PININFARINA GROUP

Interim Report on Operations at September 30, 2011

Pininfarina S.p.A. – Share Capital: 30,166,652 euros, fully paid in. Registered Office: 6 Via Bruno Buozzi, Turin
Tax I.D. and Turin Company Register No. 00489110015

PININFARINA GROUP

Interim Report on Operations at September 30, 2011

Approved by the Board of Directors
on November 14, 2011

Honorary Chairman	Sergio	Pininfarina

Board of Directors

Chairman*	Paolo	Pininfarina
Chief Executive Officer	Silvio Pietro	Angori
Directors	Gianfranco	Albertini (2)
	Edoardo	Garrone (1) (3)
	Enrico	Parazzini (2) (3)
	Carlo	Pavesio (1)
	Roberto	Testore (1) (2) (3)

(1) Member of the Nominating and Compensation Committee
(2) Member of the Internal Control Committee
(3) Member of the Committee for Transactions with Related Parties

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 (§)

(§) Corporate Accounting Documents Officer

Independent Auditors	PricewaterhouseCoopers S.p.A.

***Powers**
Pursuant to Article 22 of the Bylaws, the Chairman is the Company's legal representative vis-à-vis external parties and in court proceedings.

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Review of Operating and Financial Performance

The most significant issues that arise from the comparison between the consolidated data at September 30, 2011 and those for the first nine months of 2010 are summarized below:

- The sharp reduction in total value of production is primarily due to the end of the automobile contract manufacturing activities, which were shut down in November 2010, offset only marginally by the growth of the styling and engineering operations, which represent the Group's core business, starting this year.

- The level of the value of production generated by the engineering services reflects the impact of different dynamics, decreasing in Italy and increasing outside Italy, while the overall performance of the styling activities was in line with the results achieved last year.

- Due to the cancellation of the joint venture agreements with Volvo Car Corporation regarding Pininfarina Sverige A.B. and the divestment of the interest held in the Véhicules Electriques Pininfarina Bolloré SAS joint venture, the data for the first nine months of 2011 no longer include the income statement results of these subsidiaries, which provided a positive contribution of 3.4 million euros to the consolidated net result. On the other hand, the bottom line was boosted by a gain of 8.9 million euros generated by the sale of the interest held in the abovementioned French joint venture.

- At September 30, 2011, the consolidated shareholders' equity was lower than at December 31, 2010 due to the loss for the period, while net financial debt increased due mainly to changes in working capital and a reduction in business volume.

More specifically, consolidated value of production totaled 45.1 million euros at September 30, 2011, or 73.3% less than a year earlier (168.7 million euros), due to the reasons mentioned above.

EBITDA for the period (equal to the profit or loss from operations before depreciation, amortization and additions to provisions) were positive by 5.3 million euros (negative by 25.3 million euros at September 30, 2010, mainly due to the Mitsubishi arbitration award).

EBIT for the period (equal to the profit or loss from operations) were negative by 0.3 million euros, compared with a loss of 37.4 million euros at September 30, 2010. In both years, EBIT were significantly affected by non-operating items: in 2011 the gain of 8.9 million euros generated by the sale of the interest held in Véhicules Electriques Pininfarina Bolloré and, in 2010, a negative impact of 28.5 million euros caused by the Mitsubishi arbitration award.

Net financial expense amounted to 1 million euros, as against net financial income of 0.7 million euros a year earlier. A comparison between the two periods shows that, in 2011, financial expense due on the Group's gross borrowings increased, while financial income decreased reflecting a reduction in interest earned on loans receivable from outsiders and affiliated companies, the amount of which declined due to repayments, and to lower income from investment securities, as the Company conservatively opted for low risk financial investments, which, however, offer lower return possibilities.

The loss before taxes totaled 1.3 million euros at September 30, 2011 (loss of 33.3 million euros a year earlier). The income tax expense amounted to 0.6 million euros (0.5 million euros at September 30, 2010).

Consequently, the net loss for the first nine months of 2011 totaled 1.9 million euros compared with a net loss of 33.8 million euros reported a year earlier.

As a result of the loss for the period, the consolidated shareholders' equity decreased to 19.1 million euros, or 1.9 million euros less than the 21 million euros reported at December 31, 2010. The Group's net financial debt increased by 17.1 million euros, rising from 59 million euros at December 31, 2010 to 76.1 million euros at September 30, 2011 (57.6 million euros at September 30, 2010).

Performance of the Individual Sectors

Following the end of the automobile contract manufacturing activities in 2010, the "Manufacturing Sector" was renamed the "Operations Sector." In 2011, the Operations Sector included mainly activities involving the sale of spare parts for cars made in previous years, costs and revenues attributable to corporate departments and sundry transactions with outsiders, including the income from leasing business operations (comprised of the Bairo Canavese plant and 57 employees) used to manufacture electric cars for a car sharing service planned by the Paris municipal administration. A comparison with the data for 2010 should take this change into account.

The **Operations Sector** generated value of production of 7.9 million euros in the first nine months of 2011 (135.7 million euros in the same period in 2010), accounting for 17.6% of total consolidated value of production (80.5% the previous year).

The Sectors' EBIT were positive by 3.3 million euros, thanks to a gain of 8.9 million euros earned on the sale to the Bolloré Group of the interest held in the Véhicules Electriques Pininfarina Bolloré SAS joint venture. In the first nine months of 2010, the Production Sector reported a loss of 34.4 million euros, 28.5 million euros of which were attributable to the impact of the Mitsubishi arbitration award.

In the first nine months of 2011, the value of production reported by the **Service Sector** increased to 37.1 million euros, up from 33 million euros at September 30, 2010 (+12.4%). The contribution provided to the total for the Group grew to 82.4%, compared with 19.5% a year earlier.

The Sector's EBIT were negative by 3.6 million euros, compared with a loss of 3 million euros at September 30, 2010.

Assessment of the Company's Going Concern Viability and Events Occurring After September 30, 2011

With regard to the issue of evaluating problems and risks and assessing the Company's viability as a going concern, which was addressed by the Board of Directors in the 2010 Annual Financial Report and the Semiannual Financial Report at June 30, 2011, which should be consulted for detailed information, an update to the situation described within the abovementioned context on August 4, 2011, which is when the Board of Directors approved the financial statements at June 30, 2011, is provided below.

The Italian and international economic context within which the Group has been operating is proving to be profoundly different from the one projected in the 2008-2017 Industrial and Financial Plan of the Pininfarina Group, upon which the agreements executed with the Lender Institutions on December 31, 2008 were based.

While some of the Plan's major projections were realized (closing of the contract manufacturing activities, corporate restructuring consistent with the Group's changed mission, compliance with repayment obligations vis-à-vis credit institutions and with the financial covenants in 2009 and 2010), the considerable delay in the development of a market for electric cars - cornerstone of the Pininfarina Industrial Plan starting in 2012 - coupled with strong competition at the global level for the supply of engineering and styling services to the automotive industry, is having a significant negative impact on the operating results, financial position and cash flow of the Group and Pininfarina S.p.A. in particular.

The process of selling the interest held in Pininfarina S.p.A. by Pincar S.r.l., its controlling company, which began in September 2009, is still ongoing. The Commission to Sell given to Banca Leonardo & Co. has been renewed until December 31, 2011.

In view of the considerations expressed above and given the accounting data at September 30, 2011 and future economic and financial projections, it has become necessary to amend the Industrial Plan and modify its financial impact in order to ensure the Company's viability as a going concern.

Therefore, Pininfarina S.p.A., working with the support of Roland Berger as advisor, is developing a new 2012-2018 Industrial Plan in accordance with guidelines approved today by the Board of Directors. A draft of the Financial Plan based on the newly developed industrial scenario will be prepared in the coming weeks with the support of Banca Leonardo as advisor.

On November 7, 2011, the Company presented an early draft of the Industrial Plan to the Lender Institutions who are parties to the agreements signed in 2008, so as to begin discussing future projections of income statement, balance sheet and cash flow data for the Company and the Group. The Company expects to reach a new agreement with the Lender Institutions - mainly concerning amendments to the Rescheduling Agreement and the financial covenants currently in effect - in the early months of 2012.

Based on the considerations listed above, while there are still risks concerning the ability of the Group to continue operating as a going concern, the Directors have confidence in the effectiveness of the activities that are being implemented to restore the financial and industrial health of the Pininfarina Group.

A significant event occurring after September 30, 2011 took place on October 11, 2011, when Pininfarina S.p.A. announced that it began to carry out the process of activating a long-term unemployment benefit procedure for termination of production activities and staff downsizing, due to the absence of conditions suitable for continuing to operate the production activities. The long-term unemployment benefit procedure applies to 127 employees of the production sector and of directly and indirectly related units.

Lastly, it is worth mentioning that, on April 12, 2011, the Internal Revenue Police, acting further to a tax audit launched in June 2010, served the Company with a Tax Audit Report, the main issues of which concerned the agreements executed on December 31, 2008 by the Company, its shareholder Pincar S.p.A. (now Pincar S.r.l) and the Lender institutions to recapitalize the Company. In the course of several meeting that took place in October and November, the Company and the Revenue Agency agreed on the substantive premises for a disposition of the issues raised in the Tax Audit Report. The Company, while it continues to firmly believe that it acted in full compliance with all regulations and tax laws, wishes to emphasize that the agreement that it expects to reach shortly, once the required communications and formal verifications have been completed, will enable it to close this situation without any cash outlay and avoid a lengthy litigation of this dispute.

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

1) The net financial positions of the Pininfarina Group and Pininfarina S.p.A., with current and non-current components listed separately, are shown on page 13 and page 60, respectively, of this document.
2) There were no past-due amounts (financial or related to tax or employee benefit liabilities) owed by the Pininfarina Group. No actions against the Group have been filed by creditors.
3) The transactions with related parties of the Pininfarina Group and Pininfarina S.p.A. are listed on page 53 end page 63, respectively, of this document.
4) The implementation of the plan to restructure the indebtedness of Pininfarina S.p.A. is proceeding in accordance with the agreements with the Lender Institutions.

5) Information about the progress made in implementing the Industrial Plan is provided above, in the section of this Report entitled “Assessment of the Company’s Going Concern Viability and Events Occurring After September 30, 2011.”

The consolidated data for the first nine months of the current year, while irrelevant for determining whether or not the Group is in compliance with the financial covenants, which are computed based on year-end data, show that, at this point, the Group is not in compliance for the 2011 reporting year with the covenants of the Rescheduling Agreement with the Lender Institutions currently in effect. Upon presenting its new Industrial and Financial Plan, the Company will ask that new financial parameters, more consistent with the current and projected structure of the Group’s income statement, financial position and cash flows, be defined.

Business Outlook for 2011

The 2011 reporting year is expected to end with positive EBITDA (negative EBITDA in 2010). Moreover, while EBIT will be negative and the Group will report a net loss for the year, the negative amounts will be smaller and not comparable with those of the 2010 reporting year. The year-end net financial position for 2011 is expected to show a deterioration of about 40% compared with the end of 2010 (the earlier guidance announced in the Semiannual Financial Report called for a deterioration of about 25% compared with 2010).

November 14, 2011

Paolo Pininfarina
Chairman
of the Board of Directors

Reclassified Consolidated Income Statement

(in thousands of euros)

	Data at					Data at
	9/30/11	%	**9/30/10**	%	**Change**	**2010**
Net revenues	39,494	87.64	162,175	96.14	(122,681)	204,407
Changes in inventory of finished goods and work in progress	2,058	4.57	5,493	3.26	(3,435)	(1,133)
Other income and revenues	3,511	7.79	1,023	0.60	2,488	1,359
Value of production	**45,063**	**100.00**	**168,691**	**100.00**	**(123,628)**	**204,633**
Net gain (loss) on disposal of non-current assets	**8,931**	**19.82**	**(140)**	**(0.08)**	**9,071**	**2,453**
Raw materials and outside services (*)	(18,410)	(40.85)	(156,807)	(92.95)	138,397	(161,758)
Change in inventory of raw materials	(90)	(0.20)	958	0.57	(1,048)	(4,132)
Value added	**35,494**	**78.77**	**12,702**	**7.53**	**22,792**	**41,196**
Labor costs (**)	(30,224)	(67.07)	(37,970)	(22.51)	7,746	(47,455)
EBITDA	**5,270**	**11.70**	**(25,268)**	**(14.98)**	**30,538**	**(6,259)**
Depreciation and amortization	(3,685)	(8.18)	(10,848)	(6.43)	7,163	(12,389)
(Additions)/Utiliz. of provisions and (writedowns)	(1,863)	(4.13)	(1,269)	(0.75)	(594)	(1,350)
EBIT	**(278)**	**(0.61)**	**(37,385)**	**(22.16)**	**37,107**	**(19,998)**
Net financial income (expense)	(1,032)	(2.29)	685	0.41	(1,717)	676
Valuation of investments by the equity method	-	-	3,447	2.04	(3,447)	(12,895)
Gross profit (loss)	**(1,310)**	**(2.90)**	**(33,253)**	**(19.71)**	**31,943**	**(32,217)**
Income taxes	(585)	(1.30)	(518)	(0.31)	(67)	(859)
Net profit (loss) for the period	**(1,895)**	**(4.20)**	**(33,771)**	**(20.02)**	**31,876**	**(33,076)**

(*) **Raw materials and outside services** is shown net of utilizations of the provisions for warranties and the provisions for risks and charges amounting to 2,858,000 euros in 2010 and 1,394,000 euros in 2011.

(**) **Labor costs** is shown net of utilizations of the provision for restructuring programs amounting to 1,435,000 euros in 2010 and 900,000 euros in 2011.

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

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

Reconciliation of the Parent Company's Result and Shareholders' Equity to the Corresponding Consolidated Data

The schedule below provides a reconciliation of the result for first nine months of 2011 and the shareholders' equity at September 30, 2011 of Pininfarina S.p.A. to the corresponding data of the Pininfarina Group.

	Profit (Loss) for the period		Shareholders' equity	
	9/30/11	9/30/10	9/30/11	9/30/10
Statutory financial statements Pininfarina SpA	**(12,003,965)**	**(38,507,888)**	**23,200,023**	**24,227,243**
- Contribution of foreign companies	1,311,848	1,047,311	1,632,737	(2,802,412)
- Goodwill Pininfarina Extra Srl	-	-	1,043,497	1,043,497
- Reversal trademark usage license in Germany	-	-	(6,749,053)	(6,749,053)
- Intercompany dividends	(310,400)	-	-	-
- Gain on sale of investment in VEPB	8,868,665	-	8,868,665	-
- Valuation of investments by the equity method	20,000	3,446,818	(8,900,034)	4,210,788
- Sundry items	219,023	242,536	25,194	(211,147)
Consolidated financial statements	**(1,894,829)**	**(33,771,223)**	**19,121,030**	**19,718,915**

Reclassified Consolidated Statement of Financial Position

(in thousands of euros)

	Data at			Data at
	9/30/11	12/31/10	Change	9/30/10
Net non-current assets (A)				
Net intangible assets	2,939	3,095	(156)	3,290
Net property, plant and equipment	70,330	73,190	(2,860)	74,590
Investments in associates	29,730	30,861	(1,131)	46,803
Total A	**102,999**	**107,146**	**(4,147)**	**124,683**
Working capital (B)				
Inventory	3,038	1,419	1,619	12,866
Net trade receivables and other receivables	19,307	28,300	(8,993)	33,138
Deferred-tax assets	882	1,012	(130)	1,024
Trade accounts payable	(11,865)	(34,901)	23,036	(65,026)
Provisions for risks and charges	(6,215)	(7,214)	999	(8,172)
Other liabilities (*)	(5,536)	(6,662)	1,126	(11,518)
Total B	**(389)**	**(18,046)**	**17,657**	**(37,687)**
Net invested capital (C=A+B)	**102,610**	**89,100**	**13,510**	**86,996**
Provision for termination indemnities (D)	**7,420**	**9,121**	**(1,710)**	**9,629**
Net capital requirements (E=C-D)	**95,190**	**79,979**	**15,211**	**77,367**
Shareholders' equity (F)	**19,121**	**21,004**	**(1,883)**	**19,719**
Net financial position (G)				
Long-term debt	192,399	173,036	19,363	166,009
(Net liquid assets) / Net borrowings	(116,330)	(114,061)	(2,269)	(108,361)
Total G	**76,069**	**58,975**	**17,094**	**57,648**
Total as in E (H=F+G)	**95,190**	**79,979**	**15,211**	**77,367**

(*) Other liabilities includes the following statement of financial position items: Deferred taxes, Other payables, Provision for current taxes and Sundry liabilities.

