

Information Statement, dated March 20, 2017



**Distribution of ordinary shares of Gruppo Editoriale L'Espresso S.p.A.
proposed for approval at the annual general meeting of shareholders of Fiat Chrysler Automobiles N.V.**

This Information Statement relates to a proposed transaction, referred to herein as the “Distribution”, in which Fiat Chrysler Automobiles N.V. (“FCA”) proposes, subject to approval of its shareholders, to distribute ordinary shares of Gruppo Editoriale L'Espresso S.p.A. (“GELE”) to holders of FCA’s common shares. The Distribution will be implemented through several Dutch corporate law steps described in more detail below.

Certain capitalized terms have the meanings attributed to them under the caption “Terms and Definitions” in this Information Statement.

The Distribution will be completed through the execution of a series of corporate steps, including (1) a Dutch law demerger (*afsplitsing*) pursuant to which FCA will transfer all of the ordinary shares in GELE held by FCA to InterimCo B.V., a newly-incorporated Dutch private limited liability company (“InterimCo”) with InterimCo allocating its shares to holders of FCA shares on a one-to-one share exchange ratio (the “Demerger”), and (2) the liquidation of InterimCo as a part of which the GELE shares acquired in the Demerger and/or proceeds therefrom will be distributed as an advance distribution to the holders of InterimCo common shares (i.e. holders of FCA common shares) and InterimCo would be dissolved. The Distribution is expected to occur during the second quarter of 2017.

The communication notice and meeting materials for the AGM were published by FCA on March 3, 2017 and are available on the investor relations page of FCA’s website.

No GELE Shares will be issued or delivered in the United States or to U.S. persons as part of the Distribution. All GELE Shares that would otherwise be delivered into the United States or to a U.S. person will be sold along with any GELE shares that would otherwise be delivered to any holder that does not have an account with *Monte Titoli* to which the GELE shares to be delivered in the Distribution may be credited. The proceeds of such sale, after any expenses will be delivered to holders pro rata according to their respective entitlements.

FCA IS NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND A PROXY

FCA is furnishing this Information Statement solely to provide information to its shareholders, who will be entitled to receive ordinary shares of GELE (or the cash proceeds thereof) in the Distribution. This Information Statement is not, and should not be construed as, an offer, inducement or encouragement to buy or sell any shares or other securities of FCA or GELE in any jurisdiction.

No securities commission, regulatory authority or stock exchange has approved or disapproved of the Distribution or passed upon the accuracy or adequacy of this Information Statement or any document referred to herein. Any representation to the contrary may be a criminal offense.

FCA has previously announced that it intends to separate its ownership in certain publishing businesses, including GELE. See “Information About the Transaction—Description of the Distribution.” The shareholders of FCA at the FCA annual general meeting of shareholders (“AGM”) to be held on April 14, 2017, will be asked to approve the Demerger which is the initial step in the Distribution. FCA anticipates that the Distribution will be effected through several transactions that are expected to take effect during the second quarter of 2017, although completion of the Distribution remains subject to a number of conditions and is within the discretion of FCA.

FCA has prepared this Information Statement to explain the Distribution to its shareholders, who may be entitled to receive GELE ordinary shares in the Distribution if approved by the FCA shareholders.

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CERTAIN DEFINED TERMS

In this Information Statement, unless otherwise specified, the terms “we,” “our,” “us,” the “Group,” the “Company” and “FCA” refer to Fiat Chrysler Automobiles N.V., together with its subsidiaries. References to “GELE” refer solely to Gruppo Editoriale L’Espresso S.p.A. See “Note on Presentation” below for additional information regarding the financial presentation.

NOTE ON PRESENTATION

This Information Statement includes the business and financial information related to Gruppo Editoriale L’Espresso S.p.A. This information has been derived solely from publicly available information published by GELE, including in its annual and quarterly financial and earnings reports published on its website at <http://www.gruppoespresso.it/en/investor-relations.html>. Information in this Information Statement relating to GELE has been compiled from published sources and FCA takes no responsibility for the accuracy or completeness of such information. See “Responsibility Statement”.

