

**FIAT CHRYSLER AUTOMOBILES N.V.**  
**ANNUAL GENERAL MEETING**

**Address from CEO**

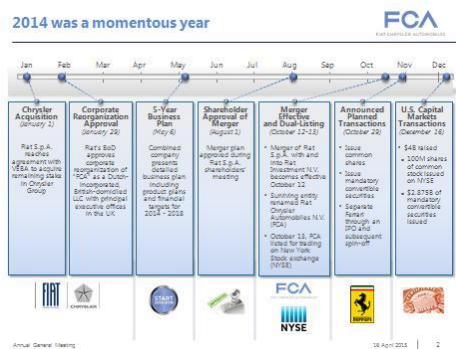
**Sergio Marchionne**

**Amsterdam, 16 April 2015**



Good Morning Shareholders,

And welcome to the first Annual General Meeting of Fiat Chrysler Automobiles.



Before going over the commercial performance and financial results, I just want to say a few words about what 2014 represented for us.

It was an historic year, during which we made the transition to a single, global organization.

The creation of Fiat Chrysler Automobiles – now the 7th largest carmaker in the world – represents the culmination of the industrial and cultural integration that we initiated in 2009.

We launched a completely new phase in the development of our Group with the presentation of an ambitious five-year plan last May, through which we intend to ensure that we continue to play a major role in the future of the global automotive industry, and the debut listing of FCA's shares on the New York Stock Exchange last October.

As you know, we also announced plans for the separation of Ferrari through a partial public listing and distribution of the remaining Ferrari shares held by FCA to our shareholders.

These transactions will further support FCA's long-term strategic development and further enhance value for you, our shareholders.

We closed 2014 with strong results that were in line with our expectations.

Worldwide **shipments** increased to 4.6 million vehicles and the Jeep brand achieved an all-time annual sales record of more than 1 million vehicles.

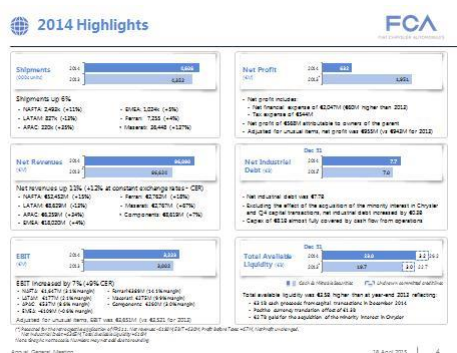
In terms of **financing activities**, we successfully accessed the U.S. capital markets during the year, including:

- refinancing of the VEBA note through placement of various debt instruments
- then on October 13<sup>th</sup>, FCA's shares began trading on the NYSE, and
- in December, FCA issued \$2.9 billion in mandatory convertible securities and placed 100 million common shares

From a **product** standpoint, the key launches for the Group during the year included:

- the all-new Jeep Renegade, which is the brand's first ever small SUV and the first FCA vehicle designed in the U.S. and produced in Italy,
- and the all-new Chrysler 200 mid-size sedan

As announced in January, in support of the capital requirements of the Group's five-year business plan, the Board of Directors is recommending to shareholders that no **dividend** be distributed for 2014.



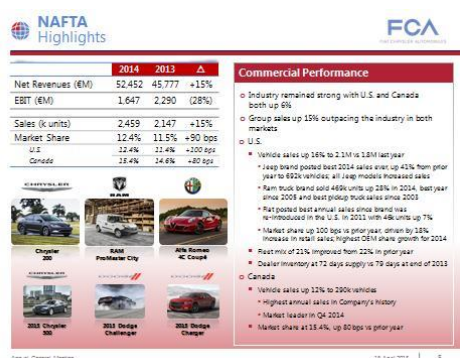
In 2014, our worldwide shipments were up 6 percent over the previous year driven by growth in all regions except LATAM, where weak market conditions existed.

Group revenues topped €96 billion, which, at constant exchange rates, represented a 12 percent year-over-year increase.

EBIT came in at €3.2 billion, increasing 7 percent over 2013. Adjusted for unusual items, EBIT was €3.7 billion, 4 percent better than 2013.

Net profit was €632 million. Adjusted for unusual items, net profit came to €955 million, which represented a slight improvement over the prior year.

At year end, net industrial debt was €7.7 billion and available liquidity totaled €26.2 billion.



Now let's look at performance by region, beginning with NAFTA, which made the largest individual contribution to both revenues and EBIT.