Consolidated Net Financial Position

(in thousands of euros)

	Data at 9/30/11	Data at 12/31/10	Change	Data at 9/30/10
Cash and cash equivalents	85,010	86,374	(1,364)	76,805
Current assets held for trading	51,027	47,832	3,195	51,209
Current loans receivable and other receivables	11,292	10,988	304	12,092
Loans receivable from related parties and joint ventures	18,038	17,904	134	17,904
Bank account overdrafts	(26,000)	(26,000)	-	(26,000)
Current liabilities under finance leases	(12,200)	(12,200)	-	(12,615)
Current portion of long-tern bank debt	(10,837)	(10,837)	-	(11,034)
Net liquid assets / (Net borrowings)	**116,330**	**114,061**	**2,269**	**108,361**
Long-term loans and other receivables from outsiders	-	11,292	(11,292)	11,292
Long-term loans and other receivables from related parties and joint ventures	-	8,952	(8,952)	18,104
Held-to-maturity non-current assets	257	257	-	257
Long-term liabilities under finance leases	(117,469)	(116,131)	(1,338)	(115,743)
Long-term bank debt	(75,187)	(77,406)	2,218	(79,919)
Long-term debt	**(192,399)**	**(173,036)**	**(19,363)**	**(166,009)**
NET FINANCIAL POSITION	**(76,069)**	**(58,975)**	**(17,094)**	**(57,648)**

Consolidated Statement of Net Financial Indebtedness

(CESR /05-04b)

(in thousands of euros)

		Data at			Data at
		9/30/11	**12/31/10**	**Change**	**9/30/10**
A.	Cash	(85,010)	(86,374)	(1,364)	(76,805)
B.	Other liquid assets	-	-	-	-
C.	Securities held for trading	(51,027)	(47,832)	3,195	(51,019)
D.	***Total liquid assets (A.)+(B.)+(C.)***	***(136,037)***	***(134,206)***	***1,831***	***(128,014)***
E.	***Current financial receivables***	***(29,330)***	***(28,892)***	***438***	***(29,996)***
F.	**Current bank debt**	**26,000**	**26,000**	**-**	**26,000**
	Current portion of secured bank loans	5,037	5,037	-	5,037
	Current portion of unsecured bank loans	5,800	5,800	-	5,998
G.	**Current portion of non-current debt**	**10,837**	**10,837**	**-**	**11,034**
H.	Other current financial liabilities	12,200	12,200	-	12,615
I.	***Current financial debt (F.)+(G.)+(H.)***	***49,037***	***49,037***	***-***	***49,649***
J.	***Net current Financial debt/(position)***	***(116,330)***	***(114,062)***	***2,269***	***(108,361)***
	Non-current portion of secured bank loans	20,114	22,783	2,668	25,401
	Non-current portion of unsecured bank loans	55,073	54,623	(450)	54,518
K.	**Non-current bank debt**	**75,187**	**77,406**	**2,218**	**79,919**
L.	Bonds outstanding	-	-	-	-
M.	Other non-current financial liabilities	117,469	116,131	(1,338)	115,743
N.	***Non-current net financial debt (K.)+(L.)+(M.)***	***192,656***	***193,537***	***881***	***195,663***
O.	**Net financial debt (J+N)**	**76,326**	**79,475**	**3,149**	**87,301**

The “Consolidated Statement of Net Financial Indebtedness” provided above is presented in accordance with the format recommended by the Consob in Communication DEM No. 6064293 of July 28, 2006, which implements E.U. Regulation CESR/05-04b. Because the purpose of the abovementioned statement is to show “Net Borrowings,” assets are shown with a minus sign and liabilities with a plus sign. In the “Consolidated Net Financial Position” schedule provided on the previous page, assets are shown with a plus sign and liabilities with a minus sign.
The reason for the difference between the amount of the “Net Financial Position” schedule and that of the “Net Borrowings” schedule is that the latter does not include loans receivable and long-term financial receivables. The total amount of these differences at the respective reference dates is shown below:

- At September 30, 2011: 257,000 euros
- At December 31, 2010: 20,500,000 euros
- At September 30, 2010: 29,654,000 euros

Consolidated Statement of Cash Flows (*)

	9/30/11	9/30/10
Profit (loss) for the period	**(1,894,829)**	**(33,771,223)**
Restatements		
- Income taxes	587,105	517,545
- Depreciation of property, plant and equipment	3,151,630	10,251,899
- Amortization of intangibles	532,980	596,220
- Writedowns and additions to provisions	(1,531,138)	162,325
- (Gains) Losses on sale of non-current assets	(8,930,609)	(1,072)
- Financial expense	3,143,215	2,729,657
- (Financial income)	(2,514,299)	(3,316,898)
- (Dividends)	-	(98,175)
- Value adjustment to shareholders' equity	-	-
- Other restatements	(210,311)	(3,461,778)
Total Restatements	**(5,771,427)**	**7,379,722**
Changes in working capital		
- (Increase) / decrease inventories	(57,845)	(4,828,636)
- (Increase) / decrease contract work in progress	(1,466,317)	(503,744)
- (Increase) / decrease trade accounts receivable and other receivable	6,644,062	25,481,440
- (Increase) / decrease accounts receivable from joint ventures	1,176,194	1,010,935
- Increase / (decrease) trade accounts payable	(24,272,620)	2,415,476
- increase / (decrease) accounts payable to joint ventures	(15,973)	51,637
- Other changes	399,101	(5,027,136)
Total changes in working capital	**(17,593,399)**	**18,599,972**
Cash flow from operating activities	**(25,259,655)**	**(7,791,529)**
(Financial expense)	(894,809)	(2,729,657)
(Income taxes)	(719,923)	(517,545)
Net cash flow used in operating activities	**(26,874,387)**	**(11,038,731)**
- Purchases of property, plant and equipment	(716,945)	(425,557)
- Proceeds from sale of property, plant and equipment	10,048,451	7,233
- Non-current loans receivable from borrowers outside the Group	10,468,624	58,557,342
- Non-current loans receivable from joint ventures	9,342,074	8,751,773
- Financial income	1,719,848	3,316,898
- Dividends	-	98,175
- Other equity investments	(2,683,208)	(4,734,522)
Net cash used in investing activities	**28,178,844**	**65,571,342**
- Proceeds from the issuance of shares	-	-
- Borrowings from lenders outside the Group	(2,668,455)	(53,958,237)
- Other non-cash items	-	4,749,854
Net cash used in financing activities	**(2,668,455)**	**(49,208,383)**
Increase (Decrease) in cash and cash equivalents	**(1,363,998)**	**5,324,229**
- Cash and cash equivalents at beginning of the period	60,374,129	45,481,185
Net cash and cash equivalents at end of the period	**59,010,131**	**50,805,414**
Composed by:		
Cash and cash equivalents	85,010,131	76,805,414
Bank account overdrafts	(26,000,000)	(26,000,000)

(*) As required by Paragraph 7 of IAS 7 – Statement of Cash Flows, this document does not reflect transactions that did not result in change in cash flow. Pursuant to 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 6, 10 and 15 (a) to the financial statements of the Pininfarina Group.

Companies of the Pininfarina Group
(data presented in accordance with the IAS/IFRS accounting principles)

Pininfarina S.p.A.

(in millions of euros)	9/30/11	9/30/10	Change
Value of production	24.4	152.9	(128.5)
EBIT	(11.2)	(39.1)	27.9
Net profit (loss)	(12.0)	(38.5)	26.5
Net financial position	(79.5)	(58.5)	(21.0)
Shareholders' equity	23.2	24.2	(1.0)
Number of employees at 9/30	447	573	(126)

Pininfarina Extra Group

(in millions of euros)	9/30/11	9/30/10	Change
Value of production	2.9	2.9	-
EBIT	0.7	0.6	0.1
Net profit (loss)	0.5	0.4	0.1
Net financial position	3.0	2.4	0.6
Shareholders' equity	4.9	4.4	0.5
Number of employees at 9/30	21	21	-

Pininfarina Deutschland Group

(in millions of euros)	9/30/11	9/30/10	Change
Value of production	16.9	11.8	5.1
EBIT	0.8	0.2	0.6
Net profit (loss)	0.7	0.2	0.5
Net financial position	(2.3)	(2.9)	0.6
Shareholders' equity	18.2	17.1	1.1
Number of employees at 9/30	261	204	57

Pininfarina Maroc

(in millions of euros)	9/30/11	9/30/10	Change
Value of production	1.4	1.0	0.4
EBIT	0.4	0.1	0.3
Net profit (loss)	0.4	0.1	0.3
Net financial position	1.1	0.7	0.4
Shareholders' equity	1.2	0.9	0.3
Number of employees at 9/30	42	39	3

Pininfarina Automotive Engineering Shanghai

(in millions of euros)	9/30/11
Value of production	0.1
EBIT	(0.2)
Net profit (loss)	(0.2)
Net financial position	0.3
Shareholders' equity	0.2
Number of employees at 9/30	3

This company was established in December 2010 and became operational in 2011.

Pininfarina Sverige

(in millions of euros)	9/30/11	9/30/10	Change
Value of production	227.8	214.1	13.7
EBIT	10.8	10.8	-
Net profit (loss)	6.3	6.3	-
Net financial position	4.6	(50.4)	55.0
Shareholders' equity	80.5	76.5	4.0
Number of employees at 9/30	585	597	(12)

Matra Automobile Engineering S.A.S., which has not been operational since 2008, reported value of production of 0.1 million euros and a virtually breakeven bottom line, compared with value of production of 0.2 million euros and a net profit of 0.4 million euros a year earlier. The net financial position showed a positive balance of 1.3 million euros, compared with a positive balance of 0.7 million euros in 2010. This company had 1 employee at September 30, 2011, the same as a year earlier.

The 50% interest held in the **Véhicules Electriques Pininfarina Bolloré SAS** joint venture was sold to the Bolloré Group in the first half of 2011. At September 30, 2010, it reported a net loss of 0.7 million euros and had no employees on its payroll.

PININFARINA GROUP

Consolidated Financial Statements at September 30, 2011

Consolidated Statement of Financial Position (*)

	Note ref.	9/30/11	12/31/10
Land and buildings	1	59,741,161	61,033,633
Land		16,984,045	16,984,045
Buildings		33,411,884	34,435,444
Leased property		9,345,232	9,614,143
Plant and machinery	1	9,112,549	10,555,592
Machinery		328,079	408,723
Plant		8,784,470	10,146,870
Leased machinery and equipment		-	-
Furniture, fixtures and other property, plant and equipment	1	1,476,656	1,600,868
Furniture and fixtures		274,506	287,399
Hardware & software		737,619	779,718
Other property, plant and equipment (including vehicles)		464,531	533,751
Assets under construction	1	-	-
Property, plant and equipment		**70,330,366**	**73,190,093**
Goodwill	2	1,043,495	1,043,495
Licenses and trademarks	2	1,624,689	1,784,778
Other intangibles	2	270,333	266,491
Intangible assets		**2,938,517**	**3,094,764**
Joint ventures	3	29,477,683	30,609,018
Other companies	4	252,017	251,717
Equity investments		**29,729,700**	**30,860,735**
Deferred-tax assets	**17**	**881,811**	**1,011,828**
Held-to-maturity long-term investments	5	257,247	257,485
Loans and other receivables form:		-	20,244,365
Outsiders		-	11,292,276
Related parties and joint ventures		-	8,952,089
Available-for-sale non-current financial assets		-	-
Non-current financial assets		**257,247**	**20,501,850**
TOTAL NON-CURRENT ASSETS		**104,137,641**	**128,659,270**
Raw materials		81,577	171,776
Work in process		-	-
Finished goods		889,079	646,517
Inventory	**8**	**970,656**	**818,293**
Contract work in progress	**9**	**2,066,857**	**600,540**
Current assets held for trading	7	51,026,716	47,831,894
Current loans receivables and other receivables from:	6	29,330,379	28,892,406
Outsiders		11,292,276	10,988,228
Related parties and joint ventures		18,038,103	17,904,178
Available-for-sale current financial assets		-	-
Current financial assets		**80,357,095**	**76,724,300**
Financial derivatives		**-**	**-**
Trade receivables from:	10	10,510,407	19,927,420
Outsiders		9,959,158	18,199,977
Related parties and joint ventures		551,249	1,727,442
Other receivables	11	8,796,607	8,372,829
Trade receivables and other receivables		**19,307,014**	**28,300,249**
Cash on hand		408,404	1,838,205
Short-term bank deposits		84,601,727	84,535,924
Cash and cash equivalents	**12**	**85,010,131**	**86,374,129**
TOTAL CURRENT ASSETS		**187,711,753**	**192,817,511**
Held-for-sale non-curret assets		-	-
TOTAL ASSETS		**291,849,394**	**321,476,781**

Consolidated Statement of Financial Position (*)

	Note ref.	9/30/11	12/31/10
Share capital		30,150,694	30,150,694
Additional paid-in capital		-	16,077,451
Reserve for treasury stock		175,697	175,697
Statutory reserve		2,231,389	2,231,389
Reserve for currency translations		2,575,976	2,563,904
Other reserves		2,646,208	7,874,050
Retained earnings / (Loss carryforward)		(16,764,105)	(4,992,913)
Profit / (Loss) for the period		(1,894,829)	(33,076,486)
GROUP INTEREST IN SHAREHOLDERS' EQUITY	13	19,121,030	21,003,786
Minority interest in shareholders' equity		-	-
TOTAL SHAREHOLDERS' EQUITY		**19,121,030**	**21,003,786**
Liabilities under finance leases		117,469,084	116,131,206
Other indebtedness owed to:		75,187,292	77,405,750
Outsiders		75,187,292	77,405,750
Related parties and joint ventures		-	-
Long-term borrowings	**14**	**192,656,376**	**193,536,956**
Deferred-tax liabilities	**17**	**1,914**	**1,566**
Provision for termination indemnities		7,420,079	9,122,951
Other		-	-
Provision for termination indemnities		7,420,079	9,122,951
TOTAL NON-CURRENT LIABILITIES		**200,078,369**	**202,661,473**
Bank account overdrafts		26,000,000	26,000,000
Liabilities under finance leases		12,199,807	12,199,807
Other borrowings owed to:		10,837,102	10,837,102
Outsiders		10,837,102	10,837,102
Related parties and joint ventures		-	-
Current borrowings	**14**	**49,036,909**	**49,036,909**
Wages and salaries payable		1,876,434	2,153,925
Due to social security institutions		1,162,548	1,487,468
Other liabilities		1,062,130	1,516,775
Other payables	**15**	**4,104,112**	**5,158,168**
Accounts payable to outsiders		10,818,712	33,003,933
Account payable to associated companies and joint ventures		29,632	45,605
Advances received for work in progress		1,015,909	1,851,082
Trade accounts payable	**15**	**11,864,253**	**34,900,620**
Income taxes		272,151	42,807
Other taxes		527,566	924,647
Provision for current taxes		**799,717**	**967,454**
Financial derivatives		-	-
Provision for warranties		476,819	569,010
Provision for restructuring programs		1,343,158	2,405,194
Other provisions		4,394,666	4,239,758
Provision for other liabilities and charges	**16**	**6,214,643**	**7,213,962**
Other liabilities		630,362	534,410
TOTAL CURRENT LIABILITIES		**72,649,996**	**97,811,523**
TOTAL LIABILITIES		**272,728,364**	**300,472,995**
Liabilities attributable to held-for-sale assets		-	-
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**291,849,394**	**321,476,781**

(*) Pursuant to Consob Resolution No. 15519 of July 27, 2006, the impact of transactions with related parties on the Statement of Financial Position of the Pininfarina Group is shown in a separate schedule in the "Other Information" section of the Notes.