The financial information contained in the Information Statement is presented in Euro except that, in some instances, information in U.S. dollars is provided. All references in the Information Statement to “Euro” and “€” refer to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended, and all references to “U.S. dollars”, “U.S.\$” and “\$” refer to the currency of the United States of America.

The language of the Information Statement is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This Information Statement contains forward-looking statements. These statements may include terms such as “may”, “will”, “expect”, “could”, “should”, “intend”, “estimate”, “anticipate”, “believe”, “remain”, “on track”, “design”, “target”, “objective”, “goal”, “forecast”, “projection”, “outlook”, “prospects”, “plan”, “intend”, or similar terms. Forward-looking statements are not guarantees of future performance. Rather, they are based on FCA’s current expectations and projections about future events and, by their nature, are subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, risks and uncertainties.

Any forward-looking statements contained in this document speak only as of the date of this document and FCA undertakes no obligation to update or revise publicly forward-looking statements.

SUMMARY

This summary highlights selected information from this Information Statement and might not contain all of the information that is important to you. You should read carefully the entire Information Statement to fully understand the transactions described herein.

Proposed Transaction

Fiat Chrysler Automobiles N.V. (“**FCA**”) is proposing a transaction the effect of which will be to distribute to holders of FCA’s common shares, the 74.4 million ordinary shares in Gruppo Editoriale L’Espresso S.p.A. (“**GELE**”) that are expected to be held by FCA following completion of the share exchange in which FCA and the other shareholders in Italiana Editrice S.p.A. (“**Itedi**”) will exchange their shares in Itedi for new ordinary shares in GELE. The distribution consists of several steps referred to in this Information Statement collectively as the “Distribution” including (1) a Dutch law demerger (*afsplitsing*), in which FCA would transfer all of the ordinary shares in GELE held by FCA to InterimCo and InterimCo would issue shares to holders of FCA’s shares on the basis of a one-for-one exchange ratio (the “Demerger”) and (2) the liquidation of InterimCo as part of which the GELE ordinary shares acquired by InterimCo in the Demerger and/or the proceeds therefrom, will be distributed as an advance distribution to holders of InterimCo shares (i.e. holders of FCA common shares) and InterimCo would be dissolved (the “**Liquidation**”). FCA shareholders will be asked to approve the Demerger at the AGM of FCA scheduled to be held on April 14, 2017. No vote of FCA shareholders is required for any other step in the Distribution. Please see the section of this Information Statement under the caption “The Distribution” for more details regarding the proposed transaction.

About GELE

The GELE group is a multimedia branded company. It operates in the media sector in Italy in the following sectors:

- Press
- Radio
- Advertising
- Digital

The parent company Gruppo Editoriale L’Espresso S.p.A., listed on the Milan Stock Exchange, publishes the national daily newspaper la Repubblica and the weekly magazine l’Espresso. Through its subsidiaries it also publishes 12 local daily newspapers and one tri-weekly, broadcasts three national radio stations (including Radio DeeJay) and has a musical television business. L’Espresso also operates in the internet sector and collects advertising for the Group publications and also for some third-party publications. The GELE group has organized its activities into five business divisions:

- *National Press*: la Repubblica and its supplements, l’Espresso, four monthly and two bimonthly
- *Local newspapers*: 12 local dailies and one three-weekly paper
- *Digital*: internet and mobile applications
- *Radio and TV*: three national radio stations (Radio DeeJay, Radio Capital and Radio m2o) and musical tv
- *Advertising* with the company Manzoni

On February 27, 2017, the Board of GELE announced that it had approved consolidated results for the year of 2016 which included total revenues of €586 million, gross operating profit of €45 million, operating profit of €23 million and net profit of €10 million.