**Net revenues** for the region totaled €52.5 billion, an increase of 15 percent mainly driven by higher volumes.

**EBIT** was down from the prior year at €1.6 billion, primarily reflecting the one-off charge connected with the Memorandum of Understanding entered into with the UAW. Net of unusual charges EBIT was in line with 2013 at €2.2 billion.

Industry sales in the U.S. and Canada remained strong, both increasing by 6 percent for the year. FCA outpaced the industry in both markets with full-year sales up 15 percent in each country.

In the **U.S.**, we sold a total of 2.1 million vehicles, our best annual sales result since 2006. And, in December, we extended our streak of consecutive year-over-year monthly sales increases to 57. Among the highlights:

- Jeep posted its best sales ever, with year-over-year increases for all models
- Ram brand continued its impressive growth, posting its best year since 2005 and the best pickup truck sales since 2003
- the Fiat brand posted its best annual sales since its return to the U.S. in 2011
- our market share was up 100 basis points to 12.4 percent, which was the highest share growth for any OEM in the U.S. market

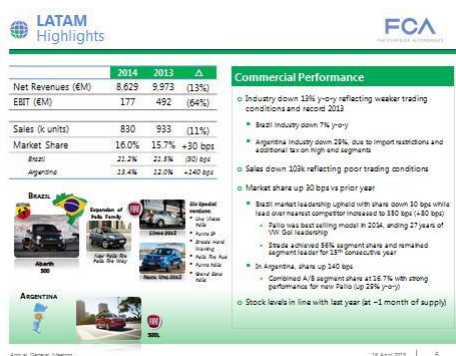
In **Canada**, we posted the strongest annual sales result in our history, with sales up 12 percent over the previous year to 290,000 units.

In December, we achieved our 61<sup>st</sup> consecutive month of year-over-year sales gains and, for the full year, our share of the Canadian market was up 80 basis points to 15.4 percent.

On the **product** front, we launched the all-new Chrysler 200, which is now the third vehicle derived from our Compact U.S. Wide architecture, and the Ram Pro Master City, which was developed from the highly successful Fiat Doblò.

Mid-cycle refreshes included the 2015 Dodge Challenger and Charger, and the 2015 Chrysler 300.

After an absence of some 20 years, Alfa Romeo returned to the North American market with the launch of the 4C Coupé.



In LATAM, results were positive but they came in below prior year levels, primarily due to weaker demand in the region's main markets.

**Net revenues** were down 13 percent year-over-year to €8.6 billion, primarily reflecting lower volumes and negative currency translation impacts.

**EBIT** was €177 million. This was also down over the prior year due to lower volumes, negative currency translation impacts and higher industrial costs which was partially offset by better sales mix and positive pricing actions.

Industry sales in the region were down 13 percent, reflecting poor trading conditions and the year-over-year comparison with a record 2013.

Our sales in the region were down 11% to 830,000 vehicles, but our market share increased 30 basis points to 16 percent.

In **Brazil**, we continued as market leader, a position we have held for 13 years, and widened the gap over our nearest competitor to 350 basis points. In addition:

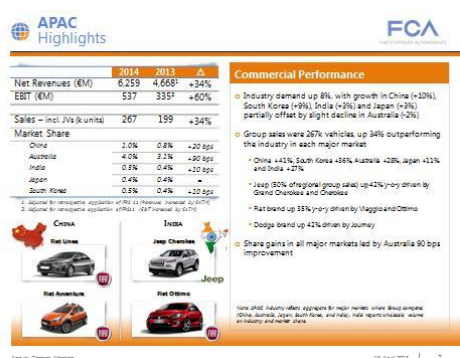
- the Fiat Palio was the best selling model in Brazil in 2014, ending 27 years of leadership by the Volkswagen Gol, and
- the Fiat Strada marked its 15<sup>th</sup> consecutive year as segment leader with a 56 percent share



In **Argentina**, our market share increased by 140 basis points to 13.4 percent.

In terms of **new products**, in Brazil the Fiat brand launched the 500 Abarth; expanded the Palio family; presented refreshed models of the Linea and Uno; and introduced several special versions.

The Fiat 500L was also introduced in Argentina.



Turning to APAC, we posted strong earnings on the back of significant volume growth.

**Revenues** were up 34 percent over the prior year to nearly €6.3 billion and **EBIT** came in at a record €537 million, an increase of 60 percent driven by higher volumes and a better product mix.

Industry demand in the key markets of the region was up 8 percent over the prior year.

FCA significantly outperformed the industry in each of those markets with sales for the year, including JVs, increasing 34 percent to 267,000 units.