Consolidated Income Statement (*)

	Note ref.	9/30/11	9/30/10
Sales and service revenues	18	39,494,060	162,174,573
Increase in Company-produced non-current assets		-	-
Change in inventories of finished goods and contract work in progress		2,057,920	5,492,639
Change in contract work in progress		1,819,060	895,278
Change in inventories of work in progress, semifinished and finished goods		238,860	4,597,361
Other income and revenues	19	3,511,177	1,023,779
Total value of production		**45,063,157**	**168,690,991**
Gain on the sales of property, plant and equipment / equity	**20**	**8,930,711**	**1,331**
Amount earned on the sale of equity investments		*8,868,665*	-
Raw materials and components		(3,688,353)	(115,739,788)
Change in inventories of raw materials, subsidiary materials		(90,199)	958,181
Addition to provision for obsolescent / slow moving inventory items		-	(751,460)
Raw materials and consumables used		**(3,778,552)**	**(115,533,067)**
Consumables		(412,770)	(1,016,468)
External maintenance costs		(732,182)	(1,608,856)
Other variable production costs		**(1,144,952)**	**(2,625,323)**
External variable engineering services		**(4,030,750)**	**(6,104,505)**
Production staff, office staff and managers		(28,836,099)	(31,667,046)
Independent contractors and temporary workers		-	(4,409,552)
Retirement and other post-employment benefits		(1,387,801)	(1,892,940)
Wages, salaries and employee benefits	**21**	**(30,223,900)**	**(37,969,538)**
Depreciation of property, plant and equipment		(3,151,630)	(10,251,899)
Amortization of intangibles		(532,980)	(596,220)
Loss on disposals of property, plant and equipment / equity invest.		(102)	(141,153)
(Additions to), Utilizations of provisions, (Writedowns)	22	(1,862,630)	(517,546)
Depreciation, amortization and writedowns		**(5,547,342)**	**(11,506,818)**
Foreign exchange gains (losses)		**25,923**	**(145,890)**
Other expenses	**23**	**(9,571,819)**	**(32,193,094)**
Profit (Loss) from operations		**(277,524)**	**(37,385,914)**
Financial income (expense), net	**24**	**(1,031,967)**	**587,242**
Dividends	**25**	**-**	**98,175**
Valuation of equity investment by the equity method	**26**	**-**	**3,446,819**
Profit (Loss) before taxes		**(1,309,491)**	**(33,253,678)**
Income taxes for the period	**17**	**(585,338)**	**(517,545)**
Profit (Loss) for the period		**(1,894,829)**	**(33,771,223)**
Attributable to:			
- Shareholders of the controlling company		(1,894,829)	(33,771,223)
- Minority interest		-	-
Profit (loss) diluted for share			
- Profit (Loss) for the period		(1,894,829)	(33,771,223)
- Number of common shares net		30,150,694	30,150,694
- Basic earnings (loss) diluted per share		(0.06)	(1.12)

(*) Pursuant to 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 later in this Report and in the "Other Information" section of the Notes.

Consolidated Statement of Comprehensive Income

	9/30/11	9/30/10
Profit (Loss) for the period	**(1,894,829)**	**(33,771,223)**
Other components of comprehensive net profit (loss)		
Gains (Losses) from translation of financial statemens of foreign value - IAS 21	12,072	4,749,468
Other	-	-
Total components in total comprehensive net profit (loss)	**12,072**	**4,749,468**
TOTAL COMPREHENSIVE NET PROFIT (LOSS)	**(1,882,757)**	**(29,021,755)**
- Shareholders of the controlling company	(1,882,757)	(29,021,755)
- Minority interest	-	-

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

	Note ref.	9/30/11	Amt.with related parties	9/30/10	Amt.with related parties
Sales and service revenues	18	39,494,060	741,758	162,174,573	793,358
Increase in Company-produced non-current assets		-		-	
Change in inventories of finished goods and contract work in progress		2,057,920	-	5,492,639	-
Change in contract work in progress		1,819,060		895,278	
Change in inventories of work in progress, semifinished and finished goods		238,860		4,597,361	
Other income and revenues	19	3,511,177		1,023,779	
Total value of production		**45,063,157**	**741,758**	**168,690,991**	**793,358**
Gain on the sales of property, plant and equipment / equity	**20**	**8,930,711**		**1,331**	
Amount earned on the sale of equity investments		*8,868,665*		-	
Raw materials and components		(3,688,353)		(115,739,788)	
Change in inventories of raw materials, subsidiary materials		(90,199)		958,181	
Addition to provision for obsolescent / slow moving inventory items		-		(751,460)	
Raw materials and consumables used		**(3,778,552)**	-	**(115,533,067)**	-
Consumables		(412,770)		(1,016,468)	
External maintenance costs		(732,182)		(1,608,856)	
Other variable production costs		**(1,144,952)**	-	**(2,625,324)**	-
External variable engineering services		**(4,030,750)**	**(62,252)**	**(6,104,505)**	**(58,426)**
Production staff, office staff and managers		(28,836,099)		(31,667,046)	
Independent contractors and temporary workers		-		(4,409,552)	
Retirement and other post-employment benefits		(1,387,801)		(1,892,940)	
Wages, salaries and employee benefits	**21**	**(30,223,900)**	-	**(37,969,537)**	-
Depreciation of property, plant and equipment		(3,151,630)		(10,251,899)	
Amortization of intangibles		(102)		(141,153)	
Loss on disposals of property, plant and equipment / equity invest.		(532,980)		(596,220)	
(Additions to), Utilizations of provisions, (Writedowns)	22	(1,862,630)		(517,546)	
Depreciation, amortization and writedowns		**(5,547,342)**	-	**(11,506,818)**	
Foreign exchange gains (losses)		**25,923**		**(145,890)**	
Other expenses	**23**	**(9,571,819)**		**(32,193,094)**	
Profit (Loss) from operations		**(277,524)**	**679,505**	**(37,385,915)**	**734,932**
Financial income (expense), net	**24**	**(1,031,967)**	392,331	**587,242**	682,589
Dividends	**25**	**-**		**98,175**	
Valuation of equity investment by the equity method	**26**	**-**		**3,446,819**	
Profit (Loss) before taxes		**(1,309,491)**	**1,071,838**	**(33,253,678)**	**1,417,521**
Income taxes for the period	**17**	**(585,338)**		**(517,545)**	
Profit (Loss) for the period		**(1,894,829)**	**1,071,838**	**(33,771,223)**	**1,417,521**

Statement of Changes in Consolidated Shareholders' Equity

	12/31/09	Total Profit (Loss) for the period	Translation restatements	**9/30/10**
Common shares	30,150,694	-	-	30,150,694
Additional paid-in capital	46,442,181	-	(30,364,730)	16,077,451
Reserve for treasury stock	175,697	-	-	175,697
Statutory reserve	2,231,389	-	-	2,231,389
Reserve for currency translat.	(2,775,698)	4,749,469	-	1,973,770
Other reserves	7,873,665	-	385	7,874,050
Retained earnings	(4,610,937)	-	(381,976)	(4,992,913)
Profit (Loss) for the period	(30,746,706)	(33,771,223)	30,746,706	(33,771,223)
GROUP INTEREST IN SHAREHOLDERS' EQUITY	48,740,285	(29,021,755)	385	19,718,915
Minority interest in profit and res.	-	-	-	
TOTAL SHAREHOLDERS' EQUITY	**48,740,285**	**(29,021,755)**	**385**	**19,718,915**

	12/31/09	Total Profit (Loss) for the year	Translation restatements	**12/31/10**
Common shares	30,150,694	-	-	30,150,694
Additional paid-in capital	46,442,181	-	(30,364,730)	16,077,451
Reserve for treasury stock	175,697	-	-	175,697
Statutory reserve	2,231,389	-	-	2,231,389
Reserve for currency translat.	(2,775,698)	5,339,602	-	2,563,904
Other reserves	7,873,665	-	385	7,874,050
Retained earnings	(4,610,937)	-	(381,976)	(4,992,913)
Profit (Loss) for the year	(30,746,706)	(33,076,486)	30,746,706	(33,076,486)
GROUP INTEREST IN SHAREHOLDERS' EQUITY	48,740,285	(27,736,884)	385	21,003,786
Minority interest in profit and res.	-	-	-	
TOTAL SHAREHOLDERS' EQUITY	**48,740,285**	**(27,736,684)**	**385**	**21,003,786**

	12/31/10	Total Profit (Loss) for the period	Translation restatements	**9/30/11**
Common shares	30,150,694	-	-	30,150,694
Additional paid-in capital	16,077,451	-	(16,077,451)	-
Reserve for treasury stock	175,697	-	-	175,697
Statutory reserve	2,231,389	-	-	2,231,389
Reserve for currency translat.	2,563,904	12,072	-	2,575,976
Other reserves	7,874,050	-	(5,227,842)	2,646,208
Retained earnings	(4,992,913)	-	(11,771,192)	(16,764,105)
Profit (Loss) for the year	(33,076,486)	(1,894,829)	33,076,486	(1,894,829)
GROUP INTEREST IN			-	
SHAREHOLDERS' EQUITY	21,003,786	(1,882,757)		19,121,030
Minority interest in profit and res.		-	-	
TOTAL SHAREHOLDERS' EQUITY	**21,003,786**	**(1,882,757)**	**-**	**19,121,030**

Consolidated Statement of Cash Flows (*)

	9/30/11	9/30/10
Profit (loss) for the period	**(1,894,829)**	**(33,771,223)**
Restatements		
- Income taxes	587,105	517,545
- Depreciation of property, plant and equipment	3,151,630	10,251,899
- Amortization of intangibles	532,980	596,220
- Writedowns and additions to provisions	(1,531,138)	162,325
- (Gains) Losses on sale of non-current assets	(8,930,609)	(1,072)
- Financial expense	3,143,215	2,729,657
- (Financial income)	(2,514,299)	(3,316,898)
- (Dividends)	-	(98,175)
- Value adjustment to shareholders' equity	-	-
- Other restatements	(210,311)	(3,461,778)
Total Restatements	**(5,771,427)**	**7,379,722**
Changes in working capital		
- (Increase) / decrease inventories	(57,845)	(4,828,636)
- (Increase) / decrease contract work in progress	(1,466,317)	(503,744)
- (Increase) / decrease trade accounts receivable and other receivable	6,644,062	25,481,440
- (Increase) / decrease accounts receivable from joint ventures	1,176,194	1,010,935
- Increase / (decrease) trade accounts payable	(24,272,620)	2,415,476
- increase / (decrease) accounts payable to joint ventures	(15,973)	51,637
- Other changes	399,101	(5,027,136)
Total changes in working capital	**(17,593,399)**	**18,599,972**
Cash flow from operating activities	**(25,259,655)**	**(7,791,529)**
(Financial expense)	(894,809)	(2,729,657)
(Income taxes)	(719,923)	(517,545)
Net cash flow used in operating activities	**(26,874,387)**	**(11,038,731)**
- Purchases of property, plant and equipment	(716,945)	(425,557)
- Proceeds from sale of property, plant and equipment	10,048,451	7,233
- Non-current loans receivable from borrowers outside the Group	10,468,624	58,557,342
- Non-current loans receivable from joint ventures	9,342,074	8,751,773
- Financial income	1,719,848	3,316,898
- Dividends	-	98,175
- Other equity investments	(2,683,208)	(4,734,522)
Net cash used in investing activities	**28,178,844**	**65,571,342**
- Proceeds from the issuance of shares	-	-
- Borrowings from lenders outside the Group	(2,668,455)	(53,958,237)
- Other non-cash items	-	4,749,854
Net cash used in financing activities	**(2,668,455)**	**(49,208,383)**
Increase (Decrease) in cash and cash equivalents	**(1,363,998)**	**5,324,229**
- Cash and cash equivalents at beginning of the period	60,374,129	45,481,185
Net cash and cash equivalents at end of the period	**59,010,131**	**50,805,414**
Composed by:		
Cash and cash equivalents	85,010,131	76,805,414
Bank account overdrafts	(26,000,000)	(26,000,000)

(*) In accordance with 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 disclosed in Notes 6, 10 and 15 (a) to the financial statements of the Pininfarina Group.

Consolidated Income Statement for the Third Quarter

	Third quarter 2011	Third quarter 2010
Sales and service revenues	12,169,946	41,589,003
Increase in Company-produced non-current assets	-	-
Change in inventories of finished goods and contract work in progress	8,528	(187,854)
Change in contract work in progress	(245,647)	(1,683,070)
Change in inventories of work in progress, semifinished and finished goods	254,175	1,495,216
Other income and revenues	1,564,137	321,011
Total value of production	**13,742,611**	**41,722,160**
Gain on the sales of property, plant and equipment / equity	**36,802**	**100**
Amount earned on the sale of equity investments	*0*	-
Raw materials and components	(1,352,235)	(22,005,740)
Change in inventories of raw materials, subsidiary materials	7,391	(5,005,035)
Addition to provision for obsolescent / slow moving inventory items	-	-
Raw materials and consumables used	**(1,344,844)**	**(27,010,775)**
Consumables	(40,373)	(369,871)
External maintenance costs	(253,302)	(320,850)
Other variable production costs	**(293,675)**	**(690,721)**
External variable engineering services	**(526,251)**	**(2,139,994)**
Production staff, office staff and managers	(8,451,546)	(8,526,201)
Independent contractors and temporary workers	-	(914,374)
Retirement and other post-employment benefits	(498,662)	(592,633)
Wages, salaries and employee benefits	**(8,950,209)**	**(10,033,208)**
Depreciation of property, plant and equipment	(897,492)	(2,331,555)
Amortization of intangibles	(196,207)	(200,197)
Loss on disposals of property, plant and equipment / equity invest.	-	(110,710)
(Additions to), Utilizations of provisions, (Writedowns)	(167,105)	(482,632)
Depreciation, amortization and writedowns	**(1,260,804)**	**(3,125,094)**
Foreign exchange gains (losses)	**(7,626)**	**(72,909)**
Other expenses	**(3,135,288)**	**(3,402,280)**
Profit (Loss) from operations	**(1,739,284)**	**(4,752,721)**
Financial income (expense), net	**(565,856)**	**222,657**
Dividends	**-**	**-**
Valuation of equity investment by the equity method	**-**	**477,459**
Profit (Loss) before taxes	**(2,305,141)**	**(4,052,605)**
Income taxes for the period	**(194,338)**	**(172,710)**
Profit (Loss) for the period	**(2,499,479)**	**(4,225,315)**

Consolidated Statement of Comprehensive Income for the Third Quarter

	Third quarter 2011	Third quarter 2010
Profit (Loss) for the period	**(2,499,479)**	**(4,225,315)**
Other components of comprehensive net profit (loss)		
Gains (Losses) from translation of financial statemens of foreign value - IAS 21	58,267	1,758,475
Other	-	-
Total components in total comprehensive net profit (loss)	**58,267**	**1,758,475**
TOTAL COMPREHENSIVE NET PROFIT (LOSS)	**(2,441,212)**	**(2,466,840)**
- Shareholders of the controlling company	(2,441,212)	(2,466,840)
- Minority interest	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

GENERAL INFORMATION

Foreword

The core business of the Pininfarina Group (hereinafter the "Group") is 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 process of developing new products - design, planning, development, industrialization and manufacturing - or to provide support separately during any one of these phases with the utmost flexibility.

Pininfarina S.p.A., the Group's Parent Company, is listed on Borsa Italiana. Its headquarters are located at 6 via Bruno Buozzi, in Turin. Market investors own 22.66% of its share capital, with the remaining 77.34% held by the following shareholders:

- Pincar S.r.l. 76.06%. Pursuant to the Framework Agreement of December 31, 2008, the shares held by Pincar S.r.l. are encumbered by a senior pledge, without voting rights, for the benefit of the Lender Institutions of Pininfarina S.p.A.
- Segi S.r.l., controlling company of Pincar S.r.l., 0.60%.
- Seglap S.s. 0.63%.
- Treasury shares held by Pininfarina S.p.A. 0.05%.

A complete listing of the companies included in the Group, with their complete name and address, is provided on page 30.

This Consolidated Interim Report on Operations of the Group is presented in euros, the functional and presentation currency of the Group's Parent Company, which is where most of the activities and consolidated revenues are concentrated, and its main subsidiaries.