CIR – Compagnie Industriali Riunite S.p.A. (“**CIR**”) is GELE’s largest shareholder with approximately 53.6% of the ordinary shares in GELE. CIR is expected to hold approximately 43.4% of the GELE ordinary shares following the Share Exchange.

Fiat Chrysler Automobiles N.V. (“**FCA**”) will, subject to completion of the share exchange described below, acquire approximately 74.4 million GELE ordinary shares representing approximately 14.6% of the outstanding ordinary shares of GELE.

About Itedi and the Share Exchange

Itedi, which is 77% owned by FCA, with the remainder owned by Ital Press Holding S.p.A. (“**Ital Press**”), a holding company for the Perrone family, is the publisher of La Stampa, one of Italy’s leading daily newspapers and Il Secolo XIX. Itedi also operates an advertising company, PubliKompass.

On August 1, 2016, GELE and Itedi announced the signing of a framework agreement setting out the terms of the proposed integration of the two companies, including the transfer by FCA and Ital Press of 100% of the issued and outstanding Itedi shares to GELE in exchange for newly issued reserved ordinary shares in GELE. FCA had previously also announced that, if the Share Exchange were completed, it intended to distribute the ordinary shares in GELE it would receive to its shareholders.

CIR also entered into shareholders’ agreements with deferred effect with FCA and Ital Press relative to their respective future shareholdings in GELE. In addition to CIR’s agreement to vote in favor of the proposed Share Exchange, the parties also agreed, with effect from the completion of the Share Exchange, to appoint John Elkann and Carlo Perrone to the GELE Board of Directors, and grant CIR the right to appoint the Chairman and Chief Executive Officer.

The shareholders agreement between CIR and FCA will expire upon the Distribution at which time a new shareholders’ agreement will take effect between CIR and EXOR. The terms of that agreement include: obligations of mutual consultation in advance of any GELE shareholder meeting; undertakings from CIR relating to the appointment to GELE’s board of directors of a representative designated by EXOR; undertakings from EXOR to present and vote for a single voting list jointly with CIR for elections to GELE’s board of directors; and an undertaking from EXOR, for the duration of the agreement, not to transfer the shares subject to the terms of the agreement (with the exception of transfers to other members of the EXOR group). Both the CIR-EXOR and CIR-Ital Press shareholder agreements will remain in force for a period of three years.

Reasons for the Distribution

Over the past several years, FCA has completed a series of transactions designed to increase its focus on the mass market automobile business and has created value for its shareholders by increasing its scale in the automobile business, particularly through the full integration of FCA US LLC (formerly Chrysler Group LLC) while providing shareholders with direct investment exposure to other businesses that were in the FCA group’s portfolio, particularly through the demerger of the capital goods business, now operated as CNH Industrial N.V., as well as the initial public offering and subsequent separation of Ferrari N.V.

In 2016, FCA separated through a spin-off the shares it held in RCS Media Group S.p.A., which operates in the media and publishing business through its operations in all of the principal publishing sectors for newspapers and magazines, books, television and radio as well as new media. FCA believes that the Distribution and related transactions underway will ensure that any remaining ownership interests in the publishing business do not divert FCA's focus and resources from its core business and that the Distribution will appropriately rationalize FCA's business profile and free up resources that might otherwise need to be dedicated to publishing activities. The Distribution has been designed to allow immediate value to be provided directly to shareholders and minimize valuation and execution risk that an alternative transaction such as a sale of the interest may face.

Agreements

FCA is party to a shareholders agreement related to its ownership interest in GELE that governs the period prior to the Distribution. Upon completion of the Distribution, the shareholders agreement with FCA and GELE will terminate and a shareholders agreement among Exor and CIR will come into force. Other FCA shareholders receiving GELE ordinary shares in the Distribution will not be bound by, nor will they have any rights under, any shareholders agreement.

Appraisal Rights

FCA shareholders have no dissenters', appraisal, cash withdrawal or similar rights in respect of any aspect of the Distribution.

Risk Factors

FCA shareholders are urged to consider carefully the matters described in this Information Statement under the caption "Risk Factors" beginning on page 11.

