PININFARINA GROUP

Consolidated Condensed Interim Financial Statements at June 30, 2009

Pininfarina S.p.A. – Share Capital: 9,317,000 euros, fully paid in. Registered Office: 6 Via Bruno Buozzi

Tax I.D. and Turin Company Register No. 00489110015

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Approved by the Board of Directors
on August 5, 2009

Honorary Chairman

Honorary Chairman	Sergio	Pininfarina

Board of Directors

Chairman *	Paolo	Pininfarina
Chief Executive Officer	Silvio Pietro	Angori
Directors	Gianfranco	Albertini (2)
	Edoardo	Garrone (1)
	Enrico	Parazzini (2)
	Carlo	Pavesio (1)
	Roberto	Testore (1) (2)

(1) Member of the Nominating and Compensation Committee.

(2) Member of the Internal Control Committee.

Board of Statutory Auditors

Chairman	Nicola	Treves
Statutory Auditors	Giovanni	Rayneri
	Mario	Montalcini
Alternates	Alberto	Bertagnolio Licio
	Guido	Giovando

Secretary to the Board of Directors

Gianfranco Albertini

Independent Auditors

PricewaterhouseCoopers S.p.A.

* Pursuant to Article 22 of the Bylaws, the Chairman is the Company's legal representative vis-à-vis outsiders and before the courts.

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Pininfarina Group

Interim Report on Operations

Review of Operating and Financial Performance

The first half of 2009 was an exceptionally challenging period for the global economy as a whole and particularly for the automotive sector, which is the industry in which the Pininfarina Group operates. The contraction in demand for automobiles and the propensity of carmakers to postpone new projects, two developments that began to take shape in the second half of 2008, gained full force during the first six months of this year, with an immediate impact on sales volumes and profit margins. Against this backdrop, the Group was nevertheless able to minimize the impact of such an adverse business environment, owing in part to the agreements it signed with its Lender Institutions in 2008 and the sense of responsibility shown by the labor unions. As a result, it reported operating and financial results for the first half of 2009 that were in line with the projections of the Financial Plan approved by the Board of Directors of Pininfarina S.p.A. in the second half of 2008.

The data for the first six months of 2009 show a significant decrease in value of production and a larger operating loss, compared with the first half of 2008. However, thanks mainly to the reduction in financial expense made possible by the Rescheduling Agreement signed with the Lender Institutions, the net loss was 60% smaller than at June 30, 2008.

The process of restructuring the Parent Company's indebtedness continued, with the implementation of the Second Phase of the Framework Agreement signed on December 31, 2008 causing medium- and long-term borrowings owed to the Lender Institutions to decrease by an additional 35.5 million euros at June 30, 2009. A further reduction of gross indebtedness is expected to occur upon the completion of the capital increase transaction approved by the Board of Directors on May 22, 2009, which is discussed in detail later in this Report.

In the first half of 2009, value of production totaled 139 million euros, or 59.7% less than in the same period last year (345.1 million euros). The main reasons for the decrease of 206.1 million euros are a shortfall of about 68% in the number of cars invoiced, compared with the first six months of 2008, and a change in the scope of consolidation, as the data for 2009 no longer include the French business operations that, instead, were consolidated in the first six months of 2008.

Despite the sharp reduction in value of production, EBITDA (which represent the profit or loss from operations before depreciation, amortization and additions to provisions) were positive by 1 million euros in the first half of 2009 (positive EBITDA of 19.1 million euros at June 30, 2008). This result, which was achieved without the benefit of gains on the sale of property, plant and equipment (gains of 6.9 million euros in 2008), reflects the positive impact of a 58.6% reduction in operating expenses that matched the 59.7% decrease in value of production. Specifically, the Group succeeded in more than offsetting the negative EBITDA of 0.2 million euros reported in the first quarter of 2009 with positive EBITDA of 1.2 million euros in the three months ended June 30, 2009.

EBIT (which represent the profit or loss from operations) were negative by 8.9 million euros, a loss of about 29% larger than the negative amount of 6.9 million euros reported at June 30, 2008. In the first half of 2009, depreciation and amortization expense and net additions to provisions were lower by 13.2 million euros and 2.9 million euros, respectively, than in the first six months of 2008. There are two main reasons for the decrease in depreciation and amortization expense: the value of some assets has been written down, due to the impairment test at December 31, 2008, and cutbacks in production volumes, compared with the first half of 2008, caused total depreciation and amortization expense to decrease. The reduction in net additions to provisions, compared with the first six months of 2008, reflects the impact of reductions in some provisions for risks that were no longer deemed to be necessary.

The sharp reduction in net borrowings and interest expense (about half in nominal interest; see Note 24 to the financial statements) that resulted from the signing of the Framework Agreement and Rescheduling Agreement with the Lender Institutions on December 31, 2008 produced a significant improvement in the Group's financial performance. Specifically, while the Group reported net financial expense of 8.4 million euros for the first half of 2008, it earned net financial income of 1.8 million euros in the same period this year.

Value adjustments, which totaled 1.3 million euros (2.2 million euros at June 30, 2008) refer to:

- a positive contribution of 2.9 million euros (the Group's pro rata interest in net profit) provided by the Pininfarina Sverige A.B. joint venture (same amount as at June 30, 2008);

- a negative contribution of 1.6 million euros (loss of 0.7 million euros a year ago) attributable to the Véhicules Electriques Pininfarina Bolloré SAS joint venture. The loss reflects the pro rata share of the reversal, upon consolidation, of the margin realized between Pininfarina S.p.A., the Group's Parent Company, and the French joint venture, in connection with the development of the electric car.

At June 30, 2009, the loss before taxes amounted to 5.8 million euros (loss of 13.1 million euros in the first half of 2008).

The Group recognized a tax benefit of 0.2 million euros at June 30, 2009, as against an income tax burden of 1 million euros a year earlier. This improvement is due mainly to the reversal of the excess portion of a provision for taxes recognized by the Group's Parent Company in the financial statements at December 31, 2008 and to a decrease in the amount subject to the Regional Tax on Production Activities that resulted from a reduction in labor costs compared with the first six months of 2008.

As a result of the factors outlined above, the net loss for the first half of 2009 totaled 5.6 million euros, a significantly smaller amount (-60.3%) than the 14.1 million euros lost in the same period a year ago.

The net financial position was negative by 79.9 million euros, as against net borrowings of 100.1 million euros at December 31, 2008 and 198.1 million euros at June 30, 2008. The improvement of 20.2 million euros is the net result of a reduction of about 35.8 million euros in indebtedness owed to banks and leasing companies (35.5 million euros of which is due to the implementation of the Second Phase of the Framework and Rescheduling Agreement with the Lender Institutions discussed later in this Report), offset in part by the utilization of liquid assets required by changes in working capital amounting to 15.6 million euros. A breakdown of current and non-current components of the net financial position of the Group and Pininfarina S.p.A. is provided in the schedules included in this Semiannual Financial Report.

There were no past due financial payables or tax-related or employee benefit payables owed by the Pininfarina Group at June 30, 2009. Past-due trade payables owed at the consolidated level (about 0.7 million euros, equal to 0.008% of trade payables at June 30, 2009) were related mainly to ongoing technical/qualitative disputes concerning the supply of items and delays that resulted from the outsourcing of the accounting function of Matra Automobile Engineering in June 2009. No supplier has taken legal action against the Group.

In 2009, pursuant to the Rescheduling Agreement, the Company is required to comply with two financial covenants: EBITDA must be better than (12,100,000 euros) — amounts in parentheses are negative amounts — and liquid assets must be higher than 79,700,000 euros. Compliance with these covenants will be verified based on the 2009 consolidated financial statements published by the Company on its website, in accordance with the compliance requirements applicable each time to publicly traded companies, or supplied to the Lender Institutions, if the Company's shares have been delisted. The Company's compliance with the covenants, or lack thereof, must be certified by means of documents supplied by the Independent Auditors.

While the Group's semiannual financial data are irrelevant in terms of compliance with the covenants or lack thereof, which must be determined on an annual basis, they indicate that the Group was in compliance with both covenants at June 30, 2009. For the analytical meaning of "EBITDA" and "liquid assets" please see the information provided in Annex I appended to the Notes to the 2008 Financial Statements.

At June 30, 2009, the Group had 1,854 employees, or 28.6% less than a year earlier, when 2,595 employees were on its payroll. The above data do not include the 692 employees who work for Pininfarina Sverige A.B. (814 employees at June 30, 2008). At June 30, 2008, the Group's staff included 483 employees of Matra Group companies in France. These companies are no longer being consolidated following the divestment of all of their business operations in the second half of 2008.

A more detailed review of the data by business segment shows that the **manufacturing operations** generated value of production totaling 97.6 million euros (64.4% less than in the first half of 2008), accounting for 70.2% of total consolidated value of production (79.6% the previous year).

A comparison between the number of vehicles invoiced in the first six months of 2009 and 2008 is provided below:

Car model	First half 2009	First half 2008	Change
Alfa Romeo Brera	1,129	2,427	-1,298
Alfa Romeo Spider	743	2,015	-1,272
Mitsubishi Colt CZC	0	2,273	-2,273
Ford Focus Coupé Cabriolet	3,096	8,787	-5,691
Total	**4,968**	**15,502**	**-10,534**

EBIT for the manufacturing operations were negative by 14.2 million euros, a loss that was 30.3% larger than at June 30, 2008, when it amounted to 10.9 million euros.

In Sweden, Pininfarina Sverige A.B. sold 3,960 Volvo C70 automobiles, a decrease of 52% compared with the 8,301 units shipped in the first six months of 2008. Even though car demand remained weak both in Europe and in North America, the contribution provided by this joint venture to the Group's income statement at June 30, 2009 was the same as in 2008, amounting to 2.9 million euros. This level of profitability was achieved by containing operating costs, downsizing the company's staff (-15% compared with the first half of 2008) and increasing efficiency.

The **service operations** reported value of production totaling 41.4 million euros, compared with 70.5 million euros at June 30, 2008 (-41.3%), accounting for 29.8% of the Group's total value of production, up from 20.4% in the first half of 2008. This increase mirrors the corresponding decrease in the value of production contributed by the manufacturing operations. It is worth noting that the Group's scope of consolidation in the first six months of 2009 was different from the same period last year. Specifically, the Matra Group was fully operational in the first six months of 2008, contributing 30.6 million euros to value of production, while only Matra Automobile Engineering S.A.S., a company no longer operational, was present in 2009, generating 1.7 million euros in value of production.

The service operations earned EBIT of 5.3 million euros, or 32.5% more than the 4 million euros reported at June 30, 2008. Higher margins earned on the order portfolio and the portion attributable to these operations of the reduction in overhead account for this improvement.

Assessment of the Company's viability as a going concern

With regard to the issue of evaluating problems and risks and assessing the Company's viability as a going concern — which was discussed in the Report on Operations of the Board of Directors in the financial statements at December 31, 2008, providing disclosures that are still relevant and should be consulted for additional information — an update of the developments that occurred since April 23, 2009, the date of the Shareholders' Meeting that approved the 2008 Annual Report, is provided below:

Updated Information About the Framework Agreement

The Framework Agreement between Pininfarina S.p.A. and the Lender Institutions includes two phases:

- ✓ A first phase, carried out on December 31, 2008, in which the Lender Institutions assigned without recourse to **Pincar S.r.l.** (**Pincar** is the majority shareholder of Pininfarina S.p.A.) financial receivables owed by **Pininfarina S.p.A.** (**Pininfarina**) totaling 180 million euros. Concurrently, Pincar S.p.A. forgave in their entirety the abovementioned receivables.
- ✓ A second phase, which could be carried out in accordance with different methods, as described in the Agreement. Among these methods, Pininfarina and the Lender Institutions agreed to choose the following option: (i) assignment by all of the Lender Institutions of financial receivables owed by Pininfarina for an aggregate amount of up to 70 million euros; (ii) contribution by Pincar of one or more advances on future capital increases carried by forgiving receivables that Pincar acquired from Lender Institutions; (iii) implementation of a capital increase by means of a rights offering. As part of the capital increase transaction, Pincar has agreed to underwrite the entire portion of the capital increase allocated to it under the rights offering as well as the shares corresponding to any unexercised rights, up to a maximum number of shares, enabling it to hold, upon completion of the capital increase, an interest of up to 90% in Pininfarina. In both cases, the shares will be paid-in using the existing advances on future capital increases.

On June 19, 2009, all of the parties to the Framework Agreement (Pincar, Pininfarina and the Lender Institutions) signed an Agreement Amending the Framework Agreement pursuant to which Pincar will be allowed to provide the abovementioned guarantee to underwrite shares corresponding to unexercised rights remaining after the completion of the Stock Market offering, carried out pursuant to Article 2441, Section Three, of the Italian Civil Code, for a number of shares enabling Pincar to hold, upon completion of the capital increase, an interest of up to 86% of Pininfarina's share capital after the capital increase (including the interests held by Segi S.r.l. and Seglap s.s., and any treasury shares). This lower percentage was chosen to maintain an adequate share float, given Pininfarina's reduced capitalization. In addition, the Amended Agreement extended to September 30, 2009 the final deadline to complete the Second Phase and for the Lender Institutions to grant a power of attorney to sell to Banca Leonardo (June 30, 2009 in the Framework Agreement).

Therefore, the capital increase, which marks the conclusion of the restructuring process, is designed to recapitalize Pininfarina through the portion subscribed and paid-in by Pincar, while at the same time, through the rights offering, preventing any dilution of the interest held in Pininfarina by shareholders different from Pincar.

Within this framework, on May 22, 2009, Pininfarina's Board of Directors, availing itself of the powers it was granted by the Extraordinary Shareholders Meeting of April 29, 2008 pursuant to Article 2443 of the Italian Civil Code, agreed to carry out a divisible, contributory capital increase of up to 70,000,000 euros, including any additional paid-in capital. It further agreed to decide at a subsequent Board meeting such issues as the subscription price, the number of shares that will be issued as part of the capital increased and the rights offering allocation ratio.

At the same May 22 meeting, the Board of Directors set December 31, 2009 as the final deadline for the subscription of the newly issued shares, which will rank for dividends as of January 1, 2009, specifying that, if the capital increase is not fully subscribed by the abovementioned deadline, the Company's share capital will still be increased, but only by an amount equal to the subscriptions received.

On July 7, 2009, the Company's Board of Directors agreed to issue up to 20,849,652 common shares, par value 1 euro each, with the same characteristics of the shares currently outstanding, at a subscription price of 3.35 euros per share, 2.35 euros of which will represent additional paid-in capital, (the "**Shares**"), based on a subscription ratio of 269 new common shares for every 120 common shares held (the "**Capital Increase**"). The Board of Directors further resolved that subscribers will have the option of paying-in the Pininfarina shares that are being issued in connection with the capital increase either by paying the subscription price in cash or by utilizing existing advances on capital increase contributions, which may have also been provided by forgiving indebtedness owed by the Company.

Pursuant to the provisions of the Framework Agreement and the Agreement Amending the Framework Agreement, Pincar:

- on June 19, 2009, provided Pininfarina with a first advance on capital contributions by forgiving irrevocably and unconditionally an initial tranche of receivables, amounting to 35,500,0000 euros, it acquired from the Lender Institutions pursuant to a receivable assignment contract (executed on the same date), the above amount being earmarked for paying-in the par value and additional paid-in capital corresponding to the shares that Pincar will underwrite by exercising its allotted subscription rights;

- will provide Pininfarina with a second advance on capital contributions by forgiving an additional tranche of receivables acquired at the same time from the Lender Institutions pursuant to the receivable assignment contract executed on June 19, 2009, up to the amount needed to pay-in the maximum number of shares corresponding to unexercised rights remaining after the completion of the Stock Market offering, carried out pursuant to Article 2441, Section Three, of the Italian Civil Code, which Pincar has agreed to underwrite and pay-in. Specifically, by a letter dated June 25, 2009, Pincar provided Pininfarina with a pledge to underwrite and pay-in the shares corresponding to unexercised rights up to a maximum number of shares enabling Pincar to hold, upon completion of the capital increase, an interest of up to 86% in Pininfarina (including the interests held by Segi S.r.l. and Seglap s.s., and any treasury shares). This percentage was chosen to maintain an adequate share float, given Pininfarina's reduced capitalization.

As a result of the transactions discussed above, insofar as they concern the portion of the capital increase underwritten by Pincar and paid by means of advances on capital contributions provided by forgiving receivables owed by the Company to Pincar, Pininfarina will not be receiving a fresh cash infusion, but will strengthen its shareholders' equity. Any fresh cash generated through the underwriting of shares by parties other than Pincar, who will be paying-in their share in cash, will be used to meet the Company's liquidity needs in the normal course of its business operations.

Following the publication on July 11, 2009 of the prospectus concerning the rights offering for the new shares, the rights offering period began July 13, 2009 and ended on July 31, 2009. At the end of this period, shareholders had exercised 5,171,040 rights, acquiring through subscription a total of 11,591,748 newly issued Pininfarina common shares, equal to about 55.6% of the 20,849,652 available shares, for a total consideration of 38,832,355.80 euros.

Consistent with the commitments undertaken on June 25, 2009, Pincar S.r.l. exercised all of the rights allotted to it, acquiring through subscription and paying-in 10,567,665 newly issued Pininfarina common shares, equal to about 50.69% of the available shares, for a total consideration of 35,401,677.75 euros, which it defrayed by means of an advance on future capital contributions provided to Pininfarina on June 19, 2009 by forgiving indebtedness in the amount of 35,500,000 euros owed by Pininfarina, which the Lender Institutions assigned to Pincar on the same date.

At the end of the rights offering period, 4,129,920 rights, which could be used to acquire through subscription a total of 9,257,904 newly issued Pininfarina common shares for a total consideration of 31,013,978.40 euros, had not been exercised.

Pursuant to Article 2441, Section Three, of the Italian Civil Code, unexercised rights will be offered for sale by Pininfarina on the stock exchange during five stock market trading days, from August 24 to August 28, 2009.