Financial Statement Schedules

This Consolidated Interim Report on Operations at September 30, 2011 uses the same schedules as those of the annual consolidated financial statements, which include the following:

- Consolidated statement of financial position, in which current and non-currents assets and liabilities are classified separately;
- Consolidated income statement and consolidated statement of comprehensive income, shown as two separate schedules in which operating costs are classified by type;
- Consolidated statement of cash flows, presented in accordance with the indirect method, as allowed by IAS 7 – Statement of Cash Flows;
- Statement of changes in consolidated shareholders' equity.

Moreover, as required by Consob Resolution No. 15519 of July 28, 2006, the Group presents the following information in separate schedules or the Notes to the Financial Statements:

- The effects of nonrecurring events or transactions or of transactions or events that are not repeated frequently in the normal course of business are shown on page 53 (page 63 for Pininfarina SpA).
- The effects of transactions or positions with related parties on the income statement and cash flow, as classified by IAS 24 – Related Party Disclosures (pages 20, 21, 23 and 25).
  Related-party transactions affecting the statement of financial position are not presented in a separate schedule because they are listed as separate items on the consolidated statement of financial position shown on pages 20 and 21 (pages 56 and 57 for Pininfarina SpA).
- The net financial position balance, with a breakdown of the main components and a listing of amounts payable to or receivable from related parties, is provided on page 13, in the Report on Operations (page 60 for Pininfarina SpA).

Accounting Principles

This Consolidated Interim Report on Operations at September 30, 2011 was prepared in accordance with the International Financial Reporting Standards ("IFRSs"), as issued by the International Accounting Standards Board ("IASB") and adopted by the European Union, and are consistent with the regulations enacted to implement Article 9 of Legislative Decree No. 38/2005.
The designation IFRSs includes the International Financial Reporting Standards, the International Accounting Standards ("IAS") and all of the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"), previously called the Standing Interpretation Committee ("SIC"), adopted by the European Commission as of the date of meeting of the Board of Directors convened to approve the draft financial statements and listed in the applicable regulations published by the European Union as of the abovementioned date.
This Consolidated Interim Report on Operations was prepared based on the going concern assumption. More detailed information about this issue is provided in the section of this document entitled "Review of Operating and Financial Performance."

This Consolidated Interim Report on Operations was prepared in accordance with the general principle of the historical cost, except for those financial statement items that, pursuant to the IFRSs, must be measured at fair value and are listed in the sections of the Annual Report reserved for the valuation criteria.

This Consolidated Interim Report on Operations at September 30, 2011 was prepared in accordance with the requirements of IAS 34. The accounting principles applied are consistent with those used in the consolidated annual financial statements at December 31, 2010.

For the sake of full disclosure, it must be pointed out that amendments to and interpretations of accounting principles applicable as of 2011 had no impact on these Condensed Financial Statements. Moreover, the Group did not opt for early adoption of any accounting principle, amendment or interpretation.

As part of the process of preparing these interim financial statements, management was required to make estimates and assumptions, based on the information available as of the date of this Report, which have an impact on the reported amounts of revenues, expenses, assets and liabilities. Should actual circumstances prove to be different from those upon which the estimates and assumptions are based, the accounting effects of the resulting revisions will be recognized in the reporting period when the actual 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 provisions are performed in connection with the preparation of the semiannual and annual financial statements.

VALUATION CRITERIA

Consolidated Interim Report on Operations

This Consolidated Interim Report on Operations includes the semiannual financial statements of all subsidiaries, from the date the Group acquires their control until the moment when control ceases to exist.
Joint ventures and associates are valued by the equity method, in accordance with Paragraph 38 of IAS 31 – Interests in Joint Ventures and Paragraph 11 of IAS 28 – Investments in Associates, respectively.
Expenses, revenues, receivables, payables, gains and losses generated by transactions between Group companies are eliminated in the consolidation process.
When necessary, the accounting principles of subsidiaries, associates and joint ventures are amended to make them consistent with those of the Group's Parent Company.

(a) Subsidiaries

A list of the companies consolidated line by line is provided below:

Name	Registered office	% interest held directly or indirectly	Held by	Currency	Share capital
Pininfarina Extra S.r.l.	Turin Via Bruno Buozzi 6	100	Pininfarina S.p.A.	EUR	388,000
Pininfarina Extra USA Corp.	Florida-Fort Lauderdale 1710 West Cypress Creed Road	100	Pininfarina Extra S.r.l.	USD	10,000
Pininfarina Deutschland GmbH	Leonberg Riedwiesenstr. 1	100	Pininfarina S.p.A.	EUR	3,100,000
mpx Entwicklung GmbH	München Frankfurter Ring 17	100	Pininfarina Deutschland GmbH	EUR	25,000
mpx Entwicklung GmbH	Leonberg Riedwiesenstr. 1	100	Pininfarina Deutschland GmbH	EUR	26,000
Matra Automobile Engineering SAS	Paris, 68 rue du Faubourg Saint-Honoré	100	Pininfarina S.p.A.	EUR	971,200
Pininfarina Maroc SAS	Casablanca - 57, Bd Abdelmoumen, Residence EL HADI "A"	100	Pininfarina S.p.A. (99,9%) Matra Automobile Engineering SAS (0,1%)	MAD	8,000,000
Pininfarina Automotive Engineering (Shanghai) Co Ltd	Units 418-419, n.569 An Chi Road, Anting Town, Shanghai		Pininfarina S.p.A.	EUR	400,000

Subsidiaries close their financial statements on the same date as Pininfarina S.p.A., the Group's Parent Company.

(b) Associated Companies and Joint Ventures

A list of joint ventures and associated companies is provided below:

Name	Registered office	% interest held directly or indirectly	Held by	Currency	Share capital
Pininfarina Sverige A.B.	Varsvagen 1, Uddevalla, Sveden	60	Pininfarina S.p.A.	SEK	8,965,000
Pininfarina Recchi Buildingdesign S.r.l.	Via Montevecchio 28, Torino, Italy	50	Pininfarina Extra S.r.l.	EURO	100,000

Due to the decision to terminate the underlying joint venture agreement, the investment in Pininfarina Sverige was valued at its estimated realizable value, which was determined by discounting to present value the cash flows expected from the liquidation of the ownership interest in 2013. Additional information is provided in the 2010 Annual Report.

On April 27, 2011, in a new development compared with the previous year, Pininfarina S.p.A. sold to the Bolloré S.A.S. Group its 50% interest in Véhicule Electrique Pininfarina Bolloré for a consideration amounting to 10 million euros.

Translation of Items Denominated in Foreign Currencies

The table below lists the exchange rates used to translate financial statements denominated in functional currencies different from the presentation currency:

Euro vs currency:	9/30/11	2011	9/30/10	2010
- U.S. dollar - USD	1.350	1.406	1.360	1.330
- Swedish kronor - SEK	9.258	9.008	9.140	9.650
- Moroccan dirham - MAD	11.204	11.282	11.230	11.090
- Renminbi (Yuan) - CNY	8.621	9.139	n.a.	n.a.

Property, Plant and Equipment

Property, plant and equipment includes buildings, equipment, machinery and other assets used in the production process, including assets held under finance leases. These assets are carried at their purchase or production cost, less accumulated depreciation and impairment losses, except for land, which is not depreciated.
Cost includes all expenses directly attributable to the purchase of an asset, which include the costs incurred to bring an assets to the intended location and make it ready to operate.
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.
As required by the provisions of Paragraph 61 of IAS 16 – Property, Plant and Equipment, the depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the depreciation rate is changed to reflect the changed pattern.
Consistent with IAS 8 – Accounting Principles, Changes in Accounting Estimates and Errors, a revision of the estimated useful life may be required when there are changes in the circumstances upon which the original estimate was based, or due to new information obtained, and the effect of this change must be recognized prospectively in the current year and in future periods.
In view of a change in the utilization conditions and in order to reflect the pattern of consumption of future economic benefits, the estimated useful lives of the buildings and other assets that are part of the production facilities owned by the Group's Parent Company in San Giorgio Canavese and Bario Canavese were revised starting in the second quarter of 2011.

The table below shows the useful lives of the different asset categories stated in years:

	Useful lives	
Asset	Bairo / San Giorgio Plant	Other Plant
Land	no depreciated	no depreciated
Buildings and leased property	50	33
Machinery	20	10
Plant	20	10
Leased machinery and equipment	-	5
Forniture and fixtures	10	8
Hardware	-	5
Other property, plant and equipment (incl. Vehicules)	-	5

Land, which is accounted for separately, is not depreciated. Instead, it is tested for impairment when there are indications that the carrying amount is greater than the recoverable value.
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. When an asset is replaced, the carrying amount of the replaced part is derecognized. The costs that do not meet the abovementioned capitalization requirements are recognized in profit or loss in the year they are incurred.
The residual value of property, plant and equipment is reviewed at the end of each reporting period and, if necessary, revised prospectively, in accordance with Paragraph 32 through Paragraph 38 of IAS 8 – Accounting Principles, Changes in Accounting Estimates and Errors.
Gains and losses on the sale of property, plant and equipment, determined by comparing the carrying amount with the sales price, are recognized in profit or loss.
In this and subsequent and previous 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.

FINANCIAL RISK MANAGEMENT

The Group’s financial instruments include the following:

- Cash and cash equivalents;
- Current assets held for trading;
- Loans and other receivables owed by outsiders, related parties and joint ventures;
- Loans payable and liabilities under leases;
- Trade receivables and payables.

Assets held for trading consist mainly of government securities, bonds and other financial assets, generally traded on regulated markets, with a low risk profile, held because they are readily salable and provide principal protection.
The Group did not execute any derivative contracts, either for speculative purposes or to hedge cash flows or changes in fair value.

As required by IFRS 7 concerning financial risks, the schedule below lists the types of financial instruments included in this consolidated financial statements and shows the valuation criteria applied in each case:

	Financial instruments measured at fair value with fv difference recognized in:		Financial instruments valued at amortized cost	Investments in unlisted companies valued at cost	Carrying amount at 9/30/11	Fair value at 9/30/11	Carrying amount at 12/31/10	Fair value at 12/31/10
	Income statement	Shareholder's equity						
Assets								
Investments in other companies	-	-	-	252,017	252,017	252,017	251,717	251,717
Loans and other receivables	-	-	29,587,626	-	29,587,626	29,587,626	49,394,256	49,394,256
Current assets held for trading	51,026,716	-	-	-	51,026,716	51,026,716	47,831,894	47,831,894
Trade receivables and other receivables	-	-	19,307,014	-	19,307,014	19,307,014	28,300,248	28,300,248
Cash and cash equivalents	-	-	85,010,131	-	85,010,131	85,010,131	86,374,129	86,374,129
Liabilities								
Liabilities under finance leases	-	-	129,668,891	-	129,668,891	129,668,891	128,331,013	128,331,013
Bonds outstanding and other borrowings	-	-	112,024,394	-	112,024,394	112,024,394	114,242,852	114,242,852
Other payables and Other liabilities	-	-	13,559,745	-	13,559,745	13,559,745	36,951,802	36,951,802

Financial risk factors, as identified in IFRS 7 – Financial Instruments: Disclosures, are summarized below:

- The risk that the fair value or the future cash flows of a financial instrument could fluctuate as a result of changes in market prices (“market risk”). The market risk includes the following risks: currency risk, interest rate risk and price risk.
- The risk that the value or the future cash flows of a financial instrument could fluctuate as a result of changes in foreign exchange rates (“currency risk”).
- The risk that the value or the future cash flows of a financial instrument could fluctuate as a result of changes in market interest rates (“interest rate risk”).

- The risk that the value or the future cash flows of a financial instrument could fluctuate as a result of changes in market prices (other than changes determined by the interest rate risk or the currency risk), irrespective as to whether such fluctuation are determined by factors specific to the financial instrument or its issuer or by factors that affect all similar market-traded financial instruments ("price risk").
- The risk that one of the parties causes the other party to incur a financial loss by failing to fulfill an obligation ("credit risk").
- The risk that an entity may be unable to fulfill obligations associated with financial liabilities ("liquidity risk").

(a) Currency Risk

The Group executed most of its financial instruments in euros, which is its functional and presentation currency. Because it operates in an international environment, it has a limited exposure to fluctuations in the exchange rates of the following currencies versus the euro: Swedish kroner (SEK), U.S. dollar (USD), Moroccan dirham (MAD) and Chinese renminbi yuan (CNY).
The loan that Pininfarina S.p.A. provided to the Pininfarina Sverige AB joint venture, which is reflected in the line item "Loans and other receivables from related parties and joint ventures," is in euros and, consequently, entails no currency risk exposure.
It is also worth noting that, as part of the stipulations with the counterparty in the abovementioned Swedish joint venture, the redemption value of the capital provided by Pininfarina S.p.A. is subject to the currency risk to the extent that, pursuant to the joint venture agreement, should Pininfarina S.p.A. exercise its exit option by 2013, the redemption price will be the value in euros of its pro rata interest in the joint venture's shareholders' equity stated in the local currency (SEK), net of non-taxed reserves, but not more than 30 million euros and not less than 15 million euros. As of the writing of these financial statements, the abovementioned value was greater than 30 million euros.

(b) Interest Rate Risk

The Group executed leases and loan agreements with several Italian credit institutions at standard market rates. Loans and other receivables owed by outsiders and Group companies, including Pininfarina Sverige AB, were executed on the same basis.
The Rescheduling Agreement signed with the Lender Institutions on December 31, 2008 recapitalized the Group by about 241 million euros, without changing the interest rates of the original loan agreements. Moreover, it deferred to January 1, 2012 the start of the accrual and payment of interest.
The Group, as a debtor, is thus exposed to the risk of fluctuation in interest rates as follows:

- Medium- and long-term loans: six-month Euribor plus a spread of 1.1%;
- Finance leases with Banca Italease S.p.A.: three-month Euribor plus a spread of 0.9%;
- Finance leases with Locat, BNP Paribas Lease Group and UBI Leasing: three-month Euribor plus a spread of 1.3%;
- Finance leases with Leasint, MPS Leasing & Factoring and Selmabipiemme Leasing: fixed rate of 5.7%;
- Building leases with Locat: three-month Euribor plus a spread of 0.83%.

The table that follows provides a breakdown by fixed and variable interest rate of the gross indebtedness at September 30, 2011 and shows a comparison with the previous year:

	9/30/11	%	12/31/10	%
- Fixed interest rate	58,687,252	24%	57,809,455	24%
- Variable interest rate	183,006,033	76%	184,764,410	76%
Gross Financial Debt	**241,693,285**	**100%**	**242,573,865**	**100%**

As a lender, the Group is exposed to the risk of fluctuations in interest rates with regard to the loan it provided to Pininfarina Sverige AB, which accrues interest at the three-month Euribor plus a spread of 0.83%. The balance outstanding at September 30, 2011 was 18 million euros.
Short-term operating credit lines accrue interest at the six-month Euribor plus a spread of 1%, with regular maturity and payment and the expiration of each utilization period.

(c) Price Risk

Current assets held for trading, which totaled 51 million euros at September 30, 2011, are measured at fair value. Because they consist mainly of government securities and highly rated bonds and other financial assets, most of which are traded on regulated market, the price risk presented by these assets is deemed to be limited.

(d) Credit Risk

Styling and engineering contracts, which are the Group's primary revenue source after the end of the production contracts, are executed with customer located both inside and outside the European Union. For customers outside the E.U., in order to minimize credit risk, the Group seek to align invoicing and payments with the project completion progress.
Financial transactions are executed exclusively with financial institutions the reliability of which is beyond question.
With regard to receivables arising from the recognition of leases in which the Group is the lessor in accordance with IFRIC 4 – Determining Whether an Arrangement Contains a Lease, the Group's credit risk exposure for both the current and non-current portions of the receivable owed by Fiat, totaling 11.3 million euros at September 30, 2011, is extremely limited, given the agreements reached with the counterparty early in 2010, pursuant to which the entire amount will be collected in the first months of 2012.

(e) Liquidity Risk

In previous years, as a result of the Framework Agreement executed on December 31, 2008 with all of the Lender Institutions, with the exception of Fortis Bank (now Banca Nazionale del Lavoro S.p.A.), which was implemented in two phases, the Group was recapitalized thanks to the execution with the same Lender Institutions of a Rescheduling Agreement that, in a nutshell, had the following positive effects:

- A reduction of 241 million euros in disbursements for principal repayment originally required under loan agreements and finance leases.
- Deferral to 2012 of the start of the accrual and payment of interest and remaining principal amounts, except for any mandatory early repayments owed by Pininfarina S.p.A. to the Lender Institutions upon the occurrence of certain events involving mainly asset divestments.