QUESTIONS AND ANSWERS REGARDING THE DISTRIBUTION

The following questions and answers briefly address some of the more important questions you may have regarding the Distribution by Fiat Chrysler Automobiles N.V. (“FCA”) of its ownership interest in Gruppo Editoriale L’Espresso S.p.A. (“GELE”). These questions and answers may not address all questions that may be important to you. These questions and answers describe several of the significant steps in the Distribution and how FCA shareholders will receive the ordinary shares in GELE and how they will be able to trade in those shares following completion of the Distribution described below.

Importantly, these questions and answers do not constitute financial, legal or tax advice. If you are in any doubt as to any action you should take, you must seek your own independent financial and legal advice from your stockbroker, bank, accountant, legal or tax or other financial advisor.

Q: What is the Distribution?

A: FCA has announced its intention to distribute all of its media and publishing sector interests to its shareholders, consistent with its desire to increase focus on its core business. FCA owns approximately 77% of the share capital in Itedi, which following the Share Exchange is expected to represent approximately 14.63% of the outstanding ordinary shares in GELE. Through the steps described in this Information Statement, the GELE ordinary shares to be held by FCA and/or the proceeds therefrom will be distributed or “spun off” to holders of FCA common shares on a pro rata basis.

Q: What is the reason for the Distribution?

A: FCA believes that participation in the media publishing business is no longer consistent with the business and strategic profile of FCA, which during the past several years has been progressively focusing on the mass market automobile business (following inter alia the divestiture of several non-automotive businesses, the demerger of CNH Industrial N.V. and the separation of Ferrari N.V.). FCA believes that the Distribution will (i) deliver value to FCA shareholders and (ii) rationalize FCA’s business profile in a superior manner than would a mere third party sale of the GELE ordinary shares.

Q: When is the Distribution date?

A: The Distribution is expected to be completed through several transactions that are expected to take effect during the second quarter of 2017.

Q: What is the ISIN number of the GELE shares that I will receive in the Distribution?

A: GELE ordinary shares trade and settle under the ISIN code IT0001398541. GELE shares do not trade under a CUSIP.

Q: How will the Distribution be completed?

A: Through a Dutch law demerger (*afsplitsing*) by FCA to InterimCo (the “**Demerger**”) and a subsequent liquidation of InterimCo under Dutch law (the “**Liquidation**”), all of the ordinary shares in GELE and/or the proceeds therefrom will be transferred to holders of InterimCo common shares (i.e., holders of FCA common shares) on a pro rata basis. Upon effectiveness of the Demerger, each shareholder of FCA will become entitled to receive one share of InterimCo for each corresponding FCA share held immediately prior to the Demerger.

Immediately following the completion of the Demerger, the process for liquidating InterimCo will be commenced and the GELE shares acquired in the Demerger or the proceeds therefrom will be distributed as an advance distribution to the holders of InterimCo common shares (i.e., holders of FCA common shares) and InterimCo will after completion of necessary steps including a creditors' opposition period, be dissolved.

Q: How many GELE shares will I receive for every FCA share that I hold on the record date?

A: Based on the current number of FCA shares outstanding, FCA expects that holders of its common shares will be entitled to approximately 0.0484 ordinary shares of GELE for each common share of FCA held. The precise number will be determined at the time of the Distribution based on the number of FCA common shares outstanding at that time. Fractional shares will be handled as described below.

Q: How will I receive my GELE ordinary shares?