The completion of the capital increase process will also mark the end of the Second Phase subject of the Framework Agreement with the Lender Institutions. Compared with December 31, 2008, Pininfarina will have been recapitalized by about 70 million euros and its indebtedness toward banks and leasing companies will have decreased by an amount equal to that of the financial receivables that the Lender Institutions will have irrevocably assigned to Pincar and which Pincar will have used to pay-in any newly issued shares. The level of liquidity generated by the capital increase will depend on the number of shares underwritten by market investors and paid-in in cash.

Updated Information About the Dispute with Mitsubishi Motor Europe

Pininfarina is currently a party to arbitration proceedings before the International Chamber of Commerce in Paris in an action against Mitsubishi Motor Europe. In the course of these proceedings, each party has put forth claims seeking compensation for damages from the opposing party. Subsequent to the event described in the Report on Operations included in the 2008 Annual Report approved by the Shareholders' Meeting on April 23, 2009, both Pininfarina and Mitsubishi filed and exchanged expert reports and written depositions by the May 22, 2009 deadline, as required by the schedule of filings and hearings issued by the Arbitrators. In the abovementioned filings, both parties essentially reaffirmed their position. Arbitration hearings during which witnesses and experts were deposed were held in Geneva from June 8 to June 13, 2009. At the conclusion of these hearings, the Board of Arbitrators set July 10, 2009 and August 7, 2009 as the deadlines by which the parties were required to file, respectively, their post-hearing memoranda and their concluding briefs.

As for the duration of the proceedings, the Board of Arbitrators indicated that it expects to hand down an award between the end of 2009 and the beginning of 2010.

Updated Information About the Dispute with the Revenue Administration

On February 26, 2009, in a new development concerning the dispute between the Company and the revenue administration that was the subject of disclosures provided in the 2008 Annual Report, the Turin Provincial Tax Commission informed Pininfarina S.p.A. that it had handed down a decision in the tax dispute that was pending before the Commission. By this decision, the lower court magistrate upheld in part the arguments of the Turin Internal Revenue Agency, but, while the proceedings continue at the next jurisdictional level, reduced the amount owed by Pininfarina from about 69.5 million euros to about 30 million euros, plus interest.

On April 8, 2009, Pininfarina S.p.A. filed an appeal challenging the decision of the lower court magistrate before the Regional Tax Commission. A hearing has been scheduled for November 17, 2009.

In view of the considerations provided above, while there are significant risks concerning the ability of the Group and the Company to continue operating as a going concern, the Directors have confidence in the effectiveness of the activities that are bring implemented to restore the financial and industrial health of the Pininfarina Group.

Outlook for the Balance of 2009

Consistent with the guidance provided in the Report on Operations of the 2008 Annual Report and the approval of the results for the first quarter of 2009, the Group expects to end the current year with a net loss, but the amount of the loss should be substantially lower and not comparable with the loss reported in 2008. The consolidated operating results for the first half of 2009 were consistent with the projections of the Financial Plan upon which the current Rescheduling Agreement with the Lender Institutions is based.

At the end of 2009, both net financial position and shareholders' equity are expected to show an improvement, compared with December 31, 2008, as a result of transactions executed during the second phase of the Framework Agreement described above.

Significant Events Occurring After June 30, 2009

Other than the development described above, no significant events occurred after June 30, 2009.

August 5, 2009

Paolo Pininfarina
Chairman
of the Board of Directors

Reclassified Consolidated Income Statement

(in thousands of euros)

	Data at					Data at
	6/30/09	%	**6/30/08**	%	**Change**	**12/31/08**
Net revenues	121,522	87.43	331,800	96.13	(210,278)	527,304
Changes in inventories of finished good and work in progress	12,249	8.81	6,641	1.93	5,608	(1,935)
Other income and revenues	4,740	3.41	6,177	1.79	(1,437)	10,202
Work performed internally and capitalized	491	0.35	532	0.15	(41)	117
Value of production	**139,002**	**100.00**	**345,150**	**100.00**	**(206,148)**	**535,688**
Net gain (loss) on disposal of non-current assets	(10)	(0.01)	6,948	2.01	(6,958)	(160)
Raw materials and outside services (*)	(103,354)	(74.35)	(267,028)	(77,36)	163,674	(407,261)
Change in inventory of raw materials	(1,296)	(0.93)	2,603	0.75	(3,899)	(6,608)
Value added	**34,342**	**24.71**	**87,673**	**25.40**	**(53,331)**	**121,659**
Labor costs (**)	(33,308)	(23.96)	(68,572)	(19.87)	35,264	(114,714)
EBITDA	**1,034**	**0.75**	**19,101**	**5.53**	**(18,067)**	**6,945**
Depreciation and amortization	(9,544)	(6.87)	(22,721)	(6.58)	13,177	(34,974)
Additions to provisions/Writedowns	(414)	(0.30)	(3,273)	(0.95)	2,859	(149,773)
EBIT	**(8,924)**	**(6.42)**	**(6,893)**	**(2.00)**	**(2,031)**	**(177,802)**
Net financial expense	1,798	1.29	(8,378)	(2.43)	10,176	(21,619)
Value adjustments	1,338	0.97	2,157	0.63	(819)	(2,090)
Profit before taxes	**(5,788)**	**(4.16)**	**(13,114)**	**(3.80)**	**7,326**	**(201,511)**
Income taxes	212	0.15	(950)	(0.28)	1,162	(2,615)
Profit (Loss) for the period	**(5,576)**	**(4,01)**	**(14,064)**	**(4,08)**	**8,488**	**(204,126)**
Minority int. in net profit (loss)	0	0,00	0	0,00	0	0

(*) The item **Raw materials and outside services** is shown net of guarantee provision and risks provision drawdowns which came to 1,169 thousand euros in 2008 and 0 euros in 2009.

(**) The item **Labor costs** is shown net of the amount taken from the restructuring provision of 415 thousand euros in 2008 and 819 thousand euros in 2009.

Pursuant to Consob Resolution No. DEM/6064293 of July 28, 2006, the data for the period has been reconciled with the reclassified statements:

- The item **Raw materials and outside services** comprises the sub-items Raw materials and components, Other variable production costs, Variable external engineering services, Foreign exchange gains (losses) and Sundry expenses .
- The item **Depreciation and amortization** comprises the sub-items Depreciation of property plant and equipment and amortization of intangible assets.
- The item **Additions to provisions/Writedowns** comprises the sub-items Addition to provisions/Writedowns and Addition to provision for inventory risk.
- The item **Net financial income (expense)** comprises the sub-items Financial income (expense) and Dividends.

Reclassified Consolidated Statement of Financial Position

(in thousands of euros)

	Data at			Data at
	6/30/09	**12/31/08**	**Change**	**6/30/08**
Net non-current assets (A)				
Net intangible assets	4,083	4,553	(470)	6,667
Net property, plant and equipment	108,139	116,948	(8,809)	241,442
Equity investments	35,916	34,413	1,503	33,959
Total A	**148,138**	**155,914**	**(7,776)**	**282,068**
Working capital (B)				
Inventory	27,540	16,873	10,667	32,534
Net trade receivables and other receivables	96,459	92,092	4,367	177,373
Assets held for sale	0	7,040	(7,040)	15,054
Deferred-tax assets	1,242	1,311	(69)	5,544
Trade accounts payable	(92,992)	(92,836)	(156)	(216,891)
Provision for risks and charges	(23,970)	(27,066)	3,096	(8,652)
Other liabilities (*)	(15,765)	(16,004)	239	(32,664)
Liabilities held for sale	0	(4,950)	4,950	(7,816)
Total B	**(7,486)**	**(23,540)**	**16,054**	**(35,518)**
Net invested capital (C=A+B)	**140,652**	**132,374**	**8,278**	**246,550**
Provision for termination indeminities (D)	**21,139**	**22,287**	**(1,148)**	**23,705**
Net capital requirements (E=C-D)	**119,513**	**110,087**	**9,426**	**222,845**
Shareholders' equity (F)	**39,602**	**10,006**	**29,596**	**24,700**
Net financial position (G)				
Long-term debt	126,968	116,681	10,287	(109,472)
(Net liquid assets)	(47,057)	(16,600)	(30,457)	307,617
Total G	**79,911**	**100,081**	**(10,170)**	**198,145**
Total as in E (H=F+G)	**119,513**	**110,087**	**9,426**	**222,845**

(*) The item “Other liabilities” refers to the following balance sheet items: deferred taxes, other payables, current tax and other liabilities fund.

Consolidated Net Financial Position

(in thousands of euros)

	Data at			Data at
	6/30/09	12/31/08	Change	6/30/08
Cash and cash equivalents	73,005	75,230	(2,225)	131,471
Net liquid assets included in assets held for sale	0	0	0	996
Current assets held for trading	56,939	54,699	2,240	59,150
Current loans receivable and other receivables	19,180	37,541	(18,361)	42,014
Loans receivable from associates and joint ventures	17,904	17,904	0	17,904
Bank account overdrafts	(24,625)	(37928)	13,303	(34,888)
Current liabilities under finance leases	(60,999)	(85,060)	24,064	(349,679)
Current portion of long-term bank debt	(34,347)	(45,786)	11,439	(174,585)
Net liquid assets (Net short-term debt)	**47,057**	**16,600**	**30,457**	**(307,617)**
Long-term loans and other receivables from outsiders	81,195	82,846	(1,651)	93,088
Long-term loans and other receivables from associates and joint ventures	35,808	44,760	(8,952)	53,713
Non-current assets held for sale	768	766	2	0
Long-term liabilities under finance leases	(144,207)	(142,600)	(1,607)	0
Long-term bank debt	(100,532)	(102,453)	1,921	(37,329)
Net long-term debt	**(126,968)**	**(116,681)**	**(10,287)**	**109,472**
Net financial position	**(79,911)**	**(100,081**	**20,170**	**(198,145)**

Consolidated Net Financial Indebtedness Statement

(CESR /05-04b)

(in thousands of euros)

		Data at			Data at
		6/30/09	**12/31/08**	**Change**	**6/30/08**
A.	Cash	(73,005)	(75,230)	(2,225)	(132,467)
B.	Other liquid assets	0	0	0	0
C.	***Securities held for trading***	***(56,939)***	***(54,699)***	***2,240***	***(59,150)***
D.	***Total liquid fund (A.)+(B.)+(C.)***	***(129,944)***	***(129,929)***	***15***	***(191,616)***
E.	***Current financial receivables***	***(37,084)***	***(55,445)***	***(18,361)***	***(59,918)***
F.	Short-term bank account overdrafs	24,625	37,928	13,303	34,888
	Current portion of secured bank loans	*5,346*	*5,346*	*0*	*8,346*
	Current portion of unsecured bank loans	*29,001*	*40,440*	*11,439*	*166,239*
G.	Current portion of non-current debt	34,347	45,786	11,439	174,585
H.	Other current financial payables	60,999	85,060	24,061	349,679
I.	*Current financial debt (F.)+(G.)+(H.)*	*119,971*	*168,774*	*48,803*	*559,152*
J.	*Debt / Net current Financial (Position)*	*(47,057)*	*(16,600)*	*30,457*	*307,617*
	Non-current portion of secured bank loans	*31,233*	*34,657*	*3,424*	*36,579*
	Non-current portion of unsecured bank loans	*69,299*	*67,796*	*(1,503)*	*750*
K.	Non-current bank account overdrafs	100,532	102,453	1,921	37,329
L.	Bonds issued	0	0	0	0
M.	Other non-current financial payables	144,207	142,600	(1,607)	0
N.	*Non-current net financial debt (K.)+(L.)+(M.)*	*244,739*	*245,053*	*315*	*37,329*
O.	*Net financial debt (J+N) (1)*	*197,682*	*228,453*	*30,771*	*344,947*

The Net Financial Indebtedness Statement provided above is being presented in the format recommended by the Consob in Communication DEM No. 6064293 of July 28, 2006, which implements E.U. Regulation No. CESR/05-04b. Because the subject of the abovementioned statement is Net Financial Indebtedness, assets are shown with a minus sign and liabilities with a plus sign. This approach is consistent with the presentation method used for Net Financial Indebtedness in the Prospectus. In the Consolidated Net Financial Position Statement presented in the preceding page, assets are shown with a positive sign and liabilities with a negative sign.

The reason for the difference between amounts shown for Net financial position and Net financial debt is that Net financial debt does not include loans receivable, long-term financial receivables and, limited to December 31, 2008 and June 30, 2009, non-current assets held to maturity. The amounts of the abovementioned differences, at the respective reporting dates, are as follows:

- 117,771,000 euros at June 30, 2009;
- 128,372,000 euros at December 31, 2008;
- 146,802,000 euros at June 30, 2008.

Companies of the Pininfarina Group at June 30, 2009

(data presented in accordance with the IAS accounting principles)

The **Pininfarina Extra** Group ended the first six months of 2009 with value of production of 2.1 million euros (4.6 million euros at June 30, 2008). The sharp reduction in the volume of business that occurred with comparable intensity both in Italy and the United States reflected the rapid deterioration of market conditions in those countries caused by the global economic crisis. The reduction in business volume had a negative impact on profitability, with the Pininfarina Extra Group operating roughly at breakeven in the first half of 2009, as against a net profit of 0.9 million euros in the same period last year. The net financial position was positive by 1.5 million euros, down slightly from 1.6 million euros a year earlier. At June 30, 2009, there were 24 employees on the payroll, down from 26 employees the end of June 2008.

At June 30, 2009, **Matra Automobile Engineering S.A.S.** reported value of production of 1.7 million euros and a consolidated net loss of 0.4 million euros, compared with 30.6 million euros and 2.4 million euros, respectively, in the first half of 2008. Net indebtedness increased from 23.1 million euros in the first six months of 2008 to 23.8 million euros in the same period this year. The result for the period benefited from the recognition of a receivable for research grants amounting to 1.3 million euros (1.7 million euros at June 30, 2008). Since January 1, 2009, following the divestments of its subsidiaries and business operations, this company has been concerned with managing its remaining working capital and the tax credits owed by the French government for research projects. The company's entire indebtedness is owed to Pininfarina S.pA., which had already written down the corresponding financial receivable in its separates financial statements at December 31, 2008. The company had only one employee at June 30, 2009 (484 employees a year earlier).

The **Pininfarina Deutschland** Group ended the first six months of 2009 with value of production of 6 million euros (7.7 million euros at June 30, 2008) and a net loss 0.6 million euros (net profit of 1.1 million euros last year). The drastic contraction of market demand in Germany, which was one of the countries hardest hit by the current recession, made it impossible to duplicate the performance of the first half of 2008, despite efforts to contain operating costs and develop new business opportunities. In the first six months of 2009, net indebtedness totaled 4.1 million euros, compared with 3.7 million euros at December 31, 2008 and 4.8 million euros June 30, 2008. The Pininfarina Deutschland Group had 166 employees at June 30, 2009, 10 fewer than a year earlier.

In the first half of 2009, **Pininfarina Maroc S.A.S.** booked value of production of 0.9 million euros (1.2 million euros at June 30, 2008), earning a net profit of 127,000 euros (net profit of 382,000 euros a year earlier). At June 30, 2009, the net financial position was positive by 0.3 million euros, as against net borrowings of 0.4 million euros at December 31, 2008 and 0.4 million euros at June 30, 2008. This company had 44 employees at June 30, 2008, 16 fewer than a year earlier.

RHTU AB, a company that has been in liquidation since June 1, 2009, reported a net profit of 216,000 euros at June 30, 2009, as against a net loss of 140,000 euros a year earlier. The net financial position was positive by 0.8 million euros, compared with positive balances of 0.2 million euros at December 31, 2008 and 0.6 million euros at June 30, 2008. This company has no employees.

Pininfarina Sverige AB ended the first half of 2009 with value of production of 113.7 million euros and a net profit of 4.7 million euros (221.2 million euros and 4.9 million euros, respectively, at June 30, 2008). It invoiced 3,960 cars and had 692 employees in the first six months of 2009 (8,301 cars and 814 employees at June 30, 2008). Despite a drastic reduction in value of production compared with the first half of 2008 (-48.6%), efforts to contain operating expenses, a downsized payroll (-15%) and efficiency gains enabled the company to hold steady its bottom line. The company's debt exposure continued to improve, with net indebtedness decreasing from 149.5 million euros in the first half of 2008 to 126.6 million euros in the same period this year (147 million euros at December 31, 2008).

Véhicules Electriques Pininfarina Bolloré SAS, a joint venture established in February 2008 to pursue the electric automobile project currently under development, reported a net loss of 500,000 euros, before consolidation adjustments, attributable mainly to interest charges and startup costs (loss of 24,000 euros at June 30, 2008). Net borrowings totaled 13 million euros, compared with 12.1 million euros at June 30, 2008 and 14.1 million euros at December 31, 2008.

Pininfarina S.p.A., the Group's Parent Company, reported value of production of 128.5 million euros at June 30, 2009, compared with 302.8 million euros in the first half of 2008 (-57.6%). EBITDA were positive by 0.6 million euros (positive EBITDA of 16.2 million euros a year earlier), but EBIT were negative by 8.8 million euros (negative EBIT of 7.2 million euros at June 30, 2008, -22.2%). Net financial income amounted to 2.1 million euros, as against net financial expense of 7.2 million euros a year earlier. The first six months of 2009 ended with a net loss of 6.3 million euros, but this amount was 58.3% smaller than the net loss of 15.1 million euros reported at June 30, 2008. The net financial position was negative by 82.1 million euros, compared with negative balances of 172 million euros at June 30, 2008 and 99.2 million euros at December 31, 2008. Pininfarina S.p.A. had 1,619 employees at June 30, 2009, 165 fewer than a year earlier, when 1,784 employees were on its payroll.
The factors that affected the Group's operating and financial performance in the first six months of 2009 are valid for the most part for the Parent Company as well.