This having been stated and based on the considerations that follow, the liquidity risk appear to be under control, at least for the next 12 months:

- At September 30, 2011, the Group held net liquid assets and assets held for trading totaling 110 million euros. Pursuant to the Rescheduling Agreement, no repayment is due in 2011, except for mandatory early repayments owed by Pininfarina S.p.A. to the Lender Institutions upon the sale of certain specific assets, currently not foreseeable, but with no impact on net indebtedness. The repayment to the Lender Institutions of any amounts thus collected would result in a perfect match of cash inflows and outflows, with no impact on the net financial position. Beyond the Rescheduling Agreement, the Group will be required to pay two installments of the financial debt owed to Fortis Bank (now Banca Nazionale del Lavoro S.p.A.) amounting to about 5.6 million euros.
- The maximum amount of the operating credit lines currently provided by the Lender Institutions under the Framework Agreement, which are renewable each year until 2015, is 49.8 million euros.
- Insofar as the financial resources needed for personnel expenses are concerned, it is worth mentioning that access to the Special Layoff Benefits Fund was extended until December 2011. Moreover, on October 11, 2011, Pininfarina S.p.A. began to carry out the process of activating a long-term unemployment benefit procedure for termination of production activities and staff downsizing, due to the absence of conditions suitable for continuing to operate the production activities. The long-term unemployment benefit procedure applies to 127 employees of the production sector and of directly and indirectly related units.

(f) Risk of Default and Debt Covenants

This risk refers to the possibility that, in addition to the provisions of the Rescheduling Agreement, the leases and loan agreements executed by the Group may contain provisions pursuant to which, upon the occurrence of certain events, the counterparties may demand the immediate repayment of the loaned amounts, thereby creating a liquidity risk.
Insofar as 2011 is concerned, compliance with the applicable covenants will be verified upon the publication of the consolidated financial statements at December 31, 2011. Presently, owing in part to the negative effects caused by the Mitsubishi arbitration award in 2010, projections show non-compliance with the required financial parameters in 2011. More detailed information is also provided in the sections of the Report on Operations entitled "Assessment of the Company's Viability as a Going Concern and Business Outlook" and "Information Required by the Consob Pursuant to Article 114, Section 5 of Legislative Decree No. 58/98."

SEGMENT INFORMATION

Following the termination of its car manufacturing activities at the end of 2010, the Group, consistent with management's decision to organize its operations based on the different products and services, identifies two reporting segments: (i) Design and Engineering; and (ii) Operations, which replaces Manufacturing. Within the Design and Engineering segment, each styling or engineering contract signed with a customer represents an "operating segment," as defined above, consistent with Paragraphs from 5 to 10 of IFRS 8 – Operating Segments. In the Operations area, the operating segments coincide with a series of activities involving mainly the supply of spare parts for cars made in previous years by Pininfarina S.p.A., the leasing of certain business operations for the production of electric cars manufactured for the car sharing service of the City of Paris and support functions.
Financial income and expense and income taxes are not allocated to the reporting sectors because the relevant decisions are made by management on an aggregate segment basis. Intra-segment transactions are executed on standard market terms. In accordance with Paragraph 4 of IFRS 8, the Group presents segment information only for its consolidated financial statements.
The table below shows the Group's segment information for the first nine months of 2011 and provides a comparison with the same period last year. The amounts are in thousands of euros.

	9/30/11			9/30/10		
	Operations	Design & Engineering	Total	Operations/ Manufacturing	Design & Engineering	Total
	A	B	A + B	A	B	A + B
Segment value of production	13,643	39,422	53,065	142,605	35,886	178,491
Value of production from transactions with other operating segments	(5,717)	(2,285)	(8,002)	(6,901)	(2,899)	(9,800)
Total value of production	**7,926**	**37,137**	**45,063**	**135,704**	**32,987**	**168,691**
Operating profit	**3,343**	**(3,621)**	**(278)**	**(34,382)**	**(3,003)**	**(37,385)**
Financial income / (expenses)	-	-	(1,032)	-	-	685
Dividend	-	-	-	-	-	-
Valuation of equity investment by the equity method	-	-	-	3,791	(344)	3,447
Profit / (loss) before taxes	-	-	**(1,310)**	-	-	**(33,253)**
Income taxes	-	-	(585)	-	-	(518)
Profit / (loss) of the period	-	-	**(1,895)**	-	-	**(33,771)**
Other information requested by IFRS 8:						
- Depreciation and amortisation	(1,396)	(2,289)	(3,685)	(8,523)	(2,325)	(10,848)
- Impairment	-	(554)	(554)	(6,476)	(194)	(6,670)
- Non-cash items other than depreciation and amort.	77	(1,386)	(1,309)	6,335	(934)	5,401
- Gains on disposals	8,931	-	8,931	-	-	-

Please consult the comments provided in the Report on Operations for an analysis of the operating segments.

A breakdown of sales by geographic destination is provided below:

	9/30/11	9/30/10
Italy	6,033	53,680
UE	21,899	97,588
Non UE countries	11,561	10,907
Total	**39,494**	**162,175**

Pininfarina S.p.A. is chiefly responsible for the decrease in revenues, due to the end of the car manufacturing operations in 2010.

NOTES TO THE FINANCIAL STATEMENTS

1. Property, Plant and Equipment

The net carrying amount of property, plant and equipment totaled 70.3 million euros at September 30, 2011, down from 73.2 million euros at the end of the previous year, due mainly to the impact of the depreciation for the year.
With regard to the industrial facilities owned by the Group's Parent Company in Bairo Canavese and San Giorgio Canavese, we wish to point out that the former was leased to a company of the Cecomp Group on April 1, 2011, while the latter, following the end of contract manufacturing activities, is being used for the remaining activities involving sales of spare parts for car manufactured in the past.
In view of the changed utilization conditions of these assets and taking into account specific technical valuations, the Company revised the useful lives of assets included in the Buildings, Plant and Machinery, and Furniture and Fixtures categories that are attributable to the two abovementioned industrial facilities, effective as of the second quarter of 2011. This revision of the useful lives resulted in a reduction of 0.6 million euros in the depreciation expense for the period.
For all of 2011, the reduction in depreciation expense caused by the revision of the of the useful lives of the abovementioned assets will amount to 0.8 million euros (1.1 million euros on a 12 month basis).

Only limited additions were made during the first nine months of 2011. At September 30, 2011, commitments to purchase property, plant and equipment did not represent a material amount.

Tables, denominated in euros, showing the changes that occurred in the first nine months of 2011 and a review of the components of property, plant and equipment are provided below:

	Land	Buildings	Leased property	Total
Cost at December 31, 2010	16,984,045	54,629,600	13,066,662	84,680,307
Accumulated depreciation and impairment	-	(20,194,156)	(3,452,519)	(23,646,675)
Net value at December 31, 2010	**16,984,045**	**34,435,444**	**9,614,143**	**61,033,632**
Additions	-	-	-	-
Retiremens	-	-	-	-
Depreciation	-	(1,023,521)	(268,911)	(1,292,432)
Impairment	-	-	-	-
Reclassification	-	-	-	-
Other	-	(39)	-	(39)
Net value at September 30, 2011	**16,984,045**	**33,411,884**	**9,435,232**	**59,741,161**
Composed by:				
Cost at September 30, 2011	16,984,045	54,629,600	13,066,662	84,680,307
Accumulated depreciation and impairment	-	(21,217,716)	(3,721,430)	(24,939,146)

The Land and buildings category reflects the carrying amount of Company owned or leased real estate complexes, including production facilities located at 6 via Castellamonte, in Bairo Canavese (TO), and on Strada provinciale per Caluso, in San Giorgio Canavese (TO); the styling and engineering center at 30 via Nazionale, in Cambiano (TO); a building owned by Pininfarina Deutschland GmbH in Renningen, near Stuttgart, in Germany; and two properties in Turin and Beinasco (TO).
The "Leased property" column reflects the carrying amount of a portion of the Cambiano real estate complex held under a finance lease recognized in accordance with IAS 17 – Leases.
All land and buildings located in Italy, which are owned by Pininfarina S.p.A., the Group's Parent Company, are encumbered by a mortgage for the benefit of Fortis Bank (now Banca Nazionale del Lavoro S.p.A.) securing the remaining indebtedness, which totaled 24.7 million euros at September 30, 2011.

The building owned by Pininfarina Deutschland GmbH is encumbered by a mortgage of 1 million euros securing a loan received by the German subsidiary, currently with an outstanding balance of 500,000 euro.

	Machinery	Plant	Leased plant machinery	Total
Cost at December 31, 2010	60,330,082	162,222,040	122,353,360	345,905,482
Accumulated depreciation and impairment	(60,921,359)	(152,075,170)	(122,353,360)	(335,349,889)
Net value at December 31, 2010	**408,723**	**10,146,870**	**-**	**10,555,593**
Additions	-	65,847	-	65,847
Retiremens	-	(14,563)	-	(14,563)
Depreciation	(80,644)	(1,413,684)	-	(1,494,328)
Impairment	-	-	-	-
Reclassification	-	-	-	-
Other	-	-	-	-
Net value at September 30, 2011	**328,079**	**8,784,470**	**-**	**9,112,549**
Composed by:				
Cost at September 30, 2011	61,330,082	162,273,324	122,353,360	345,956,765
Accumulated depreciation and impairment	(61,002,003)	(153,488,854)	(122,353,360)	(336,844,217)

At September 30, 2011, the “Plant and machinery” category included: (i) generic production plant and machinery located mainly at the Bairo and San Giorgio Canavese production facilities; and (ii) the carrying amount of the Acoustic and Aerodynamic Research Center (wind tunnel) located in Grugliasco (TO).

	Furniture and fixtures	Hardware & software	Other prop., plant and equipment	Total
Cost at December 31, 2010	4,252,569	8,064,498	1,813,651	14,130,719
Accumulated depreciation and impairment	(3,965,170)	(7,284,780)	(1,279,901)	(12,529,851)
Net value at December 31, 2010	**287,399**	**779,718**	**533,751**	**1,600,868**
Additions	92,656	183,592	-	276,246
Retiremens	(1,283)	(2,155)	(33,799)	(37,236)
Depreciation	(104,506)	(224,943)	(35,418)	(364,867)
Impairment	-	-	-	-
Reclassification	-	2,066	-	2,066
Other	241	659	(3)	(421)
Net value at September 30, 2011	**274,506**	**737,619**	**464,531**	**1,476,656**
Composed by:				
Cost at September 30, 2011	4,344,183	8,247,342	1,779,850	14,371,375
Accumulated depreciation and impairment	(4,069,676)	(7,509,723)	(1,315,319)	(12,894,719)

At September 30, 2011, additions to the “Furniture and fixtures” category reflect investments by the Pininfarina Deutschland Group and Pininfarina Maroc, while those for the “Hardware and software” category refer to the Pininfarina Extra Group and Pininfarina S.p.A., the Group’s Parent Company.

2. Intangible Assets

At September 30, 2011, the net carrying amount of intangible assets totaled 2.9 million euros, in line with the amount as at the end of the previous year (3.1 million euros).

A table, denominated in euros, and a review of the components of intangible assets are provided below:

	Goodwill	Licenses and trademarks	Other intangibles	Total
Cost at December 31, 2010	1,043,495	11,887,162	2,070,128	15,000,784
Accumulated depreciation and impairment	-	(10,102,384)	(1,803,637)	(11,906,020)
Net value at December 31, 2010	**1,043,495**	**1,784,778**	**266,491**	**3,094,764**
Additions	-	272,798	104,175	376,973
Retiremens	-	-	-	-
Depreciation	-	(432,647)	(100,334)	(532,980)
Impairment	-	-	-	-
Reclassification	-	-	-	-
Other	-	(240)	-	(240)
Net value at September 30, 2011	**1,043,495**	**1,624,689**	**270,333**	**2,938,517**
Composed by:				
Cost at September 30, 2011	1,043,495	12,159,719	2,174,303	15,377,518
Accumulated depreciation and impairment	-	(10,535,030)	(1,903,970)	(12,439,001)

Additions for the period refer mainly to software development activities and purchases of licenses by Pininfarina S.p.A., Pininfarina Extra S.r.l., Pininfarina Deutschland and Pininfarina Maroc Sas.

3. Investments in Joint Ventures

The table below shows the changes that occurred in the first nine months of 2011 in the carrying amount of investments in joint ventures:

	12/31/10	Interest in result	Disinvestment/ Investment	9/30/11
Pininfarina Sverige A.B.	29,427,683	-	-	29,427,683
Véhicules Electriques Pininfarina-Bolloré SAS	1,131,335	-	(1,131,335)	-
Pininfarina Recchi Buildingdesign S.r.l.	50,000	-	-	50,000
Total	**30,609,018**	**-**	**(1,131,335)**	**29,477,683**

(a) Pininfarina Sverige AB

Following the cancellation of the joint venture agreement between the partners, the investment in this Swedish subsidiary is being carried at its estimated realizable value, which did not change compared with December 31, 2010.

(b) Véhicules Electriques Pininfarina Bolloré SAS

The investment in Véhicules Electriques Pininfarina Bolloré SAS, a 50-50 joint venture with the Bolloré Group, was valued by the equity method until the 2010 reporting year. On April 27, 2011, Pininfarina S.p.A. sold its interest in this joint venture to the Bolloré Group at a price of 10 million euros, generating a gain of 8.9 million euros at the consolidated level.

4. Investments in Other Companies

A breakdown and a review of the investments in other companies is provided below:

	12/31/10	Investment / (disinvestment)	Other changes	9/30/11
Midi Ltd	251,072	-	-	251,072
Idroenergia Soc.Cons. a.r.l.	516	-	-	516
Volksbank	-	300	-	300
Unionfidi S.c.r.l.p.A - Turin	129	-	-	129
Total	**251,717**	**300**	**-**	**252,017**

5. Held to Maturity Assets

The balance of 257,247 euros shown at September 30, 2011 represented the guarantee provided by Matra Automobile Engineering SAS to the buyers of its Ceram SAS subsidiary as protection from any liability that may arise subsequent to the sale. This amount will be held in an escrow account bank account until January 31, 2012.

6. Loans and Receivables

The table that follows shows the changes that occurred in loans and receivables from outsiders and joint ventures:

	12/31/10	Reclassif.	Increases	Collections	Writedowns	9/30/11
Outsiders	11,292,276	(11,292,276)	-	-	-	-
Related parties and joint ventures	8,952,089	(8,952,089)	-	-	-	-
Non-current loans and other receiv.	**20,244,365**	**(20,244,365)**	**-**	**-**	**-**	**-**
Outsiders	10,988,228	11,292,276	-	(10,988,228)	-	11,292,276
Related parties and joint ventures	17,904,178	8,952,089	455,830	(9,273,994)	-	18,038,103
Current loans and other receiv.	**28,892,406**	**20,244,365**	**455,830**	**(20,262,222)**	**-**	**29,330,379**
Loans and other receivable	**49,136,771**	**-**	**455,830**	**(20,262,222)**	**-**	**29,330,379**

The balance shown for “Loans and receivables from outsiders” includes financial assets, valued at their amortized cost, which were recognized consistent with the adoption of IFRIC 4 – Determining Whether an Arrangement Contains a Lease. These receivables, which the Group expects to collect in February 2012, represent the present value of the cash consideration owed to Pininfarina S.p.A. by the Fiat Group as reimbursement for the investments made and financed by Pininfarina S.p.A. to develop the Alfa Brera and Alfa Spider car models and set up the respective assembly lines.

The line item “Loans and receivables from related parties and joint ventures” represents the outstanding balance of a loan, which accrues interest at regular market rates, provided by Pininfarina S.p.A. to the

Pininfarina Sverige AB joint venture to supply it with the financial resources needed to develop the Volvo C70 Convertible and set up the production line at a plant in Uddevalla, Sweden. This loan will be repaid in full at the end of the first half of 2012.

7. Current assets held for trading

Current assets held for trading consist mainly of government securities and highly rated equity and debt securities, which represent temporary, unrestricted investments of liquid assets that are not subject to a significant risk exposure. However, these investments do not meet all of the requirements needed to qualify as "liquid assets." These assets are measured at fair value, based on their market prices. Changes in fair value are recognized in the income statement under "Financial income/expense, net."

