

Mitsubishi Arbitration Award

July 21, 2010 - Pininfarina S.p.A. was informed of the award handed down in the arbitration proceedings between the Company and Mitsubishi Motors Europe BV.

Pininfarina was a party to arbitration proceedings activate by Mitsubishi before the International Chamber of Commerce in Paris, in which Mitsubishi was seeking compensation for damages of about 43.4 million euros.

The Company completely rejected Mitsubishi's claim and, in turn, filed for arbitration, asking that the Board of Arbitrators find Mitsubishi liable and, consequently, order it to pay compensation for the damages suffered by Pininfarina and for repayment of the investments made pursuant to contract.

The outcome of the proceedings was partly favorable to Pininfarina, to whom the Board of Arbitrators awarded the amount of 37,934,385 euros plus interest as repayment of the investment made under a contract to develop and produce the Mitsubishi Colt Cabrio automobile.

However, the Board of Arbitrators also partially granted some of Mitsubishi's claims totaling 20,533,044 euros plus interest.

As a result, the Board of Arbitrators ordered Mitsubishi to pay to Pininfarina the net amount of 17,401,341 euros plus interest, which, as of today's date, brings the total to 19,167,365 euros.

Based on the terms of the arbitration award, the Company will recognize a negative effect (included in the data at June 30, 2010 scheduled for approval by the Board of Directors) of 28,564,459 euros, including 5,947,562 euros for writedowns of Mitsubishi financial receivables (carried at 47,731,824 euros), and 22,616,897 euros for the amount that Pininfarina owes to Mitsubishi.