PININFARINA GROUP

Condensed Semiannual Financial Statements at June 30, 2009

Consolidated Statement of Financial Position

	Note ref.	6/30/09	12/31/08
Property, plant and equipment		108,139,240	116,948,452
Land and buildings	7	70,488,670	71,479,412
Land		17,142,610	17,142,610
Buildings		43,194,095	44,005,563
Leased property		10,151,965	10,331,239
Plant and machinery	7	34,840,871	42,218,902
Machinery		7,866,835	10,198,101
Plant		25,875,586	30,570,083
Leased machinery and equipment		1,098,450	1,450,718
Furniture, fixtures and other property, plant and equipment	7	2,281,700	2,616,538
Furniture and fixtures		559,267	663,028
Hardware & software		901,888	1,028,049
Other property, plant and equipment (including vehicles)		820,545	925,461
Assets under construction	7	528,000	633,600
Intangible assets		4,082,678	4,552,545
Goodwill	8	1,043,495	1,043,495
Licenses and trademarks	8	2,722,095	3,119,908
Other intangibles	8	317,088	389,142
Equity investments		35,915,944	34,412,502
Joint ventures	9	35,433,464	33,876,821
Other companies	9	482,480	535,681
Deferred-tax assets	32	1,241,600	1,310,914
Non-current financial assets		117,770,910	128,372,549
Held-to-maturity long-term investments	10	767,750	766,292
Loans and other receivables form:		117,003,160	127,606,257
Outsiders	10	81,194,804	82,845,811
Related parties and joint ventures	10	35,808,356	44,760,446
Available-for-sale non-current financial assets		0	0
Held-for-sale other non-current assets		0	0
TOTAL NON-CURRENT ASSETS		**267,150,372**	**285,596,962**
Inventory		10,651,594	13,510,479
Raw materials	11	7,985,447	9,707,163
Work in process	11	1,809,682	2,802,513
Finished goods	11	856,465	1,000,803
Contract work in progress	11	16,888,880	3,362,442
Current financial assets		94,023,412	110,143,580
Current assets held for trading	10	56,939,205	54,698,684
Current loans receivables and other receivables from:		37,804,207	55,444,896
Outsiders	10	19,180,029	37,540,718
Related parties and joint ventures	10	17,904,178	17,904,178
Available-for-sale current financial assets		0	0
Held-to-maturity current investments		0	0
Trade receivables and other receivables		96,458,950	92,091,770
Trade receivables from:		65,044,536	49,632,788
Outsiders		54,145,291	45,417,522
Related parties and joint ventures	13	10,899,245	4,215,266
Other receivables	12	31,414,414	42,458,982
Cash and cash equivalents		73,004,669	75,229,700
Cash on hand		1,094,204	1,575,468
Short-term bank deposits		71,910,465	73,654,232
TOTAL CURRENT ASSETS		**291,027,506**	**294,337,971**
Held-for-sale non-curret assets	14	**0**	**7,040,001**
TOTAL ASSETS		**558,177,878**	**586,974,934**

Consolidated Statement of Financial Position

	Note ref.	6/30/09	12/31/08
Common shares	15	9,301,042	9,301,042
Additional paid-in capital	16	0	26,843,769
Reserve for treasury stock	17	175,697	175,697
Statutory reserve	18	2,231,389	2,231,389
Stock option reserve		0	0
Reserve for currency translations	19	(4,760,721)	(4,964,781)
Other reserves	20	42,841,713	187,873,265
Retained earnings	21	(4,610,936)	(7,328,866)
Profit (Loss) for the year	22	(5,576,162)	(204,125,840)
GROUP INTEREST IN SHAREHOLDERS' EQUITY		**39,602,022**	**10,005,676**
Minority interest in shareholders' equity		**0**	**0**
TOTAL SHAREHOLDERS' EQUITY		**39,602,022**	**10,005,676**
Long-term borrowings		244,738,746	245,053,410
Liabilities under finance leases	24	144,206,579	142,600,125
Other indebtedness owed to:	24	100,532,167	102,453,285
Outsiders		100,532,167	102,453,285
Related parties and joint ventures		0	0
Deferred-tax liabilities	32	6,935	9,451
Provision for termination indemnities		21,138,705	22,287,321
Provision for pensions and severance pay		0	45,132
Provision for termination indemnities	25	21,138,705	22,242,189
TOTAL NON-CURRENT LIABILITIES		**265,884,386**	**267,350,182**
Current borrowings		119,971,181	168,773,767
Due to banks	24	24,625,180	37,927,769
Liabilities under finance leases	24	60,999,032	85,059,761
Bonds outstanding and other borrowings owed to:	24	34,346,969	45,786,237
Outsiders		34,346,969	45,786,237
Other payables		14,348,275	13,092,827
Wages and salaries		7,732,089	4,236,784
Due to social security institutions		1,428,912	3,449,265
Vacation days, sick days and personal days		256,280	154,621
Other liabilities		4,930,994	5,252,157
Trade accounts payable		92,991,643	92,835,124
Accounts payable to outsiders		90,511,411	89,898,357
Account payable to associated companies and joint ventures		62,637	54,914
Advances received for work in progress		2,417,595	2,881,853
Provision for current taxes		1,188,965	1,496,804
Direct taxes		1,074,590	1,098,354
Other taxes		114,375	398,450
Provision for other liabilities and charges		23,969,880	27,066,381
Provision for warranties	26	11,324,624	12,274,502
Provision for restructuring programs	26	2,521216	1,678,778
Other provisions	26	10,124,040	13,113,101
Other liabilities		221,525	1,404,174
TOTAL CURRENT LIABILITIES		**252,691,469**	**304,669,077**
TOTAL LIABILITIES		**518,575,856**	**572,019,259**
Liabilities attributable to held-for-sale assets	14	**0**	**4,950,000**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**558,177,878**	**586,974,934**

The separate balance sheet required by Consob Resolution No. 15519 of July 27, 2006 is not being provided because transactions with related parties are already disclosed in the regular balance sheet.

Consolidated Income Statement (*)

	Note ref.	6/30/09	6/30/08
Sales and service revenues		121,522,173	331,800,123
Increase in Company-produced non-current assets		491,144	532,302
Change in inventories of finished goods and work in progress		12,248,971	6,640,694
Change in contract work in progress		13,386,140	4,278,455
Change in inventories of work in progress, semifinished and finished goods		(1,137,169)	2,362,239
Other income and revenues	27	4,739,653	6,176,782
Total value of production		**139,001,941**	**345,149,901**
Gain on the sales of non-current assets	28	1,875	6,968,321
Amount earned on the sale of equity investments		*0*	*2,638,870*
Raw materials and consumables used		(79,012,441)	(222,296,723)
Raw materials and components		(77,290,725)	(224,899,448)
Change in inventories of raw materials, subsidiary materials and consumables		(1,296,112)	2,602,725
Provision for inventory risk		(425,604)	0
Other variable production costs		(3,952,648)	(5,555,953)
Consumables		(1,683,536)	(2,783,840)
Utilities		(66,812)	(277,136)
External maintenance costs		(2,202,300)	(2,494,977)
External variable engineering services		(9,945,646)	(13,327,784)
Wages, salaries and employee benefits		(33,307,680)	(68,572,213)
Production staff, office staff and managers		(31,216,126)	(62,887,333)
Independent contractors		0	(3,422,825)
Social security and other post-employment benefits		(2,091,554)	(2,262,055)
Depreciation, amortization and writedowns		(9,545,646)	(26,014,103)
Depreciation of property, plant and equipment		(9,024,006)	(21,978,948)
Loss on disposals of property, plant and equipment		(12,281)	(20,429)
Amortization of intangibles		(520,440)	(741,732)
Additions to provisions/Writedowns		11,291	(3,272,994)
Foreign exchange gains (losses)		54,085	(10,543)
Other expenses	29	(12,219,273)	(23,234,303)
Profit (Loss) from operations		**(8,925,223)**	**(6,893,400)**
Financial income (expense), net	30	1,707,671	(8,498,659)
Dividends		90,676	120,564
Value adjustments	31	1,338,362	2,157,409
Profit (Loss) before taxes		**(5,788,514)**	**(13,114,086)**
Income taxes for the period	32	(212,352)	(949,760)
Profit (Loss) for the period		**(5,576,162)**	**(14,063,846)**
Minority interest in shareholders' equity		**0**	**0**

	6/30/09	6/30/08
Profit (Loss) for the period	(5,576,162)	(14,063,846)
Number of common shares, net	9,301,042	9,301,042
Basic earnings (loss) per share	(0.60)	(1.51)

(*) As required by Consob Resolution No. 15519 of July 27, 2006, the impact of transactions with related parties on the income statement of the Pininfarina Group is shown in a separate schedule on a subsequent page of these financial statement and in the "Other Information" section of the Notes to the Financial Statements.

Consolidated Statement of Comprehensive Income

(in thousands of euros)

	6/30/09	6/30/08
Group interest in net profit (loss) (A)	**(5,576)**	**(14,064)**
Gains (Losses) from translation of financial statements of foreign companies	204	(206)
Total other gains (losses), net of tax effect (B)	204	(206)
Total comprehensive net profit (loss) (A)+(B)	**(5,372)**	**(14,270)**
Minority interest in total comprehensive net profit (loss)	0	0
Total comprehensive net profit (loss)	**(5,372)**	**(14,270)**
Shareholders of the controlling company	(5,372)	(14,270)
Minority interest	0	0

Consolidated Income Statement Pursuant to Consob Resolution No. 15519 of July 27, 2006

		6/30/09	Amt.with related parties	**6/30/08**	Amt.with related parties
Sales and service revenues		121,522,173	7,952,010	331,800,123	10,142,396
Increase in Company-produced non-current assets		491,144		532,302	
Change in inventories of finished goods and work in progress		12,248,971	0	6,640,694	0
Change in contract work in progress		13,386,140		4,278,455	
Change in inventories of work in progress, semifinished and finished goods		(1,137,169)		2,362,239	
Other income and revenues	27	4,739,653		6,176,782	
Total value of production		**139,001,941**	**7,952,010**	**345,149,901**	**10,142,396**
Gain on the sales of non-current assets	28	1,875		6,968,321	
Amount earned on the sale of equity investments		*0*		*2,638,870*	
Raw materials and consumables used		(79,012,441)	0	(222,296,723)	0
Raw materials and components		(77,290,725)		(224,899,448)	
Change in inventories of raw materials, subsidiary materials		(1,296,112)		2,602,725	
Provision for inventory risk		(425,604)		0	
Other variable production costs		(3,952,648)	0	(5,555,953)	0
Consumables		(1,683,536)		(2,783,840)	
Utilities		(66,812)		(277,136)	
External maintenance costs		(2,202,300)		(2,494,977)	
External variable engineering services		(9,945,646)	(7,723)	(13,327,784)	0
Wages, salaries and employee benefits		(33,307,680)	0	(68,572,213)	0
Production staff, office staff and managers		(31,216,126)		(62,887,333)	
Independent contractors		0		(3,422,825)	
Social security and other post-employment benefits		(2,091,554)		(2,262,055)	
Curtailment		0		0	
Depreciation, amortization and writedowns		(9,545,646)	0	(26,014,103)	0
Depreciation of property, plant and equipment		(9,024,006)		(21,978,948)	
Loss on disposals of property, plant and equipment		(12,281)		(20,429)	
Amortization of intangibles		(520,440)		(741,732)	
Writedowns		11,291		(3,272,994)	
Foreign exchange gains (losses)		54,085		(10,543)	
Other expenses	29	(12,219,273)		(23,234,303)	
Profit (Loss) from operations		**(8,925,223)**	**7,944,287**	**(6,893,400)**	**10,142,396**
Financial income (expense), net	30	1,707,671	1,311,336	(8,498,659)	2,596,675
Dividends		90,676		120,564	
Value adjustments	31	1,338,362		2,157,409	
Profit (Loss) before taxes		**(5,788,514)**	**9,255,623**	**(13,114,086)**	**12,739,071**
Income taxes for the period	32	(212,352)		(949,760)	
Profit (Loss) for the period		**(5,576,162)**	**9,255,623**	**(14,063,846)**	**12,739,071**
Minority interest in shareholders' equity		**0**	**0**	**0**	**0**

Statement of Changes in Consolidated Shareholders' Equity

	12/31/07	Total Profit (Loss) for the year	Translation restatements	Advance on future capital contributions	Reserve for non-refundable shareholder contributions	6/30/08
Common shares	9,301,042					9,301,042
Additional paid-in capital	34,652,765		(7,808,996)			26,843,769
Reserve for treasury stock	12,000,000		(11,824,302)			175,698
Statutory reserve	2,231,389					2,231,389
Stock options reserve	2,232,280		(2,232,280)			0
Reserve for currency translat.	(133,198)	(206,429)				(339,627)
Fair value reserve	0					0
Other reserves	82,251,468		(74,378,203)			7,873,265
Retained earnings	10,959,948		(18,281,814)			(7,321,866)
Profit (Loss) for the period	(114,525,048)	(14,063,846)	114,525,048			(14,063,846)
GROUP INTEREST IN SHAREHOLDERS' EQUITY	38,970,646	(14,270,275)	(547)	0	0	24,699,824
Minority interest in profit and res.	0					0
TOTAL SHAREHOLDERS' EQUITY	**38,970,646**	**(14,270,275)**	**(547)**	**0**	**0**	**24,699,824**

	12/31/07	Total Profit (Loss) for the year	Translation restatements	Advance on future capital contributions	Reserve for non-refundable shareholder contributions	12/31/08
Common shares	9,301,042					9,301,042
Additional paid-in capital	34,652,765		(7,808,996)			26,843,769
Reserve for treasury stock	12,000,000		(11,824,303)			175,697
Statutory reserve	2,231,389					2,231,389
Stock options reserve	2,232,280		(2,232,280)			0
Reserve for currency translat.	(133,198)	(4,831,584)				(4,964,781)
Fair value reserve	0					
Other reserves	82,251,468		(74,378,203)		180,000,000	187,873,265
Retained earnings	10,959,948		(18,288,814)			(7,328,866)
Profit (Loss) for the period	(114,525,048)	(204,125,840)	114,525,048			(204,125,840)
GROUP INTEREST IN SHAREHOLDERS' EQUITY	38,970,646	(208,957,423)	(7,547)	0	180,000,000	10,005,676
Minority interest in profit and res.	0					
TOTAL SHAREHOLDERS' EQUITY	**38,970,646**	**(208,957,423)**	**(7,547)**	**0**	**180,000,000**	**10,005,676**

	12/31/08	Total Profit (Loss) for the year	Translation restatements	Advance on future capital contributions	Reserve for non-refundable shareholder contributions	6/30/09
Common shares	9,301,042					9,301,042
Additional paid-in capital	26,843,769		(26,843,769)			0
Reserve for treasury stock	175,697					175,697
Statutory reserve	2,231,389					2,231,389
Stock options reserve	0					0
Reserve for currency translat.	(4,964,781)	204,060				(4,760,721)
Other reserves	187,873,265		(180,000,000)	34,968,449		42,841,714
Retained earnings	(7,328,866)		2,717,929			(4,610,936)
Profit (Loss) for the period	(204,125,840)	(5,576,162)	204,125,840			(5,576,162)
GROUP INTEREST IN SHAREHOLDERS' EQUITY	10,005,677	(5,372,102)	0	34,968,449	0	39,602,022
Minority interest in profit and res.	0					
TOTAL SHAREHOLDERS' EQUITY	**10,005,677**	**(5,372,102)**	**0**	**34,968,449**	**0**	**39,602,022**

Consolidated Cash Flow Statement (*)

	Data at	
	6/30/09	**6/30/08**
Profit (loss) for the period	**(5,576,162)**	**(14,063,846)**
Restatements	***4,498,914***	***20,262,852***
- Income taxes	(212,352)	949,760
- Depreciation of property, plant and equipment	9,024,006	21,978,948
- Amortization of intangibles	520,440	741,732
- Writedowns and additions to provisions	(11,291)	3,272,994
- Provision for pensions and seniority indemnities	(1,148,616)	(1,443,515)
- (Gains) Losses on sale of non-current assets	10,406	(6,947,892)
- Unrealized (gains) losses on derivatives	0	0
- (Gains) Losses available for sale financial assets	0	(16,700)
- (Financial income)	(5,673,940)	(11,628,485)
- Financial expense	3,966,268	15,630,732
- (Dividends)	(90,676)	(120,564)
- Value adjustment to shareholders' equity	(1,338,362)	(2,157,409)
- Other restatements	(546,971)	3,249
Changes in working capital	***(18,116,248)***	***(19,908,857)***
- Inventories	2,858,885	(5,136,028)
- Contract work in progress	(13,526,438)	(4,787,522)
- Trade accounts receivable and other receivables	2,316,799	(71,829,238)
- Accounts receivable from joint ventures	(6,683,979)	850,364
- Trade accounts payable	164,217	58,366,890
- Accounts payable to joint ventures	7,721	(269,873)
- Other changes	(3,253,454)	2,896,552
Cash flow from operating activities	**(19,193,496)**	**(13,709,850)**
(Financial expense)	(3,966,268)	(15,630,732)
(Income taxes)	212,352	(949,760)
Net cash flow used in operating activities	**(22,947,413)**	**(30,290,342)**
- Purchases of property, plant and equipment	(277,647)	(407,330)
- Proceeds from sale of property, plant and equipment	1,875	6,340,345
- Non-current loans receivable from borrowers outside the Group	17,769,716	51,914,189
- Non-current loans receivable from joint ventures	8,952,090	8,952,088
- Financial income	5,673,940	11,645,185
- Dividends	90,676	120,564
- Other equity investments	(165,079)	103,095
Net cash used in investing activities	**32,045,571**	**78,668,135**
- Proceeds from the issuance of shares	0	0
- Purchases of treasury shares	0	0
- Borrowings from lenders outside the Group	(314,661)	9,447,896
- Loans payable to joint ventures	0	0
- Dividends paid	0	0
Net cash used in financing activities	**(314,661)**	**9,447,896**
- Other non-cash items	204,059	(206,976)
- Non-current assets held for sales or belonging to discontinued operations and related liabilities	0	0
Increase (Decrease) in cash and cash equivalents	**8,987,557**	**57,618,712**
- Cash and cash equivalents at beginning of the period	37,301,931	39,578,608
- Cash and cash equivalents included in discontinued or discontinuing operations	399,111	(616,016)
- Cash and cash equivalents from discontinued or discontinuing operations	2,090,001	0
Cash and cash equivalents at end of the period	**48,379,489**	**96,581,304**
Cash and cash equivalents	73,004,669	131,470,640
Bank account overdrafts	(24,625,180)	(34,889,336)
Net cash and cash equivalents at end of the period	*48,379,489*	*96,581,304*

(*) Pursuant to Paragraph 7 of IAS 7 – Cash Flow Statements, transactions that did not produce a change in a cash position are not reflected in the statement provided above. As required by Consob Resolution No. 15519 of July 27, 2006, the impact of transactions with related parties on the Pininfarina Group, which reflects exclusively transactions with the Pininfarina Sverige AB and Véhicules Electriques Pininfarina-Bolloré SAS joint ventures, are discussed in Notes 11 and 24 to the financial statements of Pininfarina S.p.A. and Notes 10-13 to the financial statements of the Pininfarina Group.