Management of the investment portfolio is outsourced to top flight counterparties with a market reputation of high reliability. The balance at September 30, 2011 included a restricted investment of 2,315,163 euros. Of this amount, 2,000,000 euros secure a surety provided to De Tomaso Automobili S.p.A. to cover compensation payment obligations, as is customary in transactions involving the sale of business operations, with a maximum guaranteed liability equal to the sales price. The surety expires on January 30, 2015.

8. Inventory

	9/30/11	12/31/10
Raw materials	1,295,569	1,480,287
Work in process	-	-
Finished goods	889,079	646,517
(Inventory obsolescence)	(1,213,992)	(1,308,511)
Inventory	**970,656**	**818,293**

The table below shows the changes that occurred in the first nine months of 2011 in the provision for inventory writedowns, which reflects the risk for obsolescent and slow turnover items that arose during the phase out of the production activities.

	9/30/11	12/31/10	9/30/10
At the beginning of the period	**1,308,511**	**2,726,000**	**2,726,000**
Additions	-	924,198	751,460
Utilizations	(94,519)	(1,832,687)	(271,845)
Other	-	(509,000)	-
At the end of the period	**1,213,992**	**1,308,511**	**3,205,615**

9. Contract Work in Progress

The balance of gross contract work in progress less advances received is shown among current assets as current work in progress.

The table below shows the balance at September 30, 2011 and a comparison with the previous year:

	9/30/11	12/31/10
Contract work in progress	2,066,857	13,361,208
Allowance	-	(12,760,668)
Total Contract Work in Progress	**2,066,857**	**600,540**

In the first nine months of 2011, upon the termination of the order for the engineering development of the electric car, Pininfarina S.p.A. determined that certain costs incurred for activities carried out in 2009 were no longer recoverable. Consequently, it wrote off the order inventory, concurrently utilizing the provision for writedown originally recognized for this purpose.

10. Trade Receivables from Customers, Related Parties and Joint Ventures

The following table shows the trade receivable balances at September 30, 2011 and the comparable data for the previous year:

	9/30/11	12/31/10
Receivables IT	2,730,634	7,741,551
Receivables UE	5,877,550	7,174,905
Receivables EXTRA UE	3,724,886	5,727,796
Allowance for doubtful accounts	(2,373,912)	(2,444,274)
Total receivables from Customers	**9,959,158**	**18,199,978**
Pininfarina Sverige A.B.	551,249	1,327,442
Véhicules Electriques Pininfarina Bolloré SAS	-	400,000
Total receivables Related Parties and Joint Ventures	**551,249**	**1,727,442**
Total receivables	**10,510,407**	**19,927,420**

The trade receivables owed by Pininfarina Sverige AB refer to technical support services provided by Pininfarina S.p.A. pursuant to its agreements with Volvo in connection with the production of the Volvo C70 Convertible at the joint venture's factory in Uddevalla, Sweden.
A receivable owed by Véhicules Electriques Pininfarina Bolloré for styling analysis activities for electric vehicles commissioned to Pininfarina SpA was collected in the second quarter of 2011.

The Group's main counterparties are top carmakers with a high credit rating. Since there are no receivable insurance contracts, the Group's maximum exposure to the credit risk is equal to the carrying amount of the receivables less the allowance for doubtful accounts. The balance shown for trade receivables represents exclusively receivables denominated in euros.

The following changes occurred in the allowance for doubtful accounts:

	9/30/11	2010	9/30/10
At the beginning of the period	**2,444,273**	**2,241,135**	**2,241,135**
Additions	567,839	527,644	165,112
Utilizations	(638,200)	(324,506)	(107,007)
At the end of the period	**2,373,912**	**2,444,273**	**2,299,240**

The addition for the period refers mainly to a receivable owed to the Group's Parent Company by a customer located outside the European Union the collection of which has become questionable.

11. Other Receivables

A breakdown of "Other receivables" at September 30, 2011 and a comparison with 2010 is provided below:

	9/30/11	12/31/10
VAT overpayments	2,562,965	3,266,984
Current taxes	2,736,832	2,340,091
Advances to suppliers	1,212,987	615,273
Overpayments to social security institutions	311,684	188,561
Receivable from employees	2,494	7,858
Accrued income and prepaid expense	1,342,608	938,397
Sundry receivables	627,039	1,015,665
Total	**8,796,607**	**8,372,829**

12. Cash and Cash Equivalents

The table below show a breakdown of this account and provides a comparison with the previous year:

	9/30/11	12/31/10
Cash on hand	408,404	1,838,205
Short-term bank deposits	84,601,727	84,535,924
Cash and cash equivalents	**85,010,131**	**86,374,129**
(Bank account overdrafts)	(26,000,000)	(26,000,000)
Net cash and cash equivalents at end of the period	**59,010,131**	**60,374,129**

There were no restrictions encumbering the Group's liquid assets at September 30, 2011.

13. Shareholders' Equity

(a) Share Capital

	9/30/11		12/31/10	
	Value	*Nr.*	**Value**	*Nr.*
Common share	30,166,652	*30,166,652*	30,166,652	*30,166,652*
(Treasury share)	(15,958)	*(15,958)*	(15,958)	*(15,958)*
Share Capital	**30,150,694**	*30,150,694*	**30,150,694**	*30,150,694*

Following the capital increase carried out on September 28, 2009, the share capital of Pininfarina S.p.A., the Group's Parent Company, is comprised of 30,166,652 common shares, par value 1 euro each. There are no other classes of shares.
Treasury shares are held consistent with the limits imposed by Article 2357 of the Italian Civil Code.
As required by the Framework Agreement of December 31, 2008, the shares held by Pincar S.r.l., equal to 76.06% of the share capital, are encumbered by a senior lien, without voting rights, for the benefit of the Lender Institutions of Pininfarina S.p.A. Detailed information about the Company's shareholders is provided in the "General Information" section of the Notes.

(b) Additional Paid-in Capital

The full amount of this reserve was used to cover the portion attributable to the Group's Parent Company of the loss incurred in 2010.

(c) Reserve for Treasury Stock

This reserve, which amounted to 175,697 euros, unchanged compared with the previous year, is carried in accordance with the provisions of Article 2357 of the Italian Civil Code.

(d) Statutory Reserve

The statutory reserve, which was unchanged compared with the previous year, represents the portion of the earnings of Pininfarina S.p.A., the Group's Parent Company, that, pursuant to the provisions of Article 2430 of the Italian Civil Code, cannot be distributed as dividends.

(e) Reserve for Currency Translations

The reserve for currency translations reflects the cumulative differences from the translation of financial statements of companies with functional currencies different from the euro, which is the Group's presentation currency. These companies are Pininfarina Sverige AB, Pininfarina Maroc SAS and the recently established Pininfarina Automotive Engineering (Shanghai) Co Ltd.

(f) Other reserves

The amount of 5,227,842 euros was drawn from this reserve to cover the portion attributable to the Group's Parent Company of the loss incurred in 2010.
The Group has stock option plans or other instruments requiring share-based payments.

(g) Retained Earnings (Loss Carryforward)

At September 30, 2011, the loss brought forward totaled 16,764,105 euros. The negative change of 11,771,192 euros compared with December 31, 2010 is due to the coverage of the loss incurred in 2010 by the Group's Parent Company, in the amount of 6,225,851 euro, and to the 2010 consolidated losses brought forward.

14. Borrowings

The table below shows the changes that occurred in the first nine months of 2011 with regard to the Group's indebtedness:

	12/31/10	Reclassification between current and non-current	Variation of bank overdrafts	Repayment	Figurative interests	9/30/11
Liabilities under financial leases	116,131,206	-	-	-	1,337,878	117,469,084
Other indebtedness	77,405,750	(2,518,455)	-	(150,000)	449,997	75,187,292
Non-current liabilities	**193,536,956**	**(2,518,455)**	**-**	**(150,000)**	**1,787,875**	**192,656,376**
Bank account overdrafts	26,000,000	-	-	-	-	26,000,000
Liabilities under financial leases	12,199,807	-	-	-	-	12,199,807
Other indebtedness	10,837,102	2,518,455	-	(2,518,455)	-	10,837,102
Current liabilities	**49,036,909**	**2,518,455**	**-**	**(2,518,455)**	**-**	**49,036,909**
Current and non-current liabilities	**242,573,865**	**-**	**-**	**(2,668,455)**	**1,787,875**	**241,693,285**
Composed by:						
Liabilities under financial leases	128,331,013	-	-	-	1,337,878	129,668,891
Other indebtedness	88,242,852	-	-	(2,668,455)	449,997	86,024,394
Total leasing liabilities and other indebtedness	**216,573,865**	**-**	**-**	**(2,668,455)**	**1,787,875**	**215,693,285**

Other financial debt includes the amounts owed to the Lender Institutions of Pininfarina S.p.A., who are parties to the Rescheduling Agreement, and to Fortis Bank (now Banca Nazionale del Lavoro S.p.A.) pursuant to the corresponding loan agreements.

At September 30, 2011, a total of 26 million euros had been drawn from short-term credit lines, as against a maximum usable amount of 49.8 million euros, as defined in the Framework Agreement executed with the Lender Institutions of Pininfarina S.p.A. A breakdown of gross borrowings by maturity is as follows:

	9/30/11	Amount within 1 year	Amount due from 1 to 5 years	Amount due after 5 years
Liabilities under financial leases	129,668,891	12,199,807	117,469,084	-
Other indebtedness	86,024,394	10,837,102	75,187,292	-
Total leasing liabilities and other indebtedness	**215,693,285**	**23,036,909**	**192,656,376**	**-**

The table below, which is being provided for the sake of full disclosure and consistency with the information provided in previous years, shows a breakdown of the Group's borrowings by lender and the changes that occurred in the first nine months of 2011:

	12/31/10	Repayments	Figurative charges	9/30/11
Leasint	28,904,728	-	438,899	29,343,624
MPS Leasing	14,452,364	-	219,449	14,671,813
Selmabipiemme	14,452,364	-	219,449	14,671,813
Release Spa (ex B.Italease)	37,660,433	-	229,213	37,889,646
Lease Group Spa (ex BNP Paribas)	12,078,785	-	90,749	12,169,534
UBI Leasing	6,039,392	-	42,947	6,082,339
Unicredit Leasing Spa (ex LOCAT)	14,742,950	-	97,172	14,840,122
Total Leasing	**128,331,016**	**-**	**1,337,878**	**129,668,891**
Banca Intesa Sanpaolo Spa	21,807,829	-	162,796	21,970,628
Banca Italease Spa	1,635,469	-	12,235	1,647,704
Unicredit Corporate Banking Spa	10,503,564	-	78,376	10,581,940
Unicredit Corporate Banking Spa (ex B.Roma)	7,270,709	-	53,953	7,324,662
Banca Nazionale del Lavoro	3,304,278	-	24,653	3,328,931
Banca Regionale Europea	3,634,359	-	27,195	3,661,554
Banca Regionale Europea (ex B.Pop.Bergamo)	5,452,107	-	39,927	5,492,034
Banca Popolare di Novara	6,815,002	-	50,861	6,865,863
Volksbank Region Leonberg (D)	650,000	(150,000)	-	500,000
Total Bank	**61,073,317**	**(150,000)**	**449,996**	**61,373,316**
BNL (Ex Fortis Bank)	27,169,533	(2,518,455)	-	24,651,078
Total	**216,573,865**	**(2,668,455)**	**1,787,874**	**215,693,285**

By virtue of the court injunctions served on Pininfarina S.p.A. on March 28, 2008 and April 19, 2008, Fortis Bank S.A. (now Banca Nazionale del Lavoro S.p.A.) was granted court-ordered mortgages on all of the buildings owned by the Company, which secure loans currently totaling about 24.7 million euros, after a repayment of 2.5 million euros in the first half of 2011.

In addition, Pininfarina S.p.A. is the guarantor of obligations, denominated in euros, under finance leases executed by the Pininfarina Sverige AB joint venture, which were not restructured in 2008. At September 30, 2011, the outstanding balance of these leases was about 22 million euros.

Consequently, the Company does not owe any amounts subject to currency risk. Information about its net borrowings, computed in accordance with Consob Communication No. 6064293 of July 28, 2006, is provided on page 14 in the Report on Operations.

The indebtedness payable to Volksbank (formerly due to Banca IntesaSanpaolo in Frankfurt), amounting to 500,000 euros, is owed by Pininfarina Deutschland, which is the only company consolidated line by line that carries medium/long-term debt.

15. Trade Accounts Payable and Other Payables

(a) Trade Accounts Payable

	9/30/11	12/31/10
Accounts payable to suppliers	10,818,712	33,003,933
Accounts payable to related parties and joint ventures	29,632	45,605
Advances received for work in progress	1,015,909	1,851,082
Total	**11,864,253**	**34,900,620**

The balance at September 30, 2011 does not include any material past-due amounts and reflects payables that will be settled within 12 months from the end of the reporting period.

As was the case in previous year, accounts payable to related parties and joint ventures includes the amount owed to Pininfarina Sverige AB.

(b) Other Payables

	9/30/11	12/31/10
Wages and salaries payable	1,876,434	2,153,925
Due to social security institutions	1,162,548	1,487,468
Other liabilities	1,065,130	1,516,775
Total	**4,104,112**	**5,158,168**

16. Provisions for Risks and Charges, Contingent Liabilities and Legal Disputes

(a) Provisions for Risks and Charges

A listing and review of the changes that occurred in the first nine months of 2011 in the provisions for risks and charges is provided below:

	12/31/10	Additions	Utilizations	Other changes	9/30/11
Provision for warranties	569,010	-	(92,191)	-	476,819
Provision for restructuring	2,405,194	-	(1,062,036)	-	1,343,158
Other provisions	4,239,758	1,807,768	(1,575,844)	(77,016)	4,394,666
Total	**7,213,962**	**1,807,768**	**(2,730,071)**	**(77,016)**	**6,214,643**

The “Provision for warranties” covers the best estimate of the 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 Provision for restructuring charges reflects a best estimate of the liability for restructuring programs at the end of the reporting period. Additional information is available in the Interim Report on Operations. The utilization for the period covers the costs incurred for retirement incentives.
The balance of “Other provisions” reflects best estimates of the liabilities that may arise from the renegotiation of certain aspects of the contract with Volvo, other minor liabilities arising from disputes with employees and the revenue administration of the Matra Automobile Engineering SAS subsidiary, as well as the close-out losses on styling and engineering contracts attributable to the Group’s Parent Company.

(b) Contingent Liabilities and Legal Disputes

(b1) Dispute with the Revenue Administration

On April 11, 2011, the Government's Legal Services Office served notice on the Company that it was appealing to the Supreme Court of Cassation a decision by which a higher-level tax commission fully upheld the position of Pininfarina S.p.A. in a dispute with the Internal Revenue Agency concerning VAT that began in 2006. The focus of the dispute was the contention that VAT should have been levied on the amounts invoiced in 2002 and 2003 by Industrie Pininfarina S.p.A. (merged into Pininfarina S.p.A. in 2004) to Peugeot Citroen Automobiles, whose tax representative in Italy was Gefco Italia S.p.A. At this point, it is impossible to predict the decision of the Supreme Court of Cassation with regard to the appeal filed by the Government's Legal Services Office. The Company is confident that its actions were proper and, on April 13, 2011, filed with the Clerk of the Supreme Court of Cassation a motion in opposition to the abovementioned appeal.

On April 12, 2011, the Internal Revenue Police, acting further to a tax audit launched in June 2010, served the Company with a Tax Audit Report, the main assessments of which concerned the agreements executed on December 31, 2008 by the Company, its shareholder Pincar S.p.A. (now Pincar S.r.l) and the Lender Institutions to recapitalize Pininfarina S.p.A. and the tax treatment of these agreements with regard to some indirect taxes.
On June 17, 2011, the Company filed its defensive briefs with the various offices of the Revenue Agency with jurisdiction over the different types of taxes, specifying the reasons why the abovementioned assessments were unjustified.
Insofar as the indirect taxes are concerned, on July 25, 2011, the Revenue Agency ruled that these taxes could not be levied on Pininfarina S.p.A., thereby effectively voiding the assessments listed in the Tax Audit Report issued by the Revenue Police.
With regard to the corporate income tax (IRES) concerning the agreements executed on December 31, 2008 to recapitalize the Company, in the course of several meeting that took place in October and November, the Company and the Revenue Agency agreed on the substantive premises for a disposition of the abovementioned corporate income tax issues. The main terms of the agreement, which the Company expects to complete shortly, once the required communications and formal verifications have been carried out, will enable it to close this situation without any cash outlay and avoid a lengthy litigation of this dispute, even though it continues to firmly believe that it acted in full compliance with all regulations and tax laws.

