

Letter from the Chairman

Shareholders,

2014 was a major turning point in our history. With the decision announced on the first of January, we gave life to Fiat Chrysler Automobiles, a new global automotive player with the necessary resources to achieve solid, responsible and sustainable long-term growth.

The targets set out in the strategic plan that was presented to analysts and investors by FCA's management team in Auburn Hills last May clearly demonstrate the level of our determination. To some, they may seem difficult if not impossible to achieve. But, as in the past, we are prepared to embrace this challenge and measure ourselves by the results.

One of the first results we are pleased to report is that worldwide shipments in 2014 increased to a total of more than 4.6 million vehicles. Of particular note were the results achieved by Jeep, which posted an all-time annual sales record of more than 1 million vehicles, and Maserati, which celebrated its 100th anniversary with the best results in its history.

In the pages of this annual report, you will find another major result. In the fourth quarter, we posted a positive EBIT for our European activities: something we have been working toward for seven and a half years. We fully intend to continue building on this turnaround, which demonstrates the far-sightedness of the strategies we set in motion some time ago.

Sharing technologies and architectures across brands and models has also proven to be one of our greatest strengths. The new Jeep Renegade and Fiat 500X are the most concrete examples. Two very different models made for customers with different requirements and produced alongside each other at the same plant and on the same platform. They have already proven such a success with customers that the new plant in Pernambuco, Brazil, will soon join our plant in Melfi, Italy in producing the innovative, compact Jeep.

During the year, we launched several major investment programs aimed at improving our product offering and increasing the efficiency of our production processes. We also successfully completed a series of financing transactions that will provide us the necessary funding to move forward with our projects. FCA's debut on the NYSE on October 13th represents a major milestone in our strategic development, because it gives us access to the enormous potential of the world's largest financial market.

We are proud of how much FCA has achieved in its first year, but it is not time to celebrate yet because for us this is just the beginning. We are working to bring many innovative new models to market that will not only meet the mobility needs of customers around the world, but also have enormous appeal.

Whether you have been a shareholder for many years or just a few months, I would like to express my gratitude for your support. Your trust is fundamental and it will enable FCA to deliver on its founding commitment: to continue with the same energy and enthusiasm that marked our first year and to achieve our ambitious development plans.

5 March 2015

/s/ John Elkann

John Elkann
CHAIRMAN

Letter from the Chief Executive Officer

Shareholders,

Our Group has just closed a truly momentous year that included: the acquisition of the remaining non-controlling interest in Chrysler; the formation of Fiat Chrysler Automobiles – the world's seventh-largest automaker; the debut of our shares on the NYSE; our return to the U.S. equity markets; record sales for both Jeep and Maserati; and Alfa Romeo's return to North America after a 20-year absence.

We presented an ambitious five-year plan to grow our business and continue building an extraordinary enterprise with even greater potential to deliver sustainable long-term value.

To further enhance shareholder value, we also announced our plan to spin Ferrari off from FCA, list it on the stock exchange and distribute FCA's remaining Ferrari shares to FCA shareholders. We believe this course will give Ferrari the necessary independence, as well as ensuring it a solid platform for future growth opportunities.

Our strong operating results in 2014 are testimony to our commitment to our values, our ability to remain focused on our key objectives and our determination to continue building a truly unique organization. In fact, the Group was able to post a profit in all regions for the fourth quarter of the year.

Worldwide vehicle shipments were up 6% over the prior year to 4.6 million units, driving revenues 11% higher to €96.1 billion.

Adjusted for unusual items, EBIT was €3.7 billion and net profit was €955 million.

Available liquidity at year end totaled €26.2 billion.

In order to further fund the capital requirements of the Group's five-year business plan, the Board of Directors has decided not to recommend a dividend on FCA common shares for 2014.

Looking at the performance of our mass-market operations by region, in NAFTA we continued to outperform the market, with sales up 15% over the prior year.

In the U.S., we closed the year posting our 57th consecutive month of year-over-year sales gains and our best annual sales since 2006. In addition, our market share was up 100 basis points which was the highest share growth of any OEM. In Canada, we recorded 61 straight months of growth and the strongest annual sales performance in our history.

In LATAM, results were positive, although below the prior year's level primarily as a result of weaker demand in the region's main markets. Despite those conditions, FCA maintained its leadership in Brazil, a position we have held for 13 years, increasing the lead over our nearest competitor to 350 basis points. In Argentina, market share increased 140 basis points.

In APAC, we posted strong earnings on the back of significant volume growth. Retail sales in the region, including JVs, were up 34% and we significantly outperformed the industry in each major market.

In EMEA, there were initial signs of a recovery in Europe with the industry registering a 5% increase – the first after six straight years of decline.

On the back of a more favorable product mix, increased volumes and industrial efficiencies, EMEA reduced losses significantly. EBIT adjusted for unusual items improved by €198 million for the full year, with a return to profitability in the fourth quarter indicating that we are turning the corner in the region as our focus on producing premium vehicles for export begins to pay off.

Both Ferrari and Maserati posted strong growth and Components also made a positive contribution.

With regard to the near-term outlook, we have already given guidance for the current year, with expected worldwide shipments in the 4.8 to 5.0 million unit range, revenues of around €108 billion, EBIT in the €4.1 to €4.5 billion range, net profit of €1.0 to €1.2 billion and net industrial debt in the €7.5 billion to €8.0 billion range.

We will work towards the achievement of these targets with the same spirit that has brought us this far and with respect for the diversity of experiences and cultures that coexist, both inside and outside the Group. That commitment extends to the needs of local communities and the environment, as well as the legacy that we intend to leave future generations.

For the sixth consecutive year, the Group was included in the prestigious DJSI World, with an overall result that places FCA among the world's leading companies in terms of economic, environmental and social performance.

For the third consecutive year, we were recognized as a leader for our commitment to addressing climate change. On the basis of transparency in disclosure and performance, FCA was named among the top ranked companies in the Climate Performance Leadership Index (CPLI).

These recognitions are the result of a business philosophy involving some 300,000 people throughout the organization, each taking accountability for achieving our targets, striving for excellence and acting responsibly.

I'd like to take this opportunity to thank everyone in the FCA organization for embracing the culture of sustainability and making a concrete contribution so that every year we, as a team, can look back with pride at the progress we have made.

Thank you also to all of our shareholders for standing by us as we have grown and transformed the business and for supporting us as we continue on this new global venture together.

5 March 2015

/s/ Sergio Marchionne

Sergio Marchionne

CHIEF EXECUTIVE OFFICER