Consolidated Income Statement – Second Quarter

	Second Quarter 2009	Second Quarter 2008
Sales and service revenues	61,121,687	199,907,046
Increase in Company-produced non-current assets	97,619	(379,519)
Change in inventories of finished goods and work in progress	8,530,429	(4,542,526)
Change in contract work in progress	10,359,266	(2,298,062)
Change in inventories of work in progress, semifinished and finished goods	(1,828,837)	(2,244,464)
Other income and revenues	3,645,671	4,657,205
Total value of production	**73,395,407**	**199,642,206**
Gain on the sales of non-current assets	0	3,638,900
Amount earned on the sale of equity investments	*0*	*0*
Raw materials and consumables used	(43,103,254)	(130,871,084)
Raw materials and components	(43,345,428)	(127,810,837)
Change in inventories of raw materials, subsidiary materials and consumables	547,778	(3,060,247)
Provision for inventory risk	(305,604)	0
Other variable production costs	(1,886,391)	(2,766,211)
Consumables	(722,815)	(1,369,701)
Utilities	(45,555)	(77,738)
External maintenance costs	(1,118,022)	(1,318,773)
External variable engineering services	(5,402,357)	(6,563,208)
Wages, salaries and employee benefits	(16,847,326)	(35,092,069)
Production staff, office staff and managers	(15,695,324)	(31,442,277)
Independent contractors	0	(2,229,124)
Social security and other post-employment benefits	(1,152,002)	(1,420,670)
Depreciation, amortization and writedowns	(3,408,295)	(15,823,847)
Depreciation of property, plant and equipment	(4,614,681)	(13,040,109)
Loss on disposals of property, plant and equipment	(12,281)	(20,351)
Amortization of intangibles	(260,686)	(447,603)
Additions to provisions/Writedowns	1,479,354	(2,315,786)
Foreign exchange gains (losses)	(15,747)	(55,885)
Other expenses	(5,215,809)	(13,181,067)
Profit (Loss) from operations	**(2,483,773)**	**(1,072,266)**
Financial income (expense), net	1,316,191	(2,770,451)
Dividends	90,676	120,564
Value adjustments	3,376,017	771,164
Profit (Loss) before taxes	**2,299,111**	**(2,950,989)**
Income taxes for the period	492,650	(1,370,968)
Profit (Loss) for the period	**2,791,761**	**(4,321,956)**
Minority interest in shareholders' equity	**0**	**0**

Consolidated Statement of Comprehensive Income – Second Quarter

(in thousands of euros)

	Second Quarter 2009	Second Quarter 2008
Group interest in net profit (loss) (A)	**2,792**	**(4,322)**
Gains (Losses) from translation of financial statements of foreign companies	365	(306)
Total other gains (losses), net of tax effect (B)	365	(306)
Total comprehensive net profit (loss) (A)+(B)	**3,156**	**(4,628)**
Minority interest in total comprehensive net profit (loss)	0	0
Total comprehensive net profit (loss)	**3,156**	**(4,628)**
Shareholders of the controlling company	3,156	(4,628)
Minority interest	0	0

Notes to the Semiannual Financial Statements

1. General Information

The Pininfarina Group is centered around a core of automotive operations and based on the establishment of comprehensive collaborative relationships with carmakers. Operating as a global partner, its highly flexible approach enables it to work with customers through the entire product development process — design, planning, development, industrialization and manufacturing — or to provide support during any one of these phases.

The Group has production and development facilities in Italy, Germany, Sweden and Morocco. Its customers are located mainly in Italy, France, Great Britain and China.

The headquarters of Pininfarina S.p.A., the Group's Parent Company, are located at 6 Via Bruno Buozzi, in Turin. The Company's shares are traded on the Borsa Italiana securities market.

A list of the registered offices and other facilities where the Group companies conduct their business operations is provided on Note 6 to the financial statements.

The consolidated financial statements of the Pininfarina Group are presented in euros, which is the currency used in the main markets in which the Group operates.

This Semiannual Financial Report was approved by the Board of Directors on August 5, 2009.

2. Accounting Principles

2.1. Presentation Criteria

Principles for the Preparation of the Financial Statements

The condensed semiannual consolidated financial statements at June 30, 2009 of the Pininfarina Group were prepared in accordance with the International Financial Reporting Standards ("IFRS") published by the International Accounting Standards Board ("IASB"), as adopted by the European Union, which are based on the going concern principle. Information about this issue is provided in the section of the Report on Operations entitled "Assessment of the Company's Viability as a Going Concern and Business Outlook" included in the 2008 Annual Report and in the section of the Interim Report on Operations at June 30, 2009 entitled "Assessment of the Company's Viability as a Going Concern."

The accounting principles applied to the preparation of these condensed semiannual financial statements, which are consistent with the requirements of IAS 34 – Interim Financial Reporting, are the same as those used for the consolidated annual financial statements at December 31, 2008, except for new reporting standards that became applicable as of January 1, 2009. The impact of these standards is explained later in this Report, in the section entitled "Accounting Principles, Amendments and Interpretations Applied as of January 1, 2009."

As part of the process of preparing these interim financial statements, management, based on information available as of the date of this Report, was required to make estimates and assumptions that have an impact on the reported amounts of revenues, expenses, assets and liabilities. Should actual circumstances prove to be different from those considered when making estimates and assumptions, the accounting impact of the resulting revisions will be recognized in the reporting period when the changed circumstances occur.

Moreover, as a rule, non-current assets are fully tested for impairment only in connection with the preparation of the annual financial statements, unless there are strong impairment indicators.

Actuarial valuations of employee benefit obligations are also performed only in connection with the preparation of the semiannual and annual financial statements.

Financial Statement Schedules

The condensed semiannual consolidated financial statements include the following components:

- a consolidated statement of financial position, in which current and non-currents assets and liabilities are classified separately and, as required by IFRS 5, "Held-for-sale assets" and "Held-for-sale liabilities" are shown as two separate line items;
- a consolidated income statement and a consolidated statement of comprehensive income, shown as two separate schedules in which operating costs are classified by type;
- a consolidated cash flow statement, in which the cash flow from operating activities is presented in accordance with the "indirect method," as allowed by IAS 7, and the total cash flow from "Held-for-sale assets" is shown separately, as required by IFRS 5;
- a statement of changes in consolidated shareholders' equity.

Moreover, as required by Consob Resolution No. DEM/6064293 of July 28, 2006, income and expense that originate from nonrecurring transactions or from events that do not occur frequently in the normal course of business are specifically identified in the income statement with costs classified by type. The impact of the abovementioned transactions or events is shown in a separate schedule in the "Other Information" section of this Report.

Also pursuant to the abovementioned Consob Resolution, in the balance sheet and cash flow statement the amounts attributable to positions or transactions with related parties are listed separately from the other amounts in the corresponding accounts.

Accounting Principles, Amendments and Interpretations Applied as of January 1, 2009

The accounting principles adopted to prepare these condensed semiannual financial statements are the same as those used for the consolidated annual financial statements for the year ended December 31, 2008, except for changes required by IAS 1, which are reviewed below.

In addition to recommending the use of new names for some financial statement schedules, IAS 1, as revised in 2007, introduces the requirement to disclose either in a single schedule (called statement of comprehensive income) or in two separate schedules (separate income statement and statement of comprehensive income) the components of the profit or loss for the period and income and expense items that are recognized directly in equity resulting from transactions with parties other than the Company's shareholders. Items resulting from transactions with shareholders and the result of the statement of comprehensive income are shown in the statement of changes in consolidated shareholders' equity. With regard to the statement of comprehensive income, the Pininfarina Group chose the presentation option of two separate schedules called "consolidated income statement" and "consolidated statement of comprehensive income."

Other newly issued or revised principles that are applicable as of January 1, 2009 are reviewed below:

- The adoption of IFRS 8 – *Operating Segments,* did not require the Group to change its internal reporting system and no new operating segments or segment groupings had to be defined for segment reporting purposes.

- IAS 23 – *Borrowing Costs.* The 2007 revision of this standard eliminates the option of recognizing borrowing costs as an expense in the income statement when they are incurred in connection with the purchase, construction or production of "qualifying" assets, i.e. assets the borrowing costs of which may be capitalized. This revision did not have a material accounting impact on the Group in the first half of 2009.

- Amendments to *IFRS 2 - Share-based Payments: Vesting Conditions and Cancellations.* This principle was amended to clarify the definition of vesting conditions and specify the accounting treatment that should be applied when a plan is effectively cancelled due to the failure to meet a vesting condition. The adoption of this amendment does not apply to the Group because no stock options have been established.

- Amendments to *IAS 32 – Financial Instruments: Presentation* and to *IAS 1 - Presentation of Financial Statements*: Financial instruments with an option to sell at fair value and obligations in the event of liquidation: these principles were amended to allow, under certain conditions, financial instruments with an option to sell at fair value (puttable at fair value) to be classified as components of shareholders' equity instead of as financial liabilities. The adoption of this amendment does not apply to the Group.

- *IFRIC 13 - Customer Loyalty Programs*: This interpretation specifies that goods or services provided free of charge or at a discount ("bonuses" or "points") awarded in connection with customer loyalty programs must be recognized separately from the sale of the product or service for which they are awarded. A portion of the fair value of the consideration received for the sale must be allocated to the bonus points and deferred. This component will be recognized as a revenue during the period when the points are redeemed. The requirement to adopt this revision does not apply to the Group.

- IFRS improvements: In May 2008, the IASB published its first annual standard improvements, which are designed to eliminate inconsistencies and clarify terminology. These improvements include *ad hoc* transition clauses for each standard. However, the adoption of these improvements did not have any impact on the Group's financial position or operating performance.

2.2 Changes in the Scope of Consolidation and the Group's Structure

A significant change compared with December 31, 2008 resulted from the successful sale of the business operations of the Matra Automobile Engineering SAS subsidiary on March 27, 2009.

The following changes occurred in the Group's structure compared with June 30, 2008:

- The following companies are no longer part of the Group:
    a. CERAM SAS;
    b. D3 SAS;
    c. Plazolles Modelage S.a.r.l.;
    d. Numero Design S.a.r.l;

In December 2008, the manufacturing operations of RHTU Sverige A.B. were transferred to the Pininfarina Sverige A.B. joint venture.

2.3 Consolidation

(a) Subsidiaries

These are companies over which the Group exercises control, as defined in IAS 27 – *Consolidated Financial Statements and Separate Financial Statements.* Control is presumed to exist when the Group controls more than half of the voting rights, either directly or as a result of shareholders' agreements or potential voting rights. Subsidiaries are consolidated from the moment the Group is able to exercise control and are deconsolidated when control ends.

The Group accounts for the acquisition of controlling interests by the purchase method. This method, which is provided in IFRS 3– *Business Combinations,* requires that the acquiree's identifiable assets and liabilities be recognized at their fair value as of the acquisition date.
The cost of acquisition is the sum of the price paid plus any incidental charges.

Any difference between the cost paid and the Group's pro rata interest in the fair value of the net assets it acquired is capitalized and recognized as goodwill, if positive, or charged directly to income, if negative.

Revenues and expenses and receivables and payables that arise from transactions between Group companies are eliminated in the consolidation process. When necessary, the accounting principles of subsidiaries are amended to make them consistent with those of the Group's Parent Company.

(b) Associated Companies and Joint Ventures

Associated companies are companies over which the Group exercises a significant influence, but not control. The Group is deemed to exercise significant influence, as defined in IAS 28 – *Investments in Associates,* when it controls between 20% and 50% of the voting rights at a Shareholders' Meeting.

Joint ventures are companies over which the Group exercises joint control, as defined in IAS 31 – *Interests in Joint Ventures.*

Investments in associated companies and joint ventures are recognized initially at cost and are then valued by the equity method.

The Group's investments in associated companies and joint ventures include any goodwill that was recognized at the time of acquisition, less accumulated impairment losses.

The Group's income statement reflects the Group's pro rata interest in the result of associated companies and joint ventures. If an associated company or a joint venture recognizes an adjustment that entails a direct charge to shareholders' equity, the Group recognizes its pro rata share of the charge and shows it in its statement of changes in shareholders' equity.

The Group's pro rata interest in losses incurred by an associated company or a joint venture is recognized in the Group's financial statements until the value of the corresponding equity investment is written off. Any additional loss is posted to the provisions for risks and charges only to the extent that the Group has undertaken obligations or made payments on behalf of the associated company or joint venture.

Gains generated through transactions with an associated company or a joint venture are eliminated against the value of the investment. The same is done for losses, unless the losses stem from an impairment of the assets subject of the transaction. When necessary, the accounting principles of associated companies and joint ventures are amended to make them consistent with those of the Group's Parent Company.

Consistent with the provisions of Paragraph 38 of IAS 31 – *Interests in Joint Ventures* and Paragraph 14 of IAS 27 – *Consolidated Financial Statements and Separate Financial Statements,* the 60% interest held in Pininfarina Sverige A.B. is valued by the equity method in the consolidated financial statements.

Véhicules Electriques Pininfarina Bolloré SAS, a 50-50 joint venture established to develop the electric cart is also valued by the equity method.

(c) Other Companies

Investments in other companies that constitute available-for-sale financial assets are valued at fair value, if available, and any resulting gains or losses are recognized in equity until the assets are sold or their value is impaired. At that point, accumulated gains or losses previously recognized in equity are reflected on the income statement for the period. Investments in small companies are carried at their current value or fair value, if it can be determined. Dividends received from these companies are recognized under Dividends in the income statement.

2.4 Translation of Items Denominated in Foreign Currencies

(a) Functional Currency and Presentation Currency

The financial statements of subsidiaries, associated companies and joint ventures are presented in the corresponding functional currency, which is the currency used in their primary business environment. The presentation currency of the Pininfarina Group is the euro.

(b) Assets, Liabilities and Transactions in Currencies Other Than the Euro

Transactions executed in currencies other than the euro are recognized initially at the exchange rate in force on the date of the transaction.

Monetary assets and liabilities denominated in currencies other than the euro are converted into euros at the exchange rate in force at the end of the period. All translation differences are recognized in the income statement, except for differences stemming from loans in foreign currencies that hedge investments in foreign subsidiaries. These differences, and the corresponding tax consequences, are recognized directly in equity until the equity investment is sold, at which point the translation differences are recognized in the income statement.

Non monetary items that are carried at historical cost are translated into euros at the exchange rate in force when the underlying transaction was first recognized.

Non monetary items that are carried at fair value are translated into euros at the exchange rate in force on the date when each item's fair value was determined.

No company of the Pininfarina Group operates in a high-inflation economic environment.

(c) Group Companies

The assets and liabilities of Group companies that use a functional currency different from the euro are translated into euros at the exchange rate in force at the end of the period. The income statement is translated at the average exchange rate for the reporting period. Translation differences are recognized directly in equity and are shown separately in the reserve for currency translations. When an investee company is sold, the corresponding portion of this reserve is reflected in the income statement.

Goodwill and fair value adjustments to the assets and liabilities of foreign companies are translated into euros at the year-end exchange rate.

The table below lists the exchange rates used to translate financial statements denominated in currencies other than the Group's functional currency:

Euro vs. currency	**At June 30, 2009**	**Average for the first half 2009**	**At June 30, 2008**	**Average for the first half 2008**
- U.S. dollar	1.41	1.33	1.58	1.53
- Swedish kronor	10.81	10.86	9.47	9.38
- Moroccan dirham	11.33	11.15	11.48	11.43

2.5 Property, Plant and Equipment

All classes of property, plant and equipment are carried at their historical cost, less accumulated depreciation and impairment losses, except for land, which is carried at its historical cost less impairment losses. Cost includes all expenses directly attributable to the purchase.

Costs incurred after an asset has been acquired can be capitalized only if it is likely that they will produce future economic benefits and if the costs can be measured reliably.

The depreciation of buildings and other general-purpose assets is computed on a straight-line basis, so as to distribute each asset's residual carrying value over its estimated useful life.

Special-purpose assets used to produce specific cars under contract manufacturing agreements are depreciated by the units of production method, in accordance with Paragraphs 50 and 60 of IAS 16 – *Property, Plant and Equipment.*

Extraordinary maintenance costs that have been capitalized and added to the carrying value of an existing asset are depreciated over the residual useful life of the asset or over the period of time until the next maintenance overhaul, whichever is shorter.

The residual values and useful lives of property, plant and equipment are reviewed and changed, if necessary, on the balance sheet date.

Gains and losses on the sale of property, plant and equipment are recognized in the income statement. They represent the difference between an item's carrying amount and its sales price.

In this and subsequent sections of these notes, the term "impairment" shall mean the adjustment made to the carrying amount of a non-current asset to make it consistent with the asset's recoverable value.

2.6 Intangible Assets

(a) Goodwill

Goodwill represents the excess of the price paid for net identifiable assets at the time of their acquisition over their fair value.

Goodwill generated upon the purchase of an interest in a subsidiary or affiliated company is included in the value of the investment in the company in question.

Goodwill is tested for impairment at least once a year and, if an impairment loss is detected, its carrying amount is adjusted accordingly.