17 Current and Deferred Taxes

(a) Current Taxes

A breakdown of the "Income taxes" line item in the income statement is provided below:

	9/30/11	9/30/10
IRES / Local taxes	(252,771)	(188,803)
IRAP	(203,968)	(212,186)
Provision release	1,767	28,463
Total current taxes	**(454,972)**	**(372,526)**
Variation of deferred tax asset	(130,018)	(136,700)
Variation of deferred tax liabilities	(348)	(8,319)
Deferred taxes	**(130,366)**	**(145,019)**
Income tax	**(585,338)**	**(517,545)**

The current taxes payable refer mainly to the corporate income taxes and regional taxes (IRAP) owed by the Group's two main Italian companies: Pininfarina S.p.A. and Pininfarina Extra S.r.l.
Within the Pininfarina Group there are two agreements governing the filing of national consolidated tax returns: (i) one for the Italian companies of the Group, i.e., Pininfarina S.p.A. and Pininfarina Extra S.r.l., and

(ii) another one for the Pininfarina Deutschland GmbH Group, which includes this company and its subsidiaries, both called MPX Entwicklung GmbH, located one in Munich and one in Stuttgart.

(b) Deferred Taxes

Consolidation entries account for the change in this account.

18. Sales and Service Revenues

	9/30/11	9/30/10
Sales revenues - Italy	721,142	46,229,779
Sales revenues - UE	3,450,820	80,792,979
Sales revenues - Non UE countries	148,604	267,264
Services revenues - Italy	5,312,084	7,450,127
Services revenues - UE	18,448,571	16,794,995
Services revenues - Non UE countries	11,412,839	10,639,429
Total	**39,494,060**	**162,174,573**

The end of the activities engaged in contract car manufacturing and sales is the main reason for the reduction in sales revenues.

Segment information is provided on page 35.

19. Other Income and Revenues

	9/30/11	9/30/10
Amounts rebilled	2,996,920	418,440
Out-of-period income	124,468	319,189
Insurance settlements	4,233	79,210
Rebilling	81,320	76,690
Operating grants	240,765	31,957
Sundry items	63,470	98,293
Total	**3,511,177**	**1,023,779**

Leasing and rental income refers mainly to income from a contract to lease business operations executed by the Group's Parent company on April 1, 2011 with a company of the Cecomp Group and from rent on two building located in Renningen, near Stuttgart, in Germany, owned by the Pininfarina Deutschland GmbH subsidiary.
Out-of-period income refers to out-of-period income and estimating differences, other than errors, resulting from the regular updating of estimates made in previous years.

20. Gains on the Sale of Property, Plant and Equipment and Equity Investments

The gain on the sale of equity investments, amounting to 8,930,711 euros, stems mainly from the sale to the Bolloré Group of the investment held by Pininfarina S.p.A. in the Véhicules Electriques Pininfarina Bolloré SAS 50-50 joint venture. The sale closed on April 27, 2011 and the price of 10 million euros was collected in the second quarter of 2011, generating a gain of 8,868,665 euros.

21. Wages, Salaries and Employee Benefits

	9/30/11	9/30/10
Wages and salaries	(23,871,694)	(26,968,263)
Employee benefits	(5,863,942)	(6,133,582)
Independent contractors	-	(4,409,552)
Utiliz.Prov.restruct.charges	899,537	1,434,797
Wages, Salaries and Employee Benefits	**(28,836,099)**	**(36,076,600)**
Retirement and other post-employment benefits	(1,387,801)	(1,892,938)
Total	**(30,223,900)**	**(37,969,538)**

The amount shown for Independent contractors reflects the costs of seconded employees of De Tomaso Automobili S.p.A. employed in the manufacturing processes terminated at the end of 2010.
Utilization of the provision for restructuring charges refers to the amounts paid to employees who left the Company in 2011, in accordance with the separation incentive program.
The table below shows the number of employees at September 30, 2011 and, as required by Article 2427 of the Italian Civil Code, the average number of employees, computed by adding and dividing by two the number of employees at the beginning and at the end of the period:

	9/30/11		9/30/10	
	September 30, 2011	Average	September 30, 2010	Average
Executives	26	27	29	31
Office staff	681	682	700	699
Production staff	68	80	109	117
Total	**775**	**789**	**838**	**847**

It is important to keep in mind the impact of a contract to lease business operations executed by the Group's Parent company with a company of the Cecomp Group that involved the transfer of the employment contracts of 57 employees, until the expiration date of December 31, 2013.

22. Additions to Provisions, Utilizations of Provisions and Writedowns

	9/30/11	9/30/10
Additions to allowance for doubt. accounts	(567,839)	(523,159)
Additions to provisions for risks	(1,371,807)	(2,039,030)
Utilization Provisions for Risks and charges	77,016	8,531,004
Writedowns of property, plant and equipment	-	(528,000)
Writedowns of receivables	-	(5,947,562)
Writedowns of equity investmens	-	(10,799)
Total	**(1,862,630)**	**(517,546)**

Additional information is provided in Note 16.

23. Other Expenses

	9/30/11	9/30/10
Penalties Mitsubishi dispute	-	(22,616,897)
Travel expenses	(1,104,654)	(1,051,146)
Rentals	(1,706,801)	(1,985,580)
Fees paid to Directors and Statutory Auditors	(845,571)	(786,098)
Consulting and other services	(2,040,566)	(2,011,410)
Other personnel costs	(539,884)	(657,533)
Telegraph and postage	(287,466)	(313,403)
Cleaning and waste disposal services	(257,998)	(502,096)
Advertising	(413,081)	(173,753)
Taxes	(1,139,315)	(516,740)
Insurance	(332,107)	(463,116)
Membership dues	(87,143)	(70,307)
Out-of-period charges	(54,268)	(66,132)
General services	(269,802)	(31,619)
Sundry expenses	(493,163)	(947,264)
Total	**(9,571,819)**	**(32,193,094)**

The change in the balance of Indirect taxes and fees reflects the tax liability on service contracts currently in effect between the Group's Parent Company and some customers in China.

24. Financial Income (Expense), Net

	9/30/11	9/30/10
Financial expense paid to credit lines	(887,010)	(824,646)
Financial expense paid under leases	(1,667,829)	(1,133,643)
Financial exp. on medium- and long-term borrowings	(917,655)	(771,367)
Total financial expense	**(3,482,494)**	**(2,729,656)**
Bank interest earned	746,349	300,683
Current assets held for trading	270,268	464,980
Interest earned on long-term loans to outsiders	1,041,579	1,868,646
Interest earned on long-term loans to joint ventures	392,331	682,589
Total financial income	**2,450,527**	**3,316,898**
Net financial income (expense)	**(1,031,967)**	**587,242**

Interest paid – credit lines refers to the use of credit lines in day-to-day operations. As a result of the signing of the Framework Agreement, credit line utilization may not be greater than 49.8 million euros, with about 50% of this amount used on average in the first nine months of 2011. Interest earned – credit lines represents interest accrued on credit balances in the corresponding bank accounts.

The amount shown for "Current assets held for trading" reflects trading gains and losses and the effect of measuring these assets at fair value at the end of each period.

"Financial expense paid under finance leases," amounting to 1.677.829 euros includes 339.951 euros actually paid and 1.337.878 euros recognized as a result of the valuation of liabilities by the amortized cost method. Pursuant to the Rescheduling Agreement executed with the Lender Institutions on December 31, 2008, interest charges will be payable starting in the first half of 2012.

"Financial expense on medium/long-term borrowings," amounting to 917.655 euros, reflects the valuation of liabilities by the amortized cost method (449.994 euros), the interest accrued on the debt owed to Fortis Bank (now BNL of the BNP Paribas Group), which is the only bank that did not sign the Framework Agreement (460.261 euros) and interest accrued on loans owed by foreign companies for the balance. The interest accrued in the first half of 2011 on the amount owed to Fortis Bank was paid on June 30, 2011, while the accrued interest for the third quarter, amounting to 168.205 euros, will be paid on December 31, 2011. Interest owed on medium/long-term borrowings is payable starting in the first half of 2012.

"Interest earned on long-term loans to outsiders," amounting to 1,041,579 euros, originates from the valuation of financial assets recognized by the amortized cost method, in accordance with IFRIC 4. "Interest earned on long-term loans to related parties and joint ventures," totaling 392,330 euros, refers to the interest receivable accrued on the loan provided in Pininfarina Sverige AB.

25. Dividends

	9/30/11	**9/30/10**
Banca Passadore	-	53,571
Italian securities under asset management	-	44,604
Total	**-**	**98,175**

26. Valuation of Equity Investments by the Equity Method

Due to recent events discussed in detail in Note 3 "Investments in Joint Ventures," no adjustments were recognized in the first nine months of 2011.

OTHER INFORMATION

Events Occurring After September 30, 2011

A review of significant events occurring after September 30, 2011 and the Group's business outlook is provided in a separate section of Report of the Board of Directors on Operations.

Transactions with Related Parties

The table below, which is being presented pursuant to Consob Communication No. DEM/6064293 of July 28, 2006, provides an overview of transactions with related parties, including intra-Group transactions. These transactions were carried out on market terms, consistent with the nature of the goods exchanged or the services provided, and were neither atypical nor unusual, for the purposes of the abovementioned communication.

	Commercial		Financial		Operating		Financial	
	Receivables	Payables	Receivables	Payables	Revenues	Costs	Income	Expense
Pininfarina Sverige AB	551,249	29,632	18,038,103	-	741,758	62,252	392,331	-

In addition to the amounts reported in the table above, transactions with other related parties requiring disclosure included legal consulting services provided to Pininfarina S.p.A. by Studio Professionale Pavesio e Associati, related to the Director Carlo Pavesio, for a total amount of 263,007 euros and commercial consulting services provided by Pantheon Italia S.r.l., related to the Director Roberto Testore, for a total amount of 70,814 euros.

Material Extraordinary Transactions

As required by the Consob Communication No. DEM/6064293 of July 28, 2006, the Group reports that Pininfarina S.p.A. sold its investment in the Véhicules Electriques Pininfarina Bolloré joint venture to the Bolloré S.A.S. Group for a price of 10 million euros. This transaction generated a gain of 8,868,665 euros at the consolidated level.

Atypical and Unusual Dealings

As required by the Consob Communication No. DEM/6064293 of July 28, 2006, the Pininfarina Group discloses that in the nine months of 2011 it was not a party to atypical or unusual dealings, as defined in the abovementioned Communication, according to which atypical and/or unusual dealings are dealings that, because of their significance/material amount, nature of the counterparty, subject of the transaction, method used to determine the sales price and timing of the event, could create doubts as to: the fairness and/or completeness of the information provided in the financial statements, the existence of a conflict of interests, the safety of the corporate assets and the protection of minority shareholders.

Pininfarina S.p.A.

Financial Statements at September 30, 2011

Statement of Financial Position (*)

	9/30/11	12/31/10
Land and buildings	49,799,719	50,805,155
Land	11,176,667	11,176,667
Buildings	29,277,820	30,014,345
Leased property	9,345,232	9,614,143
Plant and machinery	9,041,241	10,472,296
Machinery	328,079	408,723
Plant	8,713,162	10,063,573
Leased machinery and equipment	-	-
Furniture, fixtures and other property, plant and equipment	1,031,718	1,298,768
Furniture and fixtures	88,820	155,656
Hardware & software	478,828	609,925
Other property, plant and equipment (including vehicles)	464,070	533,184
Assets under construction	-	-
Property, plant and equipment	**59,872,678**	**62,576,219**
Goodwill	-	-
Licenses and trademarks	667,385	660,481
Other intangibles	-	-
Intangible assets	**667,385**	**660,481**
Subsidiaries	23,744,332	23,424,332
Affiliated companies	-	-
Joint ventures	29,427,683	39,447,683
Other companies	645	645
Equity investments	**53,172,660**	**62,872,660**
Deferred-tax assets	-	-
Held-to-maturity long-term investments	-	-
Loans and other receivables from:	3,708,999	24,391,529
Outsiders	-	11,292,276
Related parties and joint ventures	3,708,999	13,099,253
Available-for-sale non-current financial assets	-	-
Non-current financial assets	**3,708,999**	**24,391,529**
TOTAL NON-CURRENT ASSETS	**117,421,722**	**150,500,889**
Raw materials	81,577	171,776
Work in process	-	-
Finished goods	847,134	608,274
Inventory	**928,711**	**780,050**
Contract work in progress	**744,947**	**325,371**
Current assets held for trading	49,822,664	47,317,074
Current loans receivables and other receivables from:	29,330,379	28,892,406
Outsiders	11,292,276	10,988,288
Related parties and joint ventures	18,038,103	17,904,178
Available-for-sale current financial assets	-	-
Current financial assets	**79,322,433**	**76,209,480**
Financial derivatives	**-**	**-**
Trade receivables from:	4,732,098	14,501,689
Outsiders	3,949,431	12,744,031
Related parties and joint ventures	782,667	1,757,658
Other receivables	8,213,153	7,366,396
Trade receivables and other receivables	**12,945,251**	**21,868,085**
Cash on hand	30,179	20,291
Short-term bank deposits	78,869,207	80,607,693
Cash and cash equivalents	**78,899,386**	**80,627,984**
TOTAL CURRENT ASSETS	**172,840,728**	**179,810,969**
Held-for-sale non-current assets	**-**	**-**
TOTAL ASSETS	**290,262,450**	**330,311,859**

Statement of Financial Position (*)

	9/30/11	12/31/10
Share capital	30,150,694	30,150,694
Additional paid-in capital	-	16,077,451
Reserve for treasury stock	175,697	175,697
Statutory reserve	2,231,389	2,231,389
Other reserves	2,646,208	7,874,050
Retained earnings / (Loss carryforward)	-	6,225,851
Profit / (Loss) for the period	(12,003,965)	(27,531,144)
SHAREHOLDERS' EQUITY	**23,200,023**	**35,203,988**
Liabilities under finance leases	117,469,084	116,131,206
Other indebtedness owed to:	74,687,292	76,755,750
Outsiders	74,687,292	76,755,750
Related parties and joint ventures	-	-
Long-term borrowings	**192,156,376**	**192,886,956**
Deferred-tax liabilities	-	-
Provision for termination indemnities	7,064,901	8,794,690
Other provision for pensions	-	-
Provision for termination indemnities	**7,064,901**	**8,794,690**
TOTAL NON-CURRENT LIABILITIES	**199,221,277**	**201,681,646**
Bank account overdrafts	26,000,000	26,000,000
Liabilities under finance leases	12,199,807	12,199,807
Other borrowings owed to:	11,079,808	11,079,808
Outsiders	10,837,102	10,837,102
Related parties and joint ventures	242,706	242,706
Current borrowings	**49,279,615**	**49,279,615**
Wages and salaries payable	1,626,261	1,985,314
Due to social security institutions	344,203	881,550
Other liabilities	638,646	1,348,100
Other payables	**2,609,110**	**4,214,964**
Accounts payable to outsiders	9,830,759	32,221,573
Account payable to related parties and joint ventures	33,247	98,777
Advances received for work in progress	203,867	537,174
Trade accounts payable	**10,067,873**	**32,857,524**
Income taxes	-	-
Other taxes	129,750	262,568
Provision for current taxes	**129,750**	**262,568**
Financial derivatives	**-**	**-**
Provision for warranties	476,819	569,010
Provision for restructuring programs	1,343,158	2,405,194
Other provisions	3,934,825	3,837,350
Provisions for risks and charges	**5,754,802**	**6,811,554**
Other liabilities	**-**	**-**
TOTAL CURRENT LIABILITIES	**67,841,150**	**93,426,225**
TOTAL LIABILITIES	**267,062,427**	**295,107,871**
Liabilities attributable to held-for-sale assets	**-**	**-**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**290,262,450**	**330,311,859**

(*) Pursuant to Consob Resolution No. 15519 of July 27, 2006, the impact of transactions with related parties on the statement of financial position of Pininfarina S.p.A. is shown in a separate schedule in the “Other Information” section of the Notes.

