	<b>-20,989</b>
	<b>C) Net invested capital (A+B)</b>	<b>94,972</b>	<b>76,092</b>	<b>18,88</b>
25,728	D) Reserve for termination indemnities	24,82	25,866	-1,046
<b>69,65</b>	<b>E) Net capital requirements (C-D)</b>	<b>70,152</b>	<b>50,226</b>	<b>19,926</b>
	<b>F) Shareholders' equity</b>			
9,317	Share capital	9,317	9,317	0
146,16	Reserves	157,24	142,43	14,808
1,533	Net profit for the year/period	1,388	14,914	-13,526
<b>157,01</b>		<b>167,95</b>	<b>166,66</b>	<b>1,282</b>
	<b>G) Net financial position</b>			
2,219	Long-term debt	1,429	1,457	-28
-89,58	Net financial assets	-99,222	-117,89	18,672
<b>-87,36</b>		<b>-97,793</b>	<b>-116,44</b>	<b>18,644</b>
<b>69,65</b>	<b>H) Total as in E (F+G)</b>	<b>70,152</b>	<b>50,226</b>	<b>19,926</b>

**Consolidated Net Financial Position (in thousands of euros)**

3/31/02		3/31/03	12/31/02	Change
14,663	Liquid assets	25,875	17,333	8,542
57,538	Debt securities, net	66,701	88,905	-22,204
17,376	Listed equity securities, net	6,646	11,656	-5,01
0	Short-term bank borrowings	0	0	0
<b>89,577</b>	<b>Net short-term financial asset</b>	<b>99,222</b>	<b>117,894</b>	<b>-18,672</b>
-2,219	Long-term bank debt	1,429	-1,457	28
<b>87,358</b>	<b>Net financial position</b>	<b>97,793</b>	<b>116,437</b>	<b>-18,644</b>