Any gain or loss generated by the sale of an equity investment must also take into account the carrying amount of the corresponding goodwill.

An impairment test is performed by comparing the carrying amount of goodwill with the present value of the cash flows that homogeneous groups of assets are expected to generate.

(b) Software and Other Licenses

The cost actually incurred to secure software licenses and other similar licenses, including the expenses required to put them into use, are capitalized and amortized over the estimated useful lives of the licenses (three to five years).

The costs incurred to maintain software are treated as operating expenses and charged to income in the year they are incurred.

Costs incurred to develop software that can be identified and controlled by the Pininfarina Group and which has a high probability of producing greater economic benefits than the costs incurred during a single year are capitalized as an intangible asset and amortized over the useful life of the corresponding asset (not more than three years).

(c) Research and Development Costs

Research costs are charged to income in the year they are incurred.

Development costs, other than those referred to in the paragraph below, are capitalized as intangible assets only if they can be measured reliably and it is clear that the project for which they are being incurred has a high chance of success, both in terms of technical feasibility and commercial acceptance. Development costs that do not meet these characteristics are treated as operating expenses.

Development costs that were charged to income in previous years may not be capitalized at a later date, even if they then meet the requirements for capitalization.

Development costs with a finite useful life are amortized from the date the resulting product was brought to market over the length of time during which they are expected to produce economic benefits, but not more than five years.

The Pininfarina Group carries out development work on behalf of its clients under contracts that involve the styling, engineering and manufacture of automobiles or just design and engineering work. These contracts with outsiders, which are covered by the provisions of IAS 11 – *Construction Contracts,* are handled on an inventory basis and, consequently, do not generate capitalized intangible assets.

Development work performed under styling, engineering and production contracts is included in the amount of financial receivables recognized in accordance with IFRIC 4 – *Determining Whether an Arrangement Contains a Lease* (see Note 2.19 b below) or, if IFRIC 4 is not applicable, in the value of special-purpose assets that are part of property, plant and equipment.

(d) Other Intangibles

Other intangibles acquired separately are capitalized at cost. Those acquired through business combinations are capitalized at their fair value as of the date of acquisition.

After initial recognition, intangibles with a finite useful life are carried at cost less depreciation and impairment losses. Intangibles with an undefined useful life are carried at cost less impairment losses.

The useful lives of other intangibles are reviewed once a year. Any resulting changes are applied from that point on.

2.7 Recoverable Amount of Assets

The recoverable amount of intangibles with an indefinite useful life that are not amortized must be tested for impairment at least once a year.

Assets that are amortized are tested for impairment only when there is an indication that their carrying amount may not be recoverable.

The amount of the impairment writedown should be equal to the difference between an assets' carrying amount and its recoverable amount, computed as the greater of the asset's sales price (net of transaction costs) and its value in use.

The recoverable amount of the assets is determined by grouping basic cash generating units.

a) Identification of Cash Generating Units (CGUs) and Allocation of Assets

The identification of the CGUs, carried out in accordance with the recommendations of IAS 36 – *Impairment of Assets,* is consistent with the segment information requirements of IFRS 8 – *Operating Segments*, according to which disclosures must be provided for two business segments: 1) Styling and engineering, and 2) Manufacturing.

Within the Manufacturing segment, the Group identifies three minimal CGUs, to which it allocates the assets used in connection with the manufacturing contracts for the Alfa Brera and Spider, the Mitsubishi Colt CZC and the Ford Focus convertible.

The following types of assets are allocated to the minimal CGUs:
- Property, plant and equipment;
- Financial receivables recognized in accordance with IFRIC 4 – *Determining Whether an Arrangement Contains a Lease* (see Note 2.19 – Leases below).

b) Impairment Test of Financial Receivables Recognized in Accordance with IFRIC 4 – *Determining Whether an Arrangement Contains a Lease.*

Financial receivables recognized in accordance with IFRIC 4 – *Determining Whether an Arrangement Contains a Lease* are valued at amortized costs. Consequently, they must be tested for impairment, as required by IAS 39 – *Financial Instruments: Recognition and Measurement,* at each financial statement reference date.

Paragraph 59 of IAS 39 states that an asset or a group of assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that the loss events have an impact on the estimated future cash flows of the asset.

c) Impairment Test of Property, Plant and Equipment

A full impairment test of property, plant and equipment is performed in connection with the preparation of annual financial statements.

2.8 Financial Assets

The Group divides its investments into four categories: a) financial assets carried at fair value through profit and loss; b) loans and other financial receivables; c) held-to-maturity investments; and d) available-for-sale financial investments.

The basis for this classification is the reasoning behind an asset's acquisition. Management allocates financial assets to the appropriate category at the time of purchase.

(a) Financial Assets Carried at Fair Value Through Profit and Loss

This category is divided into two classes: 1) financial assets held for trading and 2) assets designated into the category from the inception. An asset is included in this category if it was acquired mainly to be resold over the short term or if it was placed in this category by the Company's management.

(b) Loans and Other Financial Receivables

Loans and other financial receivables are non-derivative financial assets that entail fixed or determinable payments, are not traded on a regulated market and are not held for trading. They are listed as current assets, except for the portion due after one year, which is classified under non-current assets.

(c) Held-to-maturity Investments

These are non-derivative financial assets that entail fixed or determinable payments and have a fixed maturity and which the Group plans and has the financial ability to hold to maturity.

(d) Available-for-sale Financial Investments

Available-for-sale financial investments are those non-derivative financial assets that are designated as available for sale and those non-derivative financial assets that do not fall into any of the previous categories. These assets are listed as current assets, unless management decides not to sell them within 12 months from the balance sheet date, in which case they are reclassified under non-current assets.

Purchases and sales of financial assets are recognized on the transaction date, which is the date when the Group agrees to buy or sell an asset.

All financial assets (except for financial assets carried at fair value) whose changes in value are recognized in earnings, are initially recognized at their fair value, plus transaction costs.

Financial assets are removed from the financial statements when they cease to deliver cash flows, or the right to receive such cash flow is transferred, or when the Group effectively transfers all of the risks and benefits inherent in ownership to a third party.

Following their purchase, assets that are categorized either as Available-for-sale financial assets or as Financial assets carried at fair value (whose changes in value are recognized in earnings) are valued at fair value. The assets included in the other two categories (Loans and other financial receivables and Held-to-maturity investments) are valued at their amortized cost, computed by the effective interest method.

Realized and unrealized gains and losses from changes in the fair value of financial assets categorized as Financial assets carried at fair value (whose changes in value are recognized in earnings) are reflected in the income statement in the year when they are generated.

Unrealized gains and losses from changes in the fair value of non-monetary securities categorized as Available-for-sale assets are recognized in equity. When securities categorized as Available-for-sale assets are sold or their value is impaired, adjustments to their fair value that have accumulated in a separate shareholders' equity reserve are recognized in earnings as a gain or loss on the sale.

The fair value of investments in listed securities is based on current bid prices. If an active market is not available for these financial assets or they are unlisted equity securities, fair value is determined by the Group using such valuation techniques as making reference to market transactions involving similar instruments or discounting future cash flows, adjusted as necessary to reflect the specific characteristics of the issuers.

At the end of each fiscal year, the Group tests its financial assets for objective indications of the existence of impairment losses. Specifically:

- in the case of financial assets valued at amortized cost, the required writedown is equal to the difference between their carrying value and the present value of the cash flows expected from the assets, discounted at the original effective interest rate;
- in the case of financial assets valued at cost, the required writedown is equal to the difference between their carrying value and the present value of the cash flows expected from the assets, discounted at the current market rate of return for similar financial assets.

Any impairment of available-for-sale financial assets, which are assets that the Group does not own at this time, must be recognized in accordance with Paragraphs 67 to 70 of IAS 39.

2.9 Inventory

Inventory is carried at cost or estimated net realizable value, whichever is smaller. Net realizable value is the selling price in the ordinary course of business, less the variable costs necessary to make the sale.

As required by IAS 2 – *Inventories,* cost is determined by the FIFO ("first-in, first-out") method. The cost of finished goods and semifinished goods includes design, raw materials and direct labor costs, as well as other direct costs and other indirect costs that can be allocated to the manufacturing operations based on a normal level of production capacity. This costing formula does not include borrowing costs.

2.10 Trade Receivables and Other Receivables

Trade receivables are initially recognized at fair value. Subsequently, they are valued at amortized cost computed by the effective interest rate method, net of writedowns for uncollectible accounts. Writedowns of receivables are accounted for as if there was objective evidence that the Group will be unable to collect the full amounts that customers have agreed to pay on the dates due. The amount of the writedown, which should correspond to the difference between the carrying amount of the receivables and the present value of future collections, discounted at the effective interest rate, is recognized in the income statement.

2.11 Cash and Cash Equivalents

The Cash and cash equivalents account includes cash on hand, readily available bank deposits, overdraft facilities and liquid investments due within three months. Overdraft utilizations are recognized as current liabilities.

2.12 Non-current Assets Held for Sale

Non-current assets held for sale and discontinued operations refer to businesses or assets (or groups of assets) that have been sold or are in the process of being sold, the carrying value of which was or will be recovered mainly through a sale rather than through their ongoing use.

These assets are valued at the lower of their net carrying value or their fair value, less costs to sell. In accordance with Paragraphs 38-40 of IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations,* the amounts applicable to non-current assets or a disposal group classified as held for sale must be shown separately on the balance sheet.

2.13 Share Capital

The Company's common share capital is listed in the shareholders' equity section of the balance sheet.

Incidental expenses incurred to issue share capital or options are recognized under shareholders' equity.

If a Group company buys shares of Pininfarina S.p.A. or Pininfarina S.p.A. purchases treasury shares (within the constraints of the applicable statutes), the price paid, net of any directly attributable incidental charges, is deducted from shareholders' equity until the shares are canceled, reissued, awarded to employees or resold.

The share capital of Pininfarina S.p.A. consists of 9,317,000 common shares, par value 1 euros each. There are no other classes of shares.

2.14 Borrowings

Initially, borrowings are recognized at fair value, net of any incidental charges. Subsequently, as required by IAS 39 – *Financial Instruments: Recognition and Measurement,* they are valued by the amortized cost method. Any difference between the collection amount, net of any incidental charges, and the redemption amount is recognized in earnings on an accrual basis, computed by the effective interest rate method.

The portion of borrowings that is due within one year is listed among current liabilities. The portion due after one year is recognized as a non-current liability only if the Group has an unconditional contractual right to defer repayment.

2.15 Deferred Taxes

As required by IAS 12 – *Income Taxes,* deferred taxes are computed on all temporary differences between the carrying amount of assets and liabilities and the amount attributed to those assets and liabilities for tax purposes. Temporary differences are not computed on:

- Goodwill generated by a business combination;
- Initial recognition of assets and liabilities upon the execution of a transaction that is not a business combination and has no impact on reported results for the period or on taxable income.

Deferred-tax liabilities are computed using the tax rates in force in the business environments in which the companies of the Group operate and in accordance with the tax laws that have been enacted, or which can be deemed to have been virtually enacted, as of the balance sheet date and which are expected to apply when the temporary differences that required the recognition of a deferred-tax liability are reversed.

Deferred-tax assets are recognized only if it is likely that the Company will have earned sufficient taxable income to offset them when the temporary differences that required their recognition are reversed.

Deferred-tax assets are reviewed at each balance sheet date and are adjusted to reflect changes in the expectation that the Company will earn sufficient taxable income in the future to utilize all or part of the deferred-tax assets.

Deferred-tax liabilities are computed on temporary differences generated in connection with equity investments in subsidiaries, associated companies and joint ventures, except in those cases where the reversal of the temporary differences can be controlled by the Group and it is unlikely to occur in the near future.

Deferred-tax liabilities on components of shareholders' equity are posted directly to shareholders' equity.

2.16 Employee Benefits

(a) Pension Plans

The employees of the Pininfarina Group have access to defined-contribution and defined-benefit plans. None of these plans has dedicated plan assets.

For the purposes of IAS 19 – *Employee Benefits,* the Provision for termination indemnities attributable to employees of the Pininfarina Group, computed in accordance with Article 2120 of the Italian Civil Code, consists of:

- a defined-benefit pension plan for the benefits that vested prior to the effective date of Legislative Decree No. 252 of December 5, 2005;
- a defined-contribution pension plan for the benefits that vested from 2007 on.

Defined-benefit plans are pension plans in which the pension benefit that an employee will receive at the end of the employment relationship is defined based on such factors as age, years of services and salary earned.
Defined-contribution plans are plans under which the Group pays a fixed contribution and has no further statutory or implied obligations to pay additional sums, should the plan's assets prove to be inadequate to pay benefits for current or past service.

The actuarial valuation required to determine the amount of the provision is carried out in connection with the preparation of the semiannual and annual reports.

(b) Incentives, Bonuses and Profit Sharing Plans

The Group recognizes the costs and liabilities that arise from profit sharing plans in accordance with a formula that is based on the profit attributable to shareholders, with appropriate adjustments. The Group sets aside a provision only if it is contractually obligated to do so or if established practice gives rise to an implied obligation.

2.17 Provisions for Risks and Charges

Additions are made to the provisions for risks and charges in accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets* when:

- The Group incurs a statutory or implied obligation as a result of past events;
- It is likely that resources will have to be expended to satisfy this obligation;
- The amount of the obligation can be determined reliably.

Additions to these provisions are based on the present value of the best estimates made by the Company's management of the costs that the Pininfarina Group expects to incur on the balance sheet date to satisfy the obligations.

Provisions established in previous years are reviewed on each reporting date and adjusted to reflect best current estimates.

More detailed information about the provisions for risks is provided in Note 26.

2.18 Revenue Recognition

As required by IAS 18 – *Revenues,* revenues reflect the fair value of the goods and services sold, net of VAT, returns, discounts and intra-Group transactions. Revenues are recognized as follows:

(a) Sale of Goods

Revenues are recognized when the Company has transferred all significant risks and benefits inherent in ownership, and the revenue amount can be estimated reliably.

(b) Provision of Services

Service revenues are recognized based on the progress made in delivering the services in question during the year in which they are being provided.

(c) Interest

Interest income is recognized on an accrual basis at amortized cost computed by the effective interest rate method. The effective interest rate is the rate used to accurately discount the cash flows that a financial instrument is expected to generate over its life.

(d) Royalties

Royalty income is recognized on an accrual basis, taking into account the terms of the underlying contracts.

(e) Dividends

Dividends are recognized in the year in which the shareholders acquire the right to receive payment.

2.19 Leases

(a) When the Pininfarina Group Is the Lessee

Pursuant to IAS 17 – *Leases,* leases covering property, plant and equipment are deemed to be finance leases when the Pininfarina Group assumes substantially all of the risks and rewards incidental to the ownership of an asset.

An asset acquired under a finance lease is recognized as a component of Property, plant and equipment and depreciated over the life of the asset or the term of the lease, whichever is shorter. Leased assets are capitalized at the start of the lease at the fair value of the leased asset or at the present value of the lease payments, whichever is smaller. Lease payments are broken down into principal repayment and interest, which is determined by applying a constant interest rate to the outstanding balance.

The current portion of the indebtedness to the lessor is recognized as a current liability and the portion due after one year is booked as a non-current liability.

The interest paid is charged to income over the term of the lease.

Leases in which the lessor (third party) retains substantially all of the risks and rewards incidental to ownership are recognized as operating leases. Payments, net of any incentives received from the lessor, are recognized in the income statement on an accrual basis over the term of the lease.

(b) When the Pininfarina Group Is the Lessor

The Pininfarina Group applies the interpretation IFRIC 4 – *Determining Whether an Arrangement Contains a Lease* to investments in plant and machinery acquired for special purposes under some contracts for the design, engineering and production of automobiles.

IFRIC 4 – *Determining Whether an Arrangement Contains a Lease* applies to those arrangements that, while not having the legal formalities of a lease, convey to one of the parties the right to use certain assets in exchange for a series of payments.

According to IFRIC 4 – *Determining Whether an Arrangement Contains a Lease,* an arrangement contains a lease if the following conditions are met:

- Fulfillment of the arrangement is dependent on the use of a specific asset;
- The arrangement conveys to the buyer the right to control the use of the asset subject of the arrangement;
- The determination that the arrangement contains a lease is made at the inception of the arrangement;
- It is possible to separate lease-related payments from other payments required under the arrangement.

In other words, IFRIC 4 – *Determining Whether an Arrangement Contains a Lease* can be used to identify a lease and separate it from an underlying arrangement between the parties and measure the lease in accordance with IAS 17 – *Leases.*

When a finance lease does exist, the Pininfarina Group recognizes a receivable of an amount equal to the present value of the lease payments. The difference between the gross amount of the receivable and its present value, which represents the interest income component, is reflected in the income statement over the term of the lease at a constant periodic interest rate.

The Group does not own assets leased to third parties under operating leases.

2.20 Dividend Distributions

The Pininfarina Group recognizes a liability for dividends that become payable when a dividend distribution is approved by the Shareholders' Meeting.

2.21 Financial Expense

Effective January 1, 2009, the Company adopted IAS 23R – *Borrowing Costs,* which substantially amended the previous version published in 1993. Under this new standard, borrowing costs directly attributable to the purchase, construction or production of an assets for which a substantial period of time will be required before it can be ready for use or for sale must be capitalized.

The adoption of this new reporting standard did not have a material effect

2.22 Construction Contracts

Costs incurred in connection with construction contracts are recognized when incurred.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred and presumed recoverable.

When the outcome of a construction contract can be estimated reliably and it is likely that the contract will be profitable, revenues are recognized on an accrual basis over the life of the contract.

Conversely, if it is likely that the contract will produce a loss (that is, total contract costs exceed contract revenues), the entire loss should be recognized in the year in which the Company's management becomes aware of the loss.

The Pininfarina Group allocates contract costs and revenues to each fiscal year by the percentage of completion method, as required by Paragraph 25 of IAS 11 – *Construction Contracts.* The percentage of completion is the ratio of total costs incurred through the reporting date and the overall estimated costs needed to complete the contract. Costs incurred in a given fiscal year in connection with activities that have not yet been performed are excluded from the percentage of completion computation. Instead, they are recognized as inventory, advances or other assets, depending on their nature.