The Jeep brand made a major contribution to our growth in APAC, accounting for half of total sales in the region, with a 42 percent year-over-year increase driven by the success of the Cherokee and Grand Cherokee.

Fiat brand sales were up 35 percent, driven by the Viaggio and Ottimo, and Dodge posted a 42 percent increase on the back of sales of the Journey.

FCA increased share in every major market, led by a gain of 90 basis points in Australia.





Key product **launches** included:

- the Jeep Cherokee and the locally-produced Fiat Ottimo in China, further expanding the product line-up for both brands
- in India, we launched the new Fiat Linea and the Fiat Avventura, a small cross-over that will compete in the country's fastest growing vehicle segment

Jeep also introduced the Cherokee in Australia and Japan.

EMEA Highlights				FCA	
	2014	2013	Δ		
Net Revenues (€M)	18,020	17,335 <sup>1</sup>	+4%		
EBIT (€M)	(109)	(506) <sup>2</sup>	N.M.		
Sales (k units)					
CPV	886	876	+1%		
LCV	268	260	+3%		
Market Share (EU28+EFTA)					
CPV	8.8%	8.0%	+100 bps		
LCV	22.8%	22.4%	+100 bps		

<sup>1</sup> Adjusted for nonrecurring expenses of €85 in 2013 and €10 in 2014.  
<sup>2</sup> Adjusted for nonrecurring expenses of €85 in 2013 and €10 in 2014.

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Moving now to the EMEA region, on the back of a more favorable product mix, increased volumes and industrial efficiencies, we closed 2014 with a significant year-over-year reduction in losses.

Adjusted for unusual items, **EBIT** improved by €198 million for the full year and we returned to profitability in the fourth quarter. This result indicates that we are turning the corner in the region as our focus on producing premium vehicles for export begins to pay off.

Higher volumes combined with a more favorable mix contributed to a 4 percent rise in **revenues**, which totaled €18 billion.

European industry **passenger cars** sales grew for the first time since 2007, with demand up 5 percent to 13 million units.

Of the 5 major European markets, Germany, the UK, Spain and Italy all registered increases, while France was unchanged.

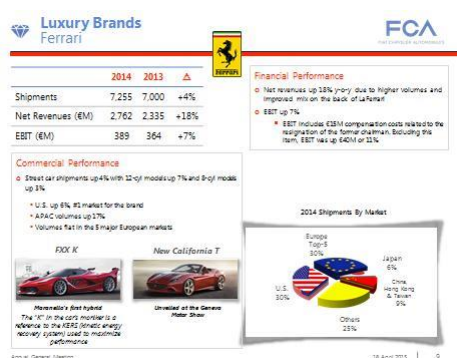
- FCA increased passenger car sales in Europe by 1 percent to 886,000 vehicles
- Our market share was down slightly, however, mostly as a result of a 100 basis point share loss in Italy due to the phase-out of certain models. Excluding Italy, European market share was stable
- The Fiat 500 family continued to lead in the European A and Small MPV segments.

The European **light commercial vehicle** industry was up 10 percent year-over-year with growth in all major markets.

- Fiat Professional sales were up 6 percent, with increases in every major market except France
- The new Ducato led its segment with a 21 percent share and more than 110,000 units sold

Key **product launches** in EMEA included:

- The Jeep Renegade
- The new Jeep Cherokee
- The latest addition to the 500 family, the 500X
- And, as already mentioned, Fiat Professional debuted the sixth generation of the highly successful Fiat Ducato, with more than 2.6 million units sold since the nameplate was launched in 1981.



Turning to Ferrari, worldwide shipments totaled 7,255 vehicles.

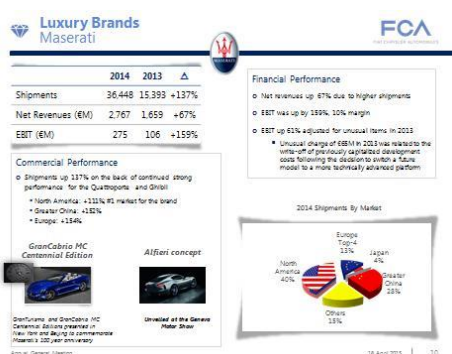
The U.S. remained the brand's number one market with shipments up 6 percent over the prior year. APAC registered a 17 percent increase, while the main European markets were flat.

**Revenues** increased by 18 percent to €2.8 billion as a result of higher volumes and a better mix, mainly driven by sales of LaFerrari.