Income Statement (*)

	9/30/11	9/30/10
Sales and service revenues	20,797,286	148,081,300
Increase in Company-produced non-current assets	-	-
Change in inventories and contract work in progress	658,436	4,452,417
Change in contract work in progress	419,576	(144,944)
Change in inventories of finished goods and work in process	238,860	4,597,361
Other income and revenues	2,922,740	375,302
Value of production	**24,378,462**	**152,909,019**
Gain on disposal of property, plant and equip. / equity	**62,046**	**1,331**
Amount earned on the sale of equity investments	-	-
Raw materials and components	(3,681,273)	(115,738,105)
Change in inventories of raw materials	(90,199)	958,181
Additions to provision for obsolescent/slow moving inventory items	-	(751,460)
Raw materials and consumables used	**(3,771,472)**	**(115,531,384)**
Consumables	(365,248)	(934,195)
External maintenance costs	(549,237)	(1,520,975)
Other variable production costs	**(914,485)**	**(2,455,170)**
External variable engineering services	**(2,117,288)**	**(5,046,548)**
Production staff, office staff and managers	(16,038,837)	(21,638,543)
Independent contractors and temporary workers	-	(4,409,552)
Retirement and other post-employment benefits	(1,335,563)	(1,842,922)
Wages, salaries and employee benefits	**(17,374,400)**	**(27,891,017)**
Depreciation of property, plant and equipment	(2,762,145)	(9,863,846)
Amortization of intangibles	(263,343)	(359,483)
Loss on disposals of property, plant and equipment / equity investments	(102)	(140,894)
(Additions to), Utilizations of provisions, (Writedowns)	(1,732,604)	(18,073)
Depreciation, amortization and writedowns	**(4,758,194)**	**(10,382,296)**
Foreign exchange gains (losses)	**11,254**	**(160,562)**
Other expenses	**(6,702,465)**	**(30,579,125)**
Profit / (Loss) from operations	**(11,186,542)**	**(39,135,752)**
Net financial income / (expense)	**(999,840)**	**651,225**
Dividends	**310,400**	**98,175**
Profit (Loss) before taxes	**(11,875,982)**	**(38,386,352)**
Income taxes	**(127,983)**	**(121,537)**
Profit (Loss) for the period	**(12,003,965)**	**(38,507,888)**

(*) Pursuant to Consob Resolution No. 15519 of July 27, 2006, the impact of transactions with related parties on the income statement of financial of Pininfarina S.p.A. is shown in a separate schedule in the “Other Information” section of the Notes.

Reclassified Income Statement

(in thousands of euros)

	Data at				
	9/30/11	%	**9/30/10**	%	**Change**
Net revenues	20,797	85.31	148,081	96.84	(127.284)
Changes in inventory of finished goods and work in progress	658	2.70	4,453	2.91	(3.795)
Other income and revenues	2,923	11.99	375	0.25	2.548
Work performed internally and capitalized	-	-	-	-	-
Value of production	**24,378**	**100.00**	**152,909**	**100.00**	**(128.531)**
Net gain (loss) on disposal of non-current assets	**62**	**0.25**	**(140)**	**(0.09)**	**202**
Raw materials and outside services (*)	(13,404)	(54.98)	(153,979)	(100.70)	140,575
Change in inventory of raw materials	(90)	(0.37)	958	0.63	(1,048)
Value added	**10,946**	**44.90**	**(252)**	**(0.16)**	**11,198**
Labor costs (**)	(17,375)	(71.27)	(27,891)	(18.24)	10,516
EBITDA	**(6,429)**	**(26.37)**	**(28,143)**	**(18.40)**	**21,714**
Depreciation and amortization	(3,025)	(12.41)	(10,223)	(6.69)	7,198
(Additions)/Utiliz. of provisions and (writedowns)	(1,733)	(7.11)	(770)	(0.50)	(963)
EBIT	**(11,187)**	**(45.89)**	**(39,136)**	**(25.59)**	**27,949**
Net financial income (expense)	(689)	(2.83)	750	0.49	(1,439)
Valuation of investments by the equity method	-	-	-	-	-
Gross profit (loss)	**(11,876)**	**(48.72)**	**(38,386)**	**(25.10)**	**26,510**
Income taxes	(128)	(0.52)	(122)	(0.08)	(6)
Net profit (loss) for the period	**(12,004)**	**(49.24)**	**(38,508)**	**(25.18)**	**26,504**

(*) **Raw materials and outside services** is shown net of utilizations of the provisions for warranties and the provisions for risks and charges amounting to 2,791,000 euros in 2010 and 1,316,000 euros in 2011.
(**) **Labor costs** is shown net of utilizations of the provision for restructuring programs amounting to 1,435,000 euros in 2010 and 900,000 euros in 2011.

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

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

Reclassified Statement of Financial Position

(in thousands of euros)

	Data at 9/30/11	Data at 12/31/10	Change	Data at 9/30/10
Net non-current assets (A)				
Net intangible assets	667	660	7	781
Net property, plant and equipment	59,873	62,576	(2,703)	63,871
Investments in associates	53,173	62,873	(9,700)	68,602
Total A	**113,713**	**126,109**	**(12,396)**	**133,254**
Working capital (B)				
Inventory	1,674	1,105	569	11,957
Net trade receivables and other receivables	12,945	21,868	(8,923)	27,347
Trade accounts payable	(10,068)	(32,857)	22,789	(63,574)
Provisions for risks and charges	(5,755)	(6,812)	1,057	(7,835)
Other liabilities (*)	(2,739)	(4,475)	1,736	(9,156)
Total B	**(3,943)**	**(21,171)**	**17,228**	**(41,261)**
Net invested capital (C=A+B)	**109,770**	**104,938**	**4,832**	**91,993**
Provision for termination indemnities (D)	**7,065**	**8,795**	**(1,730)**	**9,315**
Net capital requirements (E=C-D)	**102,705**	**96,143**	**6,562**	**82,678**
Shareholders' equity (F)	**23,200**	**35,204**	**(12,004)**	**24,228**
Net financial position (G)				
Long-term debt	188,447	168,496	19,951	161,302
(Net liquid assets) / Net borrowings)	(108,942)	(107,557)	(1,385)	(102,852)
Total G	**79,505**	**60,939**	**18,566**	**58,450**
Total as in E (H=F+G)	**102,705**	**96,143**	**6,562**	**82,678**

Net Financial Position

(in thousands of euros)

	Data at 9/30/11	Data at 12/31/10	Change	Data at 9/30/10
Cash and cash equivalents	78,899	80,628	(1,729)	72,173
Current assets held for trading	49,992	47,317	2,675	50,537
Current loans receivable and other receivables	11,292	10,988	304	12,092
Current assets held for sale	-	-	-	-
Loans receivable from related parties and joint ventures	18,038	17,904	134	17,904
Bank account overdrafts	(26,000)	(26,000)	-	(26,000)
Current liabilities under finance leases	(12,200)	(12,200)	-	(12,615)
Loans payable to related parties and joint ventures	(243)	(243)	-	(205)
Current portion of long-tern bank debt	(10,837)	(10,837)	-	(11,034)
Net liquid assets / (Net borrowings)	**108,942**	**107,557**	**1,385**	**102,852**
Long-term loans and other receivables from outsiders	-	11,292	(11,292)	11,292
Long-term loans and other receivables from related parties and joint ventures	3,709	13,099	(9,390)	22,318
Held-to-maturity non-current assets	-	-	-	-
Long-term liabilities under finance leases	(117,469)	(116,131)	(1,338)	(115,743)
Long-term bank debt	(74,687)	(76,756)	2,069	(79,169)
Long-term debt	**(188,447)**	**(168,496)**	**(19,951)**	**(161,302)**
NET FINANCIAL POSITION	**(79,505)**	**(60,939)**	**(18,566)**	**(58,450)**

Statement of Changes in Shareholders' Equity

	12/31/09	Profit (Loss) for the period	Translation restatements	**9/30/10**
Shares capital	30,150,694	-	-	30,150,694
Additional paid-in capital	46,442,181	-	(30,364,730)	16,077,451
Reserve for treasury stock	175,697	-	-	175,697
Statutory reserve	2,231,389	-	-	2,231,389
Stock option reserve	-	-	-	-
Other reserves	7,873,665	-	385	7,874,050
Retained earnings / (Loss carryforward)	6,225,851	-	-	6,225,851
Profit / (Loss) for the period	(30,364,730)	(38,507,888)	30,364,730	(38,507,888)
SHAREHOLDERS' EQUITY	**62,734,747**	**(38,507,888)**	**385**	**24,227,243**

	12/31/09	Profit (Loss) for the year	Translation restatements	**12/31/10**
Shares capital	30,150,694	-	-	30,150,694
Additional paid-in capital	46,442,181	-	(30,364,730)	16,077,451
Reserve for treasury stock	175,697	-	-	175,697
Statutory reserve	2,231,389	-	-	2,231,389
Stock option reserve	-	-	-	-
Other reserves	7,873,665	-	385	7,874,050
Retained earnings / (Loss carryforward)	6,225,851	-	-	6,225,851
Profit / (Loss) for the year	(30,364,730)	(27,531,144)	30,364,730	(27,531,144)
SHAREHOLDERS' EQUITY	**62,734,747**	**(27,531,144)**	**385**	**35,203,988**

	12/31/10	Profit (Loss) for the period	Translation restatements	**9/30/11**
Shares capital	30,150,694	-	-	30,150,694
Additional paid-in capital	16,077,451	-	(16,077,451)	-
Reserve for treasury stock	175,697	-	-	175,697
Statutory reserve	2,231,389	-	-	2,231,389
Stock option reserve	-	-	-	-
Other reserves	7,874,050	-	(5,227,842)	2,646,208
Retained earnings / (Loss carryforward)	6,225,851	-	(6,225,851)	-
Profit / (Loss) for the period	(27,531,144)	(12,003,965)	27,531,144	(12,003,965)
SHAREHOLDERS' EQUITY	**35,203,988**	**(12,003,965)**	**-**	**23,200,023**

Statement of Cash Flows

	9/30/11	9/30/10
Profit (loss) for the period	**(12,003,965)**	**(38,507,888)**
Restatements		
- Income taxes	129,750	121,537
- Depreciation of property, plant and equipment	2,762,145	9,863,846
- Amortization of intangibles	263,343	359,483
- Writedowns and additions to provisions	(1,688,082)	(351,449)
- (Gains) Losses on sale of non-current assets	(61,944)	(1,331)
- Financial expense	3,126,815	(3,365,112)
- (Financial income)	(2,530,426)	2,713,887
- (Dividends)	(310,400)	(98,175)
- Other restatements	(189,990)	-
Total Restatements	**1,501,211**	**9,252,686**
Changes in working capital		
- (Increase) / decrease inventories	(54,143)	(4,804,082)
- (Increase) / decrease contract work in progress	(419,576)	144,944
- (Increase) / decrease trade accounts receivable and other receivables	6,774,864	25,502,014
- (Increase) / decrease accounts receivable from joint ventures	974,991	982,465
- Increase / (decrease) trade accounts payable	(23,996,668)	5,039,012
- increase / (decrease) accounts payable to joint ventures	(65,530)	43,314
- Other changes	(271,363)	(4,834,142)
Total changes in working capital	**(17,057,425)**	**22,073,526**
Cash flow from operating activities	**(27,560,179)**	**(7,181,676)**
(Financial expense)	(878,682)	(2,713,887)
(Income taxes)	(262,568)	(121,537)
Net cash flow used in operating activities	**(28,701,429)**	**(10,017,100)**
- Purchases of property, plant and equipment	(697,301)	(172,493)
- Proceeds from sale of property, plant and equipment	10,048,451	7,233
- Non-current loans receivable from borrowers outside the Group	10,988,228	58,293,816
- Non-current loans receivable from joint ventures	9,780,239	9,240,679
- Financial income	1,736,248	3,365,112
- Dividends	310,400	98,175
- Other equity investments	(2,674,980)	-
Net cash used in investing activities	**29,491,285**	**70,832,522**
- Proceeds from the issuance of shares	-	-
- Borrowings from lenders outside the Group	(2,518,455)	(53,958,237)
- Loans payable to joint ventures	-	1,918
- Dividends paid	-	-
- Other non-cash items	-	385
Net cash used in financing activities	**(2,518,455)**	**(53,955,934)**
Increase (Decrease) in cash and cash equivalents	**(1,728,598)**	**6,859,489**
- Cash and cash equivalents at beginning of the period	54,627,984	39,313,975
Net cash and cash equivalents at end of the period	**52,899,386**	**46,173,464**
Composed by:		
Cash and cash equivalents	78,899,386	72,173,464
Bank account overdrafts	(26,000,000)	(26,000,000)

OTHER INFORMATION

Events Occurring After September 30, 2011

A review of significant events occurring after September 30, 2011 and the Company's business outlook is provided in a separate section of Report of the Board of Directors on Operations.

Transactions with Related Parties

The table below, which is being presented pursuant to Consob Communication No. DEM/6064293 of July 28, 2006, provides an overview of transactions with related parties, including intra-Group transactions. These transactions were carried out on market terms, consistent with the nature of the goods exchanged or the services provided, and were neither atypical nor unusual, for the purposes of the abovementioned communication.

	Commercial		Financial		Operating		Financial	
	Receivables	Payables	Receivables	Payables	Income	Expense	Income	Expense
Pininfarina Extra S.r.l.	42,119	3,615	-	242,706	277,364	18,838	-	-
Pininfarina Deutschland GmbH	-	-	1,008,999	-	-	-	18,132	-
mxp Entwicklung GmbH Monaco	49,888	-	2,700,000	-	356,988	-	49,948	-
mxp Entwicklung GmbH Leonberg	17,413	-	-	-	93,700	-	-	-
Pininfarina Sverige AB	551,248	29,632	18,038,103	-	741,758	62,252	392,331	-
Pininfarina Automotive Engineering (Shangai) Co Ltd	121,998	-	-	-	168,780	-	-	
Pininfarina Maroc SAS	-	-	-	-	-	-	-	-
Total	**782,666**	**33,247**	**21,747,103**	**242,706**	**1,638,589**	**81,091**	**460,412**	**-**

The receivable owed to the Company by Pininfarina Extra S.r.l. pursuant to the agreement for the filing of a consolidated income tax return amounts to 242,706 euros.

In addition to the amounts reported in the table above, transactions with other related parties requiring disclosure included legal consulting services provided to Pininfarina S.p.A. by Studio Professionale Pavesio e Associati, related to the Director Carlo Pavesio, for a total amount of 263,007 euros, and commercial consulting services provided by Pantheon Italia S.r.l., related to the Director Roberto Testore, for a total amount of 70,814 euros.

Compensation of Directors, Statutory Auditors and Executives with Strategic Responsibilities

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

(in thousands of euros)	9/30/11	9/30/10
Directors	536	489
Statutory Auditors	71	71
Total	**607**	**560**

The total cost incurred in the first nine months of 2011 for the compensation paid to executives of Pininfarina S.p.A. with strategic responsibilities amounted to about 2.3 million euros.

Material Extraordinary Transactions

As required by the Consob Communication No. DEM/6064293 of July 28, 2006, the Company reports that, on April 27, 2011, it completed the sale of its 50% interest in the Véhicules Electriques Pininfarina Bolloré joint venture to the Bolloré Group, for a consideration of 10 million euros.

Atypical and Unusual Dealings

As required by the Consob Communication No. DEM/6064293 of July 28, 2006, Pininfarina S.p.A. discloses that in the first nine months of 2011 it was not a party to atypical or unusual dealings, as defined in the abovementioned Communication, according to which atypical and/or unusual dealings are dealings that, because of their significance/material amount, nature of the counterparty, subject of the transaction, method used to determine the sales price and timing of the event, could create doubts as to: the fairness and/or completeness of the information provided in the financial statements, the existence of a conflict of interests, the safety of the corporate assets and the protection of minority shareholders.