Progress billings on account are included in Contract work in progress up to the amount of the costs incurred. If the amount of the advances is larger than that of the costs incurred, the difference is recognized ad a liability under Advances received for contract work in progress.

2.23 Government Grants

Government grants are recognized in the financial statements at fair value only when there is reasonable certainty that the Group has satisfied all of the requirements set forth in the terms of the grants.

Government grant revenues are reflected in the income statement in proportion to the costs incurred.

In accordance with the provisions of Paragraph 17 of IAS 20 – *Accounting for Government Grants and Disclosure of Government Assistance,* government grants toward the purchase of property, plant and equipment are recognized as deferred income and credited to the income statement in proportion to the depreciation of the assets for which they were awarded.

2.24 Valuations That Affect the Financial Statements

(a) Current and Deferred Taxes

The computation of current taxes for the period represents a best estimate of the weighted average of the tax liability that will be reflected in the annual financial statements.

The valuation of deferred-tax assets and liabilities is predicated on the manner in which the Group expects to recover or extinguish the carrying value of its assets and liabilities, based on the probability that it will generate taxable income in the future.

(b) Estimate of Fair Value

The fair value of financial instruments that are traded on an active market is based on their market value on the balance sheet date. The reference market price for financial assets held by the Pininfarina Group is their current sales price (purchase price for financial liabilities).

The Group does not hold financial instruments that are not traded on an active market. Consequently, it does not use valuation techniques or make assumptions about the market conditions on the balance sheet date.

The fair value of financial liabilities is determined for reporting purposes by discounting the contractual cash flows at an interest rate that approximates the market rate at which the Group borrows.

Management adjusts the value of trade receivable consistent with their estimated realizable value.

(c) Financial Plans of Leases in Which the Group Is Either the Lessor or the Lessee

Financial plans prepared to account for leases in which the Group is the lessor are affected by changes in the volumes of cars that are manufactured and invoiced. In any event, leases in which the Group is either the lessor or the lessee are accounted for in compliance with the terms of the leases. Contracts covering design, engineering and production orders are subject to change while they are being performed (e.g., engineering change requests) and these changes are anticipated and provided for in the contracts. As a result, it is possible for the cash flows expected from these contracts to change.

(d) Design, Engineering and Production Contracts

Contracts covering design, engineering and production orders are subject to change while they are being performed (e.g., engineering change requests) and these changes are anticipated and provided for in the contracts. As a result, it is possible that the cash flows expected from these contracts could change.

(e) Accounting for the Provision for Termination Indemnities

The provision for termination indemnities is akin to a defined-benefit plan (a defined-benefit plan is one in which the pension benefit payable to employees at the end of the employment relationship is predefined based on such factors as age, years of service and salary). Estimates of these factors, while made conservatively based on historical Company data, are subject to change.

3. Financial Risk Factors

The financial instruments that the Group uses to finance its operations include bank borrowings, leases in which it is the lessee, leases in which it is the lessor and are recognized in accordance with IFRIC 4, short-term bank deposits and trade receivables generated from operating activities.

The Group’s cash resources are managed centrally by Pininfarina S.p.A.

The Group did not execute transactions involving derivatives such as interest rate swaps and forward currency contracts, either for speculative purposes or as cash flow hedges or to hedge changes in fair value.

The financial risks that affect the Group are summarized below:

- The risk that the value of a financial instrument could fluctuate as a result of changes in foreign exchange rates (currency risk);
- The risk that the fair value of a financial instrument could change as a result of changes in market interest rates (interest rate risk on fair value);
- The risk that the value of a financial instrument could fluctuate due to changes in market prices (price risk);
- The risk that the counterparty could fail to perform its obligations (credit risk);
- The risk of facing difficulties in securing the financial resources needed to meet commitments arising from financial instruments (liquidity risk);

- The risk that future financial flows of a financial instrument could fluctuate due to changes in market interest rates (interest risk on financing instruments).

Currency Risk: The Group borrows in euros. It operates in an international environment and is exposed to fluctuations in currency translation rates, particularly with regard to the value of the Swedish kroner (SEK) and U.S. dollar (USD) versus the euro. The currency risk arises from the following commercial transactions:

- Sales of automobiles to Volvo through the Swedish joint venture Pininfarina Sverige AB. In this case, the currency risk is assumed by the counterparty pursuant to the terms of the underlying contracts.
- Purchases of automobile components in U.S. dollars. In this case, the currency risk is minimal because the underlying contract sets maximum variability thresholds.

Risk of Changes in Fair Value: The investment portfolio of Pininfarina S.p.A. consists of securities of top-rated companies. These assets are subject to significant changes in fair value caused by changes in stock market prices.

Pininfarina S.p.A. holds financial assets measured at fair value with changes in fair value recognized in earnings that are recognized in the financial statements at a value of 59.7 million euros. The credit risk exposure entailed by these assets is not significant because they consist mainly of government securities and other highly rated securities.

Price Risk: The Group's exposure to price risk is minimal because the price at which it sells cars is defined contractually.

Credit Risk: The Group does business with a limited number of customers. In all cases, the Group's customers are deemed to be reliable counterparties, and financial transactions are executed exclusively with financial institutions the reliability of which is beyond question. Receivables recognized upon the accounting of leases in which the Group is the lessor identified in accordance with IFRIC 4 are booked under the assumption that the Group will continue to operate as a going concern and that such receivables will be collected upon the payment of the price of its cars and not based on a right held by the Group, even in the event of liquidation or other composition with creditors proceedings.

Liquidity Risk: On December 31, 2008, Pininfarina S.p.A. entered into a Framework Agreement will all of the Lender Institutions, with the exception of Fortis Bank. As a result of the execution of the Framework Agreement, which includes two phases and is designed to recapitalize the Company for an amount of 250 million euros, the Company and the abovementioned Lender Institutions also signed a Rescheduling Agreement, annexed to the Framework Agreement, the main features of which are:

- a reduction of 250 million euros of the disbursements for principal repayments originally required under lending and financing agreements;
- mandatory early repayments owed by Pininfarina S.p.A. to the Lender Institutions upon the occurrence of certain events involving mainly some asset divestments;
- a deferral to 2012 in the start of the accrual and payment of interest.

The combination of the financial benefits produced by the Rescheduling Agreement, the cash and cash equivalents, government securities and other financial assets held by the Company and the availability of the Layoff Benefits Fund for all of 2009 significantly reduce the exposure to the liquidity risk, at least for a 12-month period.

However, the liquidity risk will be affected by the Group's ability to achieve the objectives of the Industrial and Financial Plan. Detailed information about these objective is provided in the Report on Operations included in the 2008 Annual Report, as updated in the Interim report on Operations at June 30, 2009, which should be consulted for additional information.

Interest Risk on Fair Value and Liquidity Flows: The Group receives financing from credit institutions at regular market rates. The Group is exposed to changes in interest rates, but its exposure in terms of interest payable is substantially offset by changes in interest receivable.

4. Accounting for Financial Derivatives

The Group has not executed any transactions involving derivatives, either for hedging or speculative purposes. The paragraphs that follow are not applicable to the Group at this point. They are provided solely for information purposes.

Derivatives are recognized at fair value in the financial statements when the contracts are signed. Valuations made subsequent to the purchase of the financial instruments are made at fair value, but the accounting treatment of gains and losses differs according to whether a financial instrument is classified as a hedge.

There are three types of hedges:

- Fair value hedges;
- Cash flow hedges;
- Hedging a net investment in foreign operations.

Before entering into a hedging contract, the Group documents the relationship between the hedge and the instrument that is being hedged and the Group's risk management strategies and objectives. The Group also assesses whether the derivative possesses and will continue to possess over its life the effectiveness requirements needed to qualify it for recognition as a hedge. Changes in the fair value of hedging instruments are recorded in the fair value reserve listed in the statement of changes in shareholders' equity.

(a) Fair Value Hedges

Changes in the fair values of fair value hedges are reflected in the income statement together with the changes in fair value of the hedged assets or liabilities.

(b) Cash Flow Hedges

The portion of the gain or loss on a hedging instrument that can be classified as effective is recognized directly in equity. The non-effective portion is reflected in earnings when incurred.

The amounts accumulated in a shareholders' equity account are transferred to the income statement in the year or years in which the planned transaction covered by the hedge has an impact on the income statement (for example, when a planned sale is executed).

When a financial instrument matures and/or is sold, or when it no longer meets the requirements for classification as a hedge, the gains and/or losses accumulated in a shareholders' equity account are held in that account until the planned transaction covered by the hedge has an impact on the income statement. If, instead, the Group no longer believes that the planned transactions will be executed, the gains and/or losses accumulated in a shareholders' equity account are transferred to the income statement.

(c) Hedging a Net Investment in Foreign Operations

Instruments that hedge a net investment in foreign operations are accounted for in the same manner as cash flow hedges.

(d) Financial Instruments That Do Not Meet the Requirements to Be Classified as Hedges

Financial instruments that do not meet the requirements to be classified as hedges are classified among financial assets or liabilities carried at fair value, with changes of value recognized in earnings.

5. Segment Information

The adoption of *IFRS 8 – Operating Segments,* applicable as of 2009, had no impact on the segment reporting provided by the Pininfarina Group, which groups its "operating segments" into two "reporting segments": 1) Styling and Engineering and 2) Manufacturing.

Within the Styling and Engineering segment, each styling and/or engineering contract with a customer represents an operating segment, consistent with Paragraphs 5 to 10 of IFRS 8.

Within the Manufacturing segment, the operating segments coincide with the current car production contracts: Alfa Brera, Alfa Spider and Ford Focus CC.

Segment information for the first half of 2009, compared with the data for the same period last year, is provided below:

			€/000
	Production	**Styling & Engineering**	**Total for the Group**
Value of production	104,000	43,529	147,529
Intra-segment value of production	(6,399)	(2,128)	(8,527)
Value of production	**97,601**	**41,401**	**139,002**
EBIT	(14,206)	5,281	(8,925)
Financial income (expense)			1,798
Interest in results of associates	2,942	(1,604)	(1,338)
Profit (Loss) before taxes			(5,788)
Income taxes			212
Profit (Loss) for the period			**(5,576)**

The results for the first half of 2008 are as follows:

			€/000
	Production	**Styling & Engineering**	**Total for the Group**
Value of production	279,185	75,111	354,296
Intra-segment value of production	(4,582)	(4,564)	(9,146)
Value of production	**274,603**	**70,547**	**345,150**
EBIT	(10,905)	4,012	(6,893)
Financial income (expense)			(8,378)
Interest in results of associates	2,913	(756)	2,157
Profit (Loss) before taxes			(13,114)
Income taxes			(950)
Profit (Loss) for the period			**(14,064)**

6. List of Consolidated Companies

Name	Registered office	Country	Share capital	Currency	% interest held directly or indirectly	Consolidated companies	% capital share
Parent Company							
Parent Company							
Pininfarina S.p.A.	Turin Via Bruno Buozzi 6	IT	9,317,000	EUR	-	-	-
List of companies consolidated line by line							
Italian subsidiaries							
Pininfarina Extra S.r.l.	Turin Via Bruno Buozzi 6	IT	388,000	EUR	100	Pininfarina S.p.A.	100
Foreign subsidiaries							
Pininfarina Extra USA Corp.	Florida-Fort Lauderdale 1710 West Cypress Creed Road	USA	10,000	USD	100	Pininfarina Extra S.r.l.	100
Pininfarina Deutschland GmbH	Leonberg Riedwiesenstr. 1	DE	3,100,000	EUR	100	Pininfarina S.p.A.	100
mpx Entwicklung GmbH	München Frankfurter Ring 17	DE	25,000	EUR	100	Pininfarina Deutschland GmbH	100
mpx Entwicklung GmbH	Leonberg Riedwiesenstr. 1	DE	26,000	EUR	100	Pininfarina Deutschland GmbH	100
Matra Automobile Engineering SAS	Trappes - cedex 8, avenue J. D'Alembert	FR	971,200	EUR	100	Pininfarina S.p.A.	100
Pininfarina Maroc SAS	Casablanca - Residence EL HADI "A" 57, Bd Abdelmoumen	MA	8,000,000	MAD	100	Pininfarina S.p.A.	99,9
						Matra Automobile Engineering SAS	0,1
RHTU Sverige A.B.	Uddevalla Varsvagen 1	SE	100,000	SEK	100	Pininfarina S.p.A.	100

List of companies valued by the equity method in the consolidated financial statements

Name	Registered office	Country	Share capital	Currency	% interest held directly or indirectly	Consolidated companies	% capital share
Pininfarina Sverige A.B.	Uddevalla Varsvagen 1	SE	8,965,000	SEK	60	Pininfarina S.p.A.	60
Véhicules Electriques Pininfarina-Bolloré SAS	Puteaux 31-32 Quai de Dion Bouton	FR	20,040,000	EUR	50	Pininfarina S.p.A.	50
Pininfarina Recchi Buildingdesign S.r.l.	Torino Via Montevecchio 28	IT	100,000	EUR	50	Pininfarina Extra S.r.l.	50

List of Unconsolidated Companies

Name	Registered office	Country	Share capital	Currency	% interest held directly or indirectly	Consolidated companies	% capital share
Italian subsidiaries							
Nord Est Design S.r.l.	Maniago (PN) Via Dante 28	IT	100,000	EUR	-	Pininfarina Extra S.r.l.	10,8

7. Property, Plant and Equipment

	Land	Buildings	Leased property	Total
Net value at December 31, 2008	**17,142,610**	**44,005,563**	**10,331,239**	**71,479,412**
Additions	0	74,600	0	74,600
Retiremens	0	(13)	0	(13)
Depreciation	0	(886,055)	(179,274)	(1,065,329)
Allocation to the relevant asset categories	0	0	0	0
Impairment	0	0	0	0
Held-for-sale assets	0	0	0	0
Net value at June 30, 2009	**17,142,610**	**43,194,095**	**10,151,965**	**70,488,670**

As allowed under the recognition option provided under Paragraphs 16-19 of IFRS 1, the Group adjusted upward the carrying values of its land and buildings, based on the findings of independent appraisals.

The entry offsetting the amount of these upward adjustments, net of deferred taxes, was posted to shareholders' equity.

The depreciation for the period is the main reason for the decrease that occurred in this account during the first half of 2009.

	Machinery	Plant	Leased plant machinery	Total
Net value at December 31, 2008	**10,198,101**	**30,570,083**	**1,450,718**	**42,218,902**
Additions	540	126,335	0	126,875
Retiremens	0	0	0	0
Depreciation	(2,331,806)	(4,820,832)	(352,268)	(7,504,906)
Allocation to the relevant asset categories	0	0	0	0
Impairment	0	0	0	0
Held-for-sale assets	0	0	0	0
Net value at June 30, 2009	**7,866,835**	**25,875,586**	**1,098,450**	**34,840,871**

	Furniture and fixtures	Hardware & software	Other prop., plant and equipment	Total
Net value at December 31, 2008	**663,028**	**1,028,049**	**925,461**	**2,616,538**
Additions	11,763	108,075	0	119,838
Retiremens	(123)	(783)	0	(906)
Depreciation	(115,401)	(233,453)	(104,916)	(453,770)
Allocation to the relevant asset categories	0	0	0	0
Impairment	0	0	0	0
Held-for-sale assets	0	0	0	0
Net value at June 30, 2009	**559,267**	**901,888**	**820,545**	**2,281,700**

	Assets under construction
Net value at December 31, 2008	**633,600**
Additions	0
Allocation to the relevant asset categories	0
Impairment	(105,600)
Held-for-sale assets	0
Net value at June 30, 2009	**528,000**

The carrying value of Assets under construction attributable to the Group's parent Company was written down to their net recoverable market value.

8. Intangible Assets

	Goodwill	Licenses and trademarks	Other intangibles	Total
Net value at December 31, 2008	**1,043,495**	**3,119,908**	**389,142**	**4,552,545**
Additions	0	49,773	800	50,573
Retiremens	0	0	0	0
Depreciation	0	(447,586)	(72,854)	(520,440)
Allocation to the relevant asset categories	0	0	0	0
Impairment	0	0	0	0
Held-for-sale assets	0	0	0	0
Net value at June 30, 2009	**1,043,495**	**2,722,095**	**317,088**	**4,082,678**

The decrease in this account reflects the amortization for the period.

9. Equity Investments

Investments in joint ventures

	12/31/08	Purchases	Interest in result	Sales	Other changes	6/30/09
Pininfarina Sverige A.B.	30,208,498	0	2,941,770	0	218,280	33,368,548
Véhicules Electriques Pininfarina-Bolloré SAS	3,618,323	0	(229,200)	0	(1,374,208)	2,014,915
Pininfarina Recchi Buildingdesign S.r.l.	50,000	0	0	0	0	50,000
Total	**33,876,821**	**0**	**2,712,570**	**0**	**(1,155,928)**	**35,433,464**

The interest in net profit of 2,941,770 euros is equal to 60% of the net profit earned by the Swedish joint venture in the first half of 2009. Other changes reflects the change in the translation reserve.

The interest in the loss of 229,200 euros is equal to 50% of the loss incurred by the Véhicules Electriques Pininfarina-Bolloré SAS joint venture in the first half of 2009. Other changes refers to the consolidation entries made to reverse 50% of the margin realized between Pininfarina S.p.A. and the joint venture for work on the development of the electric car.

Investments in other companies

	6/30/09	12/31/08	Change
Banca Passadore S.p.A.	257,196	257,196	0
Idroenergia Soc. Cons. a.r.l	516	516	0
Unionfidi S.c.r.lp.A. Torino	129	129	0
Midi Ltd	213,840	213,840	0
Nord Est Design S.r.l.	10,799	64,000	(53,201)
Total	**482,480**	**535,681**	**(53,201)**

The decrease in the investment in Nord Est Design S.r.l. (an affiliated company of Pininfarina Extra S.r.l.) reflects a restatement of the carrying value of this equity investment required by a reduction in the interest held from 50% to 10.8%.