**EBIT** was 7 percent higher at €389 million. Excluding unusual costs, EBIT improved by 11 percent or €40 million.

The product highlights of the year were:

- The new California T, revealed at the Geneva Motor Show
- And the late-year introduction of the FXX K concept, Ferrari's first hybrid supercar.



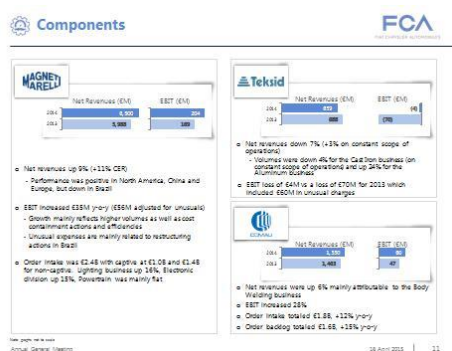
Maserati had an extraordinary year, with shipments up 137 percent to more than 36,000 vehicles on the back of strong performances for both the new Quattroporte and the Ghibli.

North America remained the brand's top market and shipments to North America, Greater China and Europe were more than double the prior year.

**Revenues** were up 67 percent to €2.8 billion and **EBIT** was up 159 percent to €275 million, with EBIT margin at 10 percent.

Maserati also celebrated its 100<sup>th</sup> anniversary year with the introduction of Centennial Edition models of the GranTurismo and GranCabrio MC.

Also unveiled during the year was the Alfieri concept, a prototype coupé – named after the brand's founder – featuring a range of stylistic features that will appear on future Maserati models.



The Group's components businesses posted combined revenues up 7 percent to €8.6 billion and EBIT of €260 million, increasing from €146 million the previous year.

**Magneti Marelli** revenues were up 9 percent to €6.5 billion, with growth in North America, China and Europe offsetting the reduction in Brazil.

Adjusted for unusual charges, EBIT rose by €56 million, benefiting from volume growth, cost containment and industrial efficiencies.

**Teksid** revenues were €0.6 billion, representing a 3 percent increase on a constant scope of operations. EBIT improved to negative €4 million, compared with a loss of €70 million in 2013 that was largely impacted by one-off items.

At **Comau**, revenues increased 6 percent to €1.6 billion, mostly due to the body welding business, with EBIT up 28 percent to €60 million.



This slide shows some key industrial initiatives designed to build on the Group's momentum going forward.

In Brazil, in Q1 this year we began production of the Jeep Renegade at our new, state-of-the-art greenfield plant in the State of **Pernambuco**.

This facility – now the Group's largest worldwide – has installed production capacity of more than 250,000 vehicles a year and the flexibility to produce three different models.

The official grand opening will be held later this month.

We have invested approximately €1 billion at our plant in **Melfi**, Italy, which, following the revamp, is now one of the most advanced assembly plants in the world.

Based on strong initial results for the new Jeep Renegade and Fiat 500X – the two vehicles produced at the Melfi plant for export to more than 100 markets around the world – we have announced plans to add 1,500 new jobs.

We have suspended production at our plant in **Windsor**, Canada, for three months while we retool for the next-generation minivan to be launched in the first quarter of 2016.

Modifications will also allow the plant to build a hybrid electric minivan and other derivatives, in addition to the current minivan.



Last week, we also announced an investment of more than half a billion euros at our plant in **Termoli**, Italy, where we will produce two new engines for Alfa Romeo. Work to retool the plant is already underway and is set to be completed within six months.



Worldwide Shipments	4.8 - 5.0M units
Net Revenues	~€108B
EBIT*	€4.1 - 4.5B
Net Profit*	€1.0 - 1.2B    EPS** €0.64 - €0.77
Net Industrial Debt	€7.5 - 8.0B

\* Based on 2014 data.  
 \*\* EPS calculation includes conversion of non-voting shares into voting shares at €0.02 million share.  
 (Note: EPS is not audited, any impact from the previously announced capital transactions regarding "Share")

Finally, based on the guidance that we announced on January 28<sup>th</sup> with 2014 results, for 2015 we expect:

- Worldwide shipments between 4.8 million and 5 million units.
- Net revenues of approximately €108 billion.
- EBIT in the range of €4.1 billion to €4.5 billion.
- Net profit between €1 billion and €1.2 billion.
- And net industrial debt in the range of €7.5 billion to €8 billion.

\* \* \*

I would like to conclude by thanking all of our shareholders for supporting the Group and its management over the past 12 months, for believing in the creation of FCA and for remaining by our side as we embark on this new course.

I would also like to thank all of the people who work at FCA around the world for their contribution over the past year and for what they continue to do for the future of our Group.

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