10. Financial Assets

Loans and other receivables from outsiders

	12/31/08	Increases	Repayments	6/30/09
Loans receivable	120,386,529	0	(20,011,696)	100,374,833
Total loans receivable	**120,386,529**	**0**	**(20,011,696)**	**100,374,833**

The decrease in loans receivable reflects the collection of the portion of receivables corresponding to the 2008 guaranteed volumes and the volumes produced by the Group's Parent Company in the first half of 2009.

The table below shows separately the current and non-current portions of these receivables:

	6/30/09	12/31/08	Change
Non-current loans and other receiv.	81,194,804	82,845,811	(1,615,007)
Current loans and other receivables	19,180,029	37,540,718	(18,360,689)
Total	**100,374,833**	**120,386,529**	**(20,011,696)**

The change in current receivables is due to the reclassification as non-current of the portion of Mitsubishi receivables the settlement of which is predicated upon the outcome of a pending dispute.

The table below shows separately the current and non-current portions of these receivables:

Loans and other receivables from affiliated companies and joint ventures

	6/30/09	12/31/08	Change
Non-current loans owed by Pininfarina Sverige AB	35,808,356	44,760,446	(8,952,090)
Current loans owed by Pininfarina Sverige AB	17,904,178	17,904,178	0
Total	**53,712,534**	**62,664,624**	**(8,952,090)**

Loans receivable from joint ventures accrue interest at market rates.

The decrease in this account reflects the collection of a semiannual installment.

Held-for-sale current assets

	Equity securities	Fixed income securities	Mutual funds	Total
Value at December 31, 2008	2,183,965	45,692,117	6,822,602	54,698,684
Fair value adjustment recognized in earnings	225,136	620,920	80,326	926,382
Purchases	8,584,996	53,916,164	9,630,885	72,132,045
Sales	(9,704,888)	(46,849,582)	(14,263,436)	(70,817,906)
Value at June 30, 2009	**1,289,209**	**53,379,619**	**2,270,377**	**56,939,205**

Held-to-maturity long-term investments

This item represents the guarantee provided by the Pininfarina Group, through Matra Automobile Engineering SAS, to the buyer of the Ceram subsidiary.

This amount is held by Rothschild in current account restricted until December 31, 2010.

11. Inventory and Contract Work in Progress

	6/30/09	12/31/08	Change
Raw materials	7,985,447	9,707,163	(1,721,716)
Work in process	1,809,682	2,802,513	(992,831)
Finished goods	856,465	1,000,803	(144,338)
Total	**10,651,594**	**13,510,479**	**(2,858,885)**

	6/30/09	12/31/08	Change
Contract work in progress	16,888,880	3,362,442	13,526,438
Total	**16,888,880**	**3,362,442**	**13,526,438**

The change in work in process refers mainly to ongoing activity related to the electric car program.

12. Other Receivables

	6/30/09	12/31/08	Change
Overpayments to social security institutions	185,894	175,583	10,311
Receivable from employees	9,096	4,820	4,276
VAT overpayments	15,107,163	27,249,996	(12,142,831)
Current taxes	1,048,246	1,576,818	(528,572)
Advances to suppliers	710,561	994,088	(283,527)
Accrued income and prepaid expense	1,504,935	1,445,130	59,805
Sundry receivables	12,848,519	11,012,547	1,835,972
Total	**31,414,414**	**42,458,982**	**(11,044,568)**

The change is due mainly to the offsetting of the VAT overpayment generate in 2008.

13. Receivables from Related Parties and Joint Ventures

The receivables outstanding at June 30, 2009 include 3,501,740 euros owed by the Swedish joint venture and 7,397,505 euros owed by Véhicules Electriques Pininfarina- Bolloré SAS, both of which were later collected.

The balance at June 30, 2008 referred exclusively to transactions with the Swedish joint venture.

14. Non-current Assets/Liabilities Held for Sale

On March 27, 2009, the Pininfarina Group sold the business operations of its Matra Automobile Engineering SAS subsidiary. In the 2008 financial statements, these operations were carried as non-current assets/liabilities held for sale with a net carrying value of 2,090,001 euros.

The proceeds from this transaction, net of costs to sell, amounted to 1,486,368 euros.

15. Share Capital

	No. of shares	Common shares	Treasury shares	Total
Balance at January 1, 2008	9,317,000	9,317,000	15,958	9,301,042
Balance at June 30, 2008	9,317,000	9,317,000	15,958	9,301,042
Balance at January 1, 2009	9,317,000	9,317,000	15,958	9,301,042
Balance at June 30, 2009	9,317,000	9,317,000	15,958	9,301,042

The Company's total authorized share capital was comprised of 9,317,000 common shares, par value of 1 euro each.

All issued shares have been fully paid-in.

At June 30, 2009, the Company held 15,958 of its own shares, valued at 55,071 euros. Following the adoption of IAS 32 and IAS 39 in January 2005, this amount is deducted from shareholders' equity.

These shares are held as treasury shares.

Further to the signing of the Framework Agreement with the Lender Institutions on December 31, 2008, the 4,714,360 common shares of Pininfarina S.p.A. held by Pincar S.r.l., formerly Pincar SpA, are encumbered by a senior pledge for the benefit of the creditor banks.

16. Additional Paid-in Capital

Pursuant to a resolution approved by the Shareholders' Meeting on April 23, 2009, the full amount of this reserve was used to cover the loss incurred in 2008.

17. Reserve for Treasury Stock

This reserve was unchanged compared with December 31, 2008.

18. Statutory reserve

This reserve was unchanged compared with December 31, 2008.

19. Reserve for Currency Translations

The change shown by this reserve, compared with December 31, 2008, is due to the translation into the consolidation currency of financial statements denominated in foreign currencies.

20. Other Reserves

The change in Other reserves is the net result of a reduction of 180,000,000 euros and an increase of 34,968,449 euros.

The reduction of 180,000,000 euros reflects the utilization of the Reserve for non-refundable shareholder contributions to cover the loss incurred in 2008, as allowed pursuant to a resolution approved by the Shareholders' Meeting on April 23, 2009. This reserve was established at the completion of Phase 1 of the Framework Agreement, upon the controlling company Pincar Srl forgiving receivables for an equal amount. Additional information is available in the disclosures provided in the 2008 Annual Report.

The increase of 34,968,449 euros reflects the execution of the first tranche of the second receivable assignment contract (for a total of 70,000,000 euros) signed by Pincar, Pininfarina and the Lender Institutions, amounting to 35,500,000 euros, less 531,551 euros in incidental expenses. The steps that resulted in the abovementioned capitalization, all of which occurred on June 19, 2009, are described below:

- Pincar Srl, in its capacity as the assignee, the Lender Institutions, as assignors, and Pininfarina SpA, as assigned debtor, executed a second contract for the assignment of receivables without recourse, to be carried out in two tranches, consistent with the Framework Agreement of December 31, 2008.

  The assignment of the first tranche, with a face value of 35,500,000 euros, became effective on June 19, 2009. The amount of the receivables that will be assigned as part of the second tranche, which may not be greater than 34,500,000 euros, will depend on the outcome of the capital increase currently under way.

- Pincar Srl provided Pininfarina SpA with a contribution on future capital increases by irrevocably and unconditionally forgiving repayment of the entire amount of the receivables assigned to Pincar Srl by the Lender Institutions, totaling 35,500,000 euros, which will be used to pay-in the par value and any additional paid-in capital corresponding to the rights allotted to Pincar Srl within the framework of the capital increase currently under way.

21. Retained earnings/(Loss carryforward)

The decrease in this account reflects the amount used to cover the remainder of the loss for the previous year, amounting to 3,450,402 euros.

22. Earnings per Share

a) Basic profit (loss) per share

The loss per share was computed by dividing the net loss for the period by the number of common shares outstanding at March 31, 2009 (excluding treasury shares).

	6/30/09	12/31/08	6/30/08
Net profit (loss)	(5,576,162)	(204,125,840)	(14,063,846)
Number of common shares, net	9,301,042	9,301,042	9,301,042
Basic earnings (loss) per share	(0.60)	(21.95)	(1.51)

b) Diluted profit (loss) per share

The diluted loss per share is the same as the basic loss per share.

23. Stock Options

The Group does not have a stock option plan or any other arrangement involving stock options.

24. Borrowings

	6/30/09	12/31/08	Change
Non-current	**244,738,746**	**245,053,410**	**(314,664)**
Liabilities under finance leases	144,206,579	142,600,125	1,606,454
Other borrowings	100,532,167	102,453,285	(1,921,118)
Current	**119,971,181**	**168,773,767**	**(48,802,586)**
Due to banks	24,625,180	37,927,769	(13,302,589)
Liabilities under finance leases	60,999,032	85,059,761	(24,060,729)
Other borrowings	34,346,969	45,786,237	(11,439,268)
Total	**364,709,927**	**413,827,177**	**(49,117,250)**

The change of 22,454,275 euros in current and non-current liabilities under finance leases is due to:

- A reduction of borrowings of 24,060,729 euros resulting from the signing of the second receivable assignment contract required by the Framework Agreement;
- Recognition of "figurative" financial expense of 1,606,454 euros (consistent with the new value of the liability, as required by IAS 39).

The change of 13,360,386 euros in other borrowings is due to:

- A reduction of borrowings of 11,439,271 euros resulting from the signing of the second receivable assignment contract required by the Framework Agreement;
- Recognition of "figurative" financial expense of 751,885 euros (consistent with the new value of the liability, as required by IAS 39);
- Payment of 2,673,000 euros to Fortis Bank.

The sum of the changes in current and non-current borrowings, caused by the signing of the second receivable assignment contract required by the Framework Agreement, resulted in a reduction in borrowings of 35,500,000 euros that reflects the effect of the assignment of the first tranche of receivables to Pincar Srl by the Lender Institutions. More detailed information is provided above in Note 20 Other Reserves. A breakdown of the elimination of financial liabilities, showing the pro rata share attributable to each Lender Institution, is provided on the following page.

The test performed for the annual financial statements (see page 86, Note 17. Borrowings owed to outsiders) showed that the debt restructuring currently under way did not produce a material change in liabilities as per Paragraph 40 of IAS 39. Consequently, using as a basis the cash flows projected in the new plans, which call for repayment of lease obligations and medium- and long-term borrowings starting in 2012, with a moratorium up to that date on interest accruals and payments, the Group developed new financial plans with the amortized cost method, based on a new effective interest rate to maturity. This required the recognition of a charge for interest expense, which is referred to as "figurative" interest because no cash outlay is involved at this point.

The elimination of financial liabilities is detailed in the table that follows:

	Remaining indebtedness at 12/31/08	Conveyance of receivable at 6/19/09	Remaining indebtedness at 6/19/09	Repayments at 6/30/09	Figurative charges at 6/30/09	Remaining indebtedness at 6/30/09
Banca Intesa	39,065,588	4,128,732	34,936,856	0	271,743	35,208,599
Banca Italease	2,929,919	309,655	2,620,264	0	20,173	2,640,437
Unicredit Corporate Banking Spa	18,815,357	1,988,542	16,826,815	0	131,126	16,957,941
Banca di Roma	13,021,862	1,376,244	11,645,618	0	90,581	11,736,199
Banca Nazionale del Lavoro	5,919,028	625,565	5,293,463	0	41,274	5,334,727
Banca Regionale Europea	6,510,931	688,122	5,822,809	0	44,829	5,867,638
Banca Popolare di Bergamo	9,766,397	1,032,183	8,734,214	0	68,103	8,802,317
Banca Popolare di Novara	12,207,995	1,290,228	10,914,767	0	84,055	11,001,822
Leasint (Leasing Alfa)	50,451,162	5,332,041	45,119,121	0	424,318	45,543,439
MPS Leasing (Leasing Alfa)	25,225,581	2,666,020	22,559,561	0	212,159	22,771,720
Selmabipiemme (Leasing Alfa)	25,225,581	2,666,020	22,559,561	0	212,159	22,771,720
Banca Italease (Leasing Ford)	67,805,510	7,166,172	60,639,338	0	388,737	61,028,075
BNP Paribas (Leasing Mitsubishi)	21,661,229	2,289,314	19,371,915	0	136,824	19,508,739
UBI Leasing (Leasing Mitsubishi)	10,830,614	2,289,314	8,541,300	0	68,412	8,609,712
Locat (Leasing Mitsubishi)	21,661,229	1,144,657	20,516,572	0	136,824	20,653,396
Locat (Leasing Cambiano)	4,798,980	507,191	4,291,789	0	27,055	4,318,811
Total	**335,896,963**	**35,500,000**	**300,396,963**	**0**	**2,358,340**	**302,755,303**
BANKS	108,237,077	11,439,271	96,797,806	0	751,885	97,549,691
LEASING	227,659,886	24,060,729	203,599,157	0	1,606,454	205,205,611
Total	**335,896,963**	**35,500,000**	**300,396,963**	**0**	**2,358,340**	**302,755,303**

The schedule above does not include the remaining balances owed on bank account overdrafts (24,625,180 euros) and the 36.579.443 euros owed to Fortis Bank, with whom the Company signed a settlement agreement calling for a multi-year amortization plan ending on December 31, 2015.

As required by IAS 1 – *Presentation of Financial Statements* (Paragraphs 60 and following), the Pininfarina Group reclassified its borrowings in accordance with the new maturities set forth in the Framework Agreement, which, basically, call for the repayment of obligations under leases and medium- and long-term facilities to begin in 2012 and sets 2014 and 2015, respectively, as the final maturity for obligations under leases and medium- and long-term facilities, and in the settlement agreement executed with Fortis Bank.

The decrease in bank account overdrafts reflects a reduced utilization of the credit lines.

At June 30, 2009, a total of 24.6 million euros had been drawn against credit lines with a maximum usable amount of 50 million euros, as defined in the Rescheduling Agreement signed on December 31, 2008.

A breakdown of long-term borrowings by maturity is as follows:

	6/30/09	12/31/08
due within 1 year	119,971,181	168,773,767
due between 1 and 5 years	209,204,751	173,009,301
due after 5 years	35,533,995	72,044,109
Total	**364,709,927**	**413,827,177**

The table below provides a breakdown of medium- and long-term borrowings by type and maturity:

Borrowings (in thousands of euros)	Amount at 12/31/08	Amount at 06/30/09	Amount due within 1 year	Amt. due from 1 to 5 years	Amount due after 5 years
Total loans and other facilities	(148,240)	(134,879)	(34,347)	(83,212)	(17,320)
Total obligations under finance leases	(227,660)	(205,206)	(60,999)	(125,993)	(18,214)
Total liabilities for short-term credit lines	(37,928)	(24,625)	(24,625)	0	0
Total	**(413,827)**	**(364,710)**	**(119,971)**	**(209,205)**	**(35,534)**

There are no borrowings in currencies different from the euro. The Group is exposed to interest rate fluctuations on some facilities that are tied to the Euribor. The carrying amount of these facilities approximates their fair value.

Some loan agreements and finance leases contain express cancellation clauses which, if exercised, cause the borrower to lose the benefit of repayment in installments and can result in the lender demanding repayment in a lump sum.
Information about the cancellation clauses of the Rescheduling Agreement is provided in Annex I to the Notes to the Financial Statements at December 31, 2008.

By virtue of the court injunctions served on Pininfarina S.p.A. on March 28, 2008 and April 19, 2008, Fortis Bank S.A. was granted court ordered mortgages on all of the buildings owned by the Company, which secure loans currently totaling about 36.6 million euros.

Pininfarina S.p.A. is the guarantor of obligations under finance leases executed by Pininfarina Sverige AB with the same credit institutions. At June 30, 2009, the outstanding balance of these leases was 85 million euros.

A building owned by Pininfarina Deutschland in Renningen is encumbered by a mortgage securing a loan of 750,000 euros.

25. Provision for Termination Indemnities

	Pininfarina SpA		Pininfarina Extra Srl		Total	
	6/30/09	12/31/08	6/30/09	12/31/08	6/30/09	12/31/08
Financial coverage:						
Liability for future benefits	24,845,415	21,959,566	313,931	325,802	21,159,346	22,285,368
Present value of coverage	0	0	0	0	0	0
Liability in the balance sheet	**24,845,415**	**21,959,566**	**313,931**	**325,802**	**21,159,346**	**22,285,368**
Actuarial gains (losses) not reflected in the income statement	0	0	(20,641)	(43,179)	(20,641)	(43,179)
Cost of services attrib. to prior years	0	0	0	0	0	0
Miscellaneous items	0	0	0	0	0	0
Net liability in the balance sheet	**20,845,415**	**21,959,566**	**293,290**	**282,623**	**21,138,705**	**22,242,189**
Income statement:						
Cost of current service	0	0	21,763	34,522	21,763	34,522
Interest costs	546,819	1,073,472	7,638	11,224	554,457	1,084,696
Other changes	0	0	0	0	0	0
Total	**546,819**	**1,073,472**	**29,401**	**45,746**	**576,220**	**1,119,218**
Liability in the balance sheet						
Liability at beginning	21,959,566	24,272,606	282,623	236,877	22,242,189	24,509,483
Total costs	546,819	1,073,472	29,401	45,746	576,220	1,119,218
Benefits paid	(1,660,970)	(3,386,512)	(18,734)	0	(1,679,704)	(3,386,512)
Other changes	0	0	0	0	0	0
Liability in the balance sheet at end	**20,845,415**	**21,959,566**	**293,290**	**282,623**	**21,138,705**	**22,242,189**

26. Provisions for Other Liabilities and Charges

	12/31/08	Additions	Utilizations	Other changes	6/30/09
Provision for warranties	12,274,502	347,040	(1,296,918)	0	11,324,624
Provision for restructuring	1,678,778	1,661,244	(818,806)	0	2,521,216
Other provisions	13,113,101	1,568,882	(753,108)	(3,804,835)	10,124,040
Total	**27,066,381**	**3,577,166**	**(2,868,832)**	**(3,804,835)**	**23,969,880**

The Provision for warranties covers the best estimate of the Parent Company's contractual and statutory obligations with regard to costs entailed by warranties provided on certain components of the vehicles it manufactured for a specific period, starting from the sale of the vehicles to end customers. The abovementioned estimate was determined based on the Company's experience, specific contractual terms and product specification and defect incidence data generated by the statistical survey systems of the Company's customers.

The addition for the period brought the value of the provision in line with the best estimate of future warranty costs for the fleet of cars currently in circulation.

The utilization for the period reflects charges for repairs under warranty provided to Mitsubishi customers.

The provision for restructuring charges reflects an estimate of the costs that Pininfarina S.p.A. expects to incur in connection with the adoption of the long-term unemployment benefit program established under an agreement signed in November 2008 with the labor unions (FIM, FIOM and UILM) and the Unified Labor Organizations for the Bairo Canavese, Cambiano, Grugliasco and San Giorgio Canavese plants and covering up to 180 employees.

Other provisions reflects primarily an estimate of the liability toward some suppliers for the interruption in the production of the Colt CZC vehicle and toward other suppliers of components for the Alfa Brera and Alfa Spider due to the effect of a change in model year, as well as an estimate of the liability that could arise from the renegotiation of the contract with Ford.

The reduction in the provision of 3,804,835 euros is due to a revision of the estimate of liabilities developed for the financial statements at December 31, 2008, made possible by the successful outcome of commercial negotiations with some counterparties in the first half of 2009.

The disclosure required by Paragraph 86 of IAS 37 with regard to contingent liabilities is provided in the Annual Report at December 31, 2008, in the section of the Report on Operations entitled "Assessment of the Company's Viability as a Going Concern and Business Outlook," which specifically discusses issues related to litigation with the revenue administration and Mitsubishi, and in the corresponding updates included in the Interim Report on Operations.

27. Other Income and Revenues

	6/30/09	6/30/08	Change
Amounts rebilled	349,281	339,382	9,899
Out-of-period income	1,704,804	1,670,191	34,613
Insurance settlements	135,107	5,270	129,837
Royalties	208,333	250,000	(41,667)0
Rebilling of lease payments	258,968	195,007	63,961
Capital and research grants	1,511,111	2,980,100	(1,468,989)
Sundry items	572,049	736,832	(164,782)
Total	**4,739,653**	**6,176,782**	**(1,437,129**

The decrease in capital grants reflects a reduction in research tax credits attributable to Matra Automobiles Engineering SAS, following the sale of this company's business operations in March 2009.

28. Gain on the Sale of Non-current Assets

	6/30/09	6/30/08	Change
Gain on the sale of equity investments	0	2,638,870	(2,638,870)
Gain on the sale of other assets	1,875	4,329,451	(4,327,576)
Total	**1,875**	**6,968,321**	**(6,966,446)**

The gain on the sale of equity investments shown at June 30, 2008 refers to the sale of the investment in Pasiphae S.a.r.l.

The gain on the sale of other assets generated in the first quarter of 2008 reflects the sale of some vintage cars by the Group's Parent Company.

29. Other Expenses

	6/30/09	6/30/08	Change
Travel expenses	929,242	2,571,139	(1,641,897)
Rentals	1,805,867	3,761,897	(1,956,029)
Fees paid to Directors and Statutory Auditors	483,710	715,582	(231,872)
Consulting and other services	4,883,071	6,463,980	(1,580,908)
Other personnel costs	531,249	1,609,628	(1,078,380)
Telegraph and postage	241,926	545,030	(303,105)
Cleaning and waste disposal services	865,455	1,893,413	(1,027,958)
Advertising	190,911	296,028	(105,117)
Taxes	188,605	279,983	(91,378)
Insurance	440,094	618,382	(178,287)
Membership dues	108,285	152,062	(43,777)
Out-of-period charges	274,392	144,429	129,963
General services	299,118	1,861,031	(1,561,913)
Sundry expenses	977,348	2,321,712	(1,344,372)
Total	**12,219,273**	**23,234,303**	**(11,015,030)**

The changes reflect mainly cost reductions achieved by increasing internal efficiency.

30. Financial Income (Expense), Net

	6/30/08	6/30/08	Change
Financial expense paid to banks	(839,127)	(1,760,239)	921,112
Financial expense paid under leases	0	(10,181,102)	10,181,102
Figurative financial expense on finance leases	(1,606,454)	0	(1,606,454)
Financial exp. on medium- and long-term borrowings	(768,802)	(6,238,933)	5,470,131
Figurative financial expense on long-term debt	(751,885)	0	(751,885)
Realized losses from marking securities to market	0	(2,256,557)	(2,256,557)
Total financial expense	**(3,966,269)**	**(20,436,831)**	**16,470,562**
Bank interest earned	355,727	695,135	(339,408)
Realized gains from marking securities to market	1,741,356	946,352	795,004
Interest earned on long-term loans to outsiders	2,239,487	7,390,322	(5,150,835)
Interest earned on long-term loans to joint ventures	1,337,370	2,596,676	(1,129,306)
Gains on trading securities	0	309,687	(309,687)
Total financial income	**5,673,940**	**11,938,172**	**(6,264,231)**
Net financial income (expense)	**1,707,671**	**(8,498,659)**	**10,206,330**

31. Value Adjustments

	6/30/09	6/30/08	Change
Pininfarina Sverige AB	2,941,770	2,913,451	28,319
Véhicules Electriques Pininfarina-Bolloré SAS	(1,603,408)	(756,042)	(847,366)
Total	**1,338,362**	**2,157,409**	**(819,047)**

32. Income Taxes

	6/30/09	6/30/08	Change
Current taxes	(170,045)	(1,164,593)	994,548
Reversal of the excess portion of a provision recognized the previous year	449,195	0	449,195
Prepaid taxes	(69,315)	131,433	(200,748)
Deferred taxes	2,517	83,400	(80,883)
Total	**212,352**	**(949,760)**	**1,162,112**

The reduction in current taxes and the reversal of the excess portion of a provision for taxes recognized the previous year reflect mainly a decrease in the impact of labor costs on the amount subject to the Regional Tax on Production Activities and the lower operating results reported by the Group's Parent Company and its subsidiaries.

Unrecognized Deferred-tax Assets and Liabilities

Deferred-tax assets	**6/30/09**	**12/31/08**
Leases as lessor/lessee	34,491,742	41,453,679
Provisions for risks and writedowns	7,624,335	8,296,693
Sundry differences	72,240	360,839
Total deferred-tax assets on temporary differences	**42,188,317**	**50,111,210**
Deferred-tax assets on tax loss carryforward	**68,640,894**	**62,440,785**
Deferred-tax liabilities		
Revaluation of land and buildings	5,794,283	5,772,351
Provision for termination indemnities and other provisions	885,784	978,674
Total deferred-tax liabilities on temporary differences	**6,680,067**	**6,751,026**
Net balance (credit)	**104,149,144**	**105,800,970**

Pininfarina S.p.A. did not recognize any deferred-tax assets or liabilities. The amounts corresponding to these items are shown in a separate schedule that lists unrecognized deferred-tax assets and liabilities.

The deferred-tax assets of Pininfarina S.p.A. arising from losses brought forward amount to 51.4 million euros.

The unrecognized deferred-tax assets resulting from the tax loss carryforward of Matra Automobiles Engineering SAS amount to 10.9 million euros.

As for the Pininfarina Deutschland Group, the deferred-tax assets that would be recognizable on its loss carryforward, computed based on the rates of the tax on commercial activities and the corporate income tax, would amount to about 6 million euros.

The amounts shown for deferred-tax liabilities and the deferred-tax asset have been restated to take into account the tax rates in effect after December 31, 2008.

The tax position of the other Group companies is as follows:

- Pininfarina Extra Srl files a national consolidated tax return with Pininfarina S.p.A.;
- Pininfarina Deutschland GmbH and MPX Entwicklung GmbH pay no taxes because they are able to offset their tax liability against the tax loss carryforward generated by Pininfarina Deutschland GmbH.

Other Information

Disclosures required by CONSOB Communication No. DEM/6064293 of July 28, 2006

Transactions with Related Parties Concerning the Pininfarina Group at June 30, 2009

None of the transactions executed with related parties, including intra-Group transactions, qualify as atypical or unusual, having been carried out by Group companies in the normal course of their business operations. These transactions were executed on market terms for the specific goods or services involved

Companies Consolidated by the Equity Method

(in thousands of euros)	Trade Receivables	Trade Liabilities	Financial Receivables	Financial Liabilities	Revenues	Costs	Financial Income	Financial Expense
Pininfarina Sverige AB	3,674	63	53,713	0	555	8	1,311	0
Véhicules Electriques Pininfarina Bolloré S.A.S.	7,398	0	0	0	7,398	0	0	0
Totale	**11,072**	**63**	**53,713**	**0**	**7,952**	**8**	**1,311**	**0**

Compensation of Directors, Statutory Auditors and Executives with Strategic Responsibilities

The compensation paid to Directors and Statutory Auditors of Pininfarina S.p.A. for their services are listed below:

(in thousands of euros)	6/30/09	6/30/08
Directors	273	496
Statutory Auditors	38	35
Total compensation	**311**	**531**

The total cost incurred in the first half of 2009 for compensation paid to executives with strategic responsibilities of Pininfarina S.p.A. amounted to about 1.7 million euros.

Other Related Parties

Transactions with Other related parties include legal consulting services for a total amount of about 184,000 euros at June 30, 2009 provided by Studio Professionale Pavesio e Associati, which is owned by the Director Carlo Pavesio.

Material Extraordinary Events and Transactions

As required by the Consob Communication of July 28, 2006, the tables that follow show the impact of extraordinary events or transactions and transactions and events that occur only infrequently in the normal course of business.

The balance sheet and income amounts presented below have been restated to eliminate the impact of the following extraordinary transactions:

- Capital increase through the conveyance of receivables, net of incidental expenses;
- Government grant for research costs recognized by Matra Automobiles Engineering S.A.S;
- Reduction of provisions no longer necessary.

Consolidated Balance Sheet	Statutory financial statements at 6/30/09	Statutory financial statements at 6/30/09 net of extraordinary transactions
Net intangible assets	4,082,678	4,082,678
Net property, plant and equipment	108,139,240	108,139,240
Non-current financial assets	117,770,910	117,770,910
Equity investments	35,915,944	35,915,944
Inventory	27,540,474	27,317,105
Current financial assets	94,023,412	94,023,412
Net trade receivables and other receivables	96,458,950	95,237,390
Deferred-tax assets	1,241,600	1,241,600
Cash and cash equivalents	73,004,669	73,004,669
Held-for-sale assets	0	0
TOTAL ASSETS	**558,177,878**	**556,732,948**
Reserves	45,178,184	10,209,736
Profit (Loss) for the period	(5,576,162)	(11,434,713)
TOTAL SHAREHOLDERS' EQUITY	**39,602,022**	**(1,224,977)**
Long-term borrowings	244,738,746	280,238,746
Deferred-tax liabilities	6,935	6,935
Provision for termination indemnities	21,138,705	21,138,705
Current borrowings	119,971,181	119,971,181
Other payables	14,348,275	14,348,275
Trade accounts payable	92,991,643	92,534,166
Provision for current taxes	1,188,965	1,723,676
Provision for other liabilities and charges	24,191,405	27,996,240
Liabilities attributable to held-for-sale assets	0	0
TOTAL LIABILITIES	**518,575,856**	**557,957,925**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**558,177,878**	**556,732,948**

Consolidated Income Statement	Statutory financial statements at 6/30/09	Statutory financial statements at 6/30/09 net of extraordinary transactions
Net revenues	121,522,173	121,522,173
Change in inventory of finished goods and work in process	12,248,971	12,248,971
Other income and revenues	4,739,653	3,432,576
Company-produced non-current assets	491,144	491,144
Value of production	**139,001,941**	**137,694,864**
Net gain on the sale of non-current assets	(10,406)	(10,406)
Raw materials and outside services used	(103,354,207)	(103,428,282)
Change in inventory of raw materials	(1,296,112)	(1,296,112)
Value added	**34,341,216**	**32,960,064**
Labor costs	(33,307,680)	(33,307,680)
EBITDA	**1,033,536**	**(347,616)**
Depreciation and amortization	(9,544,446)	(9,544,446)
(Additions to provisions/Writedowns) / Utilizations	(414,313)	(4,442,517)
EBIT	**(8,925,223)**	**(14,334,579)**
Financial income (expense), net	1,798,347	1,798,347
Other income (expense), net	1,338,362	1,338,362
Profit before taxes	**(5,788,514)**	**(11,197,870)**
Income taxes for the period	212,352	(236,843)
Net profit (loss) for the period	**(5,576,162)**	**(11,434,713)**

Certification of the Consolidated Condensed Interim Financial Statements Pursuant to Article 154-*bis* of Legislative Decree No. 58/98

◊ We, the undersigned, Paolo Pininfarina, in my capacity as Chairman of the Board of Directors, and Gianfranco Albertini, in my capacity as Corporate Accounting Documents Officer of Pininfarina S.p.A., certify that, insofar as the provisions of Article 154-*bis*, Sections 3 and 4, of Legislative Decree No. 58 of February 24, 1998 are concerned, the administrative and accounting procedures applied to prepare the abbreviated semiannual consolidated financial statements at June 30, 2009 are:

- adequate in light of the Company's characteristics; and
- were applied effectively.

◊ Moreover, we certify that

- the abbreviated semiannual consolidated financial statements:
  - were prepared in accordance with the international accounting principles, as approved by the European Union pursuant to CE Regulation No. 1606/2002 of July 19, 2002, of the European Parliament and Council, and specifically comply with the provisions of IAS 34 *"Interim Financial Reporting"* and with the Directives enacted to implement Article 9 of Legislative Decree No. 38/2005;
  - are consistent with the data in the supporting documents and accounting records;
  - are suitable for the purpose of providing a truthful and fair representation of the balance sheet, operating results and financial position of the issuer and of the companies included in the scope of consolidation.

- The Interim Report on Operations contains references to material events that occurred during the first six months of 2009 and to the impact of these events on the abbreviated semiannual consolidated financial statements. The Interim Report on Operations also describes the main risks and uncertainties for the second half of 2009 and provides information on material transactions with related parties.

August 5, 2009

Paolo Pininfarina	Gianfranco Albertini
Chairman of the Board of Directors	Corporate Accounting Documents Officer

AUDITORS' REPORT ON THE REVIEW OF CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2009

To the Shareholders of
Pininfarina SpA

1. We have reviewed the consolidated condensed interim financial statements of Pininfarina SpA and its subsidiaries (Pininfarina Group) as of June 30, 2009 and for the six months then ended, comprising the consolidated balance sheet, the consolidated income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the cash flow statement and the related explanatory notes. The Directors of Pininfarina SpA are responsible for the preparation of the consolidated condensed interim financial statements in accordance with the international accounting standard IAS 34, applicable to interim financial reporting, as adopted by the European Union. Our responsibility is to issue this report based on our review.

2. Our work was conducted in accordance with the criteria for a review recommended by the National Commission for Companies and the Stock Exchange (CONSOB) with Resolution no. 10867 of July 31, 1997. The review consisted principally of inquiries of company personnel about the information reported in the consolidated condensed interim financial statements and about the consistency of the accounting principles used therein, as well as the application of analytical review procedures on the amounts contained in the above mentioned consolidated condensed interim financial statements. The review excluded certain auditing procedures such as compliance testing, verification and validation tests of the assets and liabilities and was therefore substantially less in scope than an audit performed in accordance with generally accepted auditing standards. Accordingly, unlike an audit on the annual consolidated financial statements, we do not express an audit opinion on the consolidated condensed interim financial statements.

   Regarding the comparative amounts of the consolidated financial statements of the prior year and of the consolidated condensed interim financial statements of the prior year, presented in the consolidated condensed interim financial statements and modified to reflect the changes in the financial statements introduced by IAS1 (2007), reference should be made to our reports dated April 7, 2009 and August 12, 2008, respectively.

Sede legale e amministrativa: Milano 20149 Via Monte Rosa 91 Tel. 0277851 Fax 027785240 Cap. Soc. 3.754.400,00 Euro i.v., C.F. e P. IVA e Reg. Imp. Milano 12979880155 Iscritta al n. 43 dell'Albo Consob – Altri Uffici: **Bari** 70124 Via Don Luigi Guanella 17 Tel. 0805640211 – **Bologna** 40122 Via delle Lame 111 Tel. 051526611 – **Brescia** 25123 Via Borgo Pietro Wuhrer 23 Tel. 0303697501 – **Firenze** 50121 Viale Gramsci 15 Tel. 0552482811 – **Genova** 16121 Piazza Dante 7 Tel. 01029041 – **Napoli** 80121 Piazza dei Martiri 30 Tel. 08136181 – **Padova** 35138 Via Vicenza 4 Tel. 049873481 – **Palermo** 90141 Via Marchese Ugo 60 Tel. 091349737 – **Parma** 43100 Viale Tanara 20/A Tel. 0521242848 – **Roma** 00154 Largo Fochetti 29 Tel. 06570251 – **Torino** 10129 Corso Montevecchio 37 Tel. 011556771 – **Trento** 38100 Via Grazioli 73 Tel. 0461237004 – **Treviso** 31100 Viale Felissent 90 Tel. 0422696911 – **Trieste** 34125 Via Cesare Battisti 18 Tel. 0403480781 – **Udine** 33100 Via Poscolle 43 Tel. 043225789 – **Verona** 37122 Corso Porta Nuova 125 Tel. 0458002561

3. Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of Pininfarina Group as of June 30, 2009 have not been prepared, in all material respects, in accordance with the international accounting standard IAS 34, applicable to interim financial reporting, as adopted by the European Union.

4. Your attention is drawn to the information provided by the Directors in the "Interim Report on Operations" at section "Assessment of the Company's viability as a going concern".

Turin, August 7, 2009

PricewaterhouseCoopers SpA

Signed by

Paolo Ozino Caligaris
(Partner)

This report has been translated into the English language solely for the convenience of international readers.

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Printed internally by Pininfarina S.p.A.