A: If you are entitled to receive GELE ordinary shares in the Distribution, you will receive those shares through the intermediary or nominee (bank, stockbroker, etc.) through which you currently hold your FCA common shares provided that such intermediary is a *participant in Monte Titoli*. If you do not have an account through an intermediary that is a participant in *Monte Titoli* or do not make arrangements for GELE shares to be credited to the account of an intermediary that is a *Monte Titoli* participant, FCA will be unable to deliver any GELE ordinary shares to you and the GELE ordinary shares which you would otherwise be entitled to receive will be sold (together with the entitlements of other FCA shareholders unable to receive GELE shares). In that case, you will be entitled only to a pro rata portion of the net proceeds of such sale. FCA shareholders that do not hold their shares through a participant in *Monte Titoli*, but have an account or open an account with a *Monte Titoli* participant may be eligible to have the GELE ordinary shares which they will be entitled to receive in the Distribution deposited in such account. FCA intends to publish on the investor relations page of the FCA website a form of notice to advise Computershare of the account of a *Monte Titoli* participant to which an FCA shareholder's entitlement to GELE ordinary shares should be credited.

GELE ordinary shares are expected to be credited to the accounts of participants in the Monte Titoli system shortly following completion of the Distribution. Because as described above GELE ordinary shares are capable of being delivered only to accounts of *Monte Titoli* participants system, other FCA shareholders will need to provide notice to Computershare prior to the Distribution of the *Monte Titoli* participant account to which GELE shares should be credited. Further information regarding the Distribution will be made available on the investor relations page of the FCA website.

Q: Will all FCA shareholders receive GELE shares?

A: No. Certain shareholders that are not eligible to receive GELE shares, either because they have a status or are in a jurisdiction in which the issue and delivery of GELE shares would require registration or qualification, or because those shareholders do not have a securities account at *Monte Titoli* through which the GELE shares to which they are entitled may be deposited, will not receive GELE shares. The GELE shares to which these FCA shareholders would otherwise be entitled will be sold and the net proceeds of the sale will be delivered pro rata to the FCA shareholders entitled thereto.

For example, no GELE Shares will be issued or delivered in the United States or to U.S. persons as part of the Distribution. All GELE shares that would otherwise be delivered into the United States or to a U.S. person will be sold along with any GELE shares that would otherwise be delivered to any holder that does not have an account with *Monte Titoli* to which the GELE

shares to be delivered in the Distribution may be credited. The proceeds of such sale, after any expenses will be delivered to FCA shareholders pro rata according to their respective entitlements.

Q: How will fractional shares be treated in this Distribution?

A: No fractional shares will be delivered in connection with the Distribution. Any entitlements to a fraction of a GELE ordinary share will be aggregated and sold in the open market by intermediaries on behalf of shareholders or by the transfer agent for GELE shares, with the net proceeds paid pro rata in cash to FCA shareholders that would otherwise have a fractional share entitlement pursuant to the Distribution.

Q: Do FCA shareholders need to take any further actions in order to receive the GELE shares?

A: FCA shareholders who directly or through an intermediary hold FCA shares through Monte Titoli do not need to take any action to receive GELE ordinary shares to which they are entitled in the Distribution. Holders who do not hold their FCA shares directly, or through an intermediary that holds FCA shares, through *Monte Titoli* and who do not make arrangements for GELE shares to be credited to the account of an intermediary that is a *Monte Titoli* participant will not receive GELE ordinary shares and their entitlements to GELE ordinary share will be aggregated and sold and the net proceeds will be paid pro rata in cash to those FCA shareholders that would otherwise have an entitlement to GELE ordinary shares.

Q: If I hold FCA common shares through an intermediary (bank, broker or investment adviser) that is a DTC participant and not a Monte Titoli participant, how do I ensure I can get GELE ordinary shares in the Distribution?

A: Because GELE ordinary shares are capable of being delivered only to accounts of intermediaries that are participants in the *Monte Titoli* system, FCA shareholders that hold their common shares through intermediaries that are participants in the DTC clearing system will need to provide notice to Computershare of the *Monte Titoli* participant account to which GELE shares should be credited. A form of notice to Computershare of the account of an intermediary that is a participant in the *Monte Titoli* system, to which an FCA shareholder's entitlement to GELE ordinary shares should be credited, will be available on the investor relations page of the FCA website along with details of the deadline for any notice to Computershare. If you do not have an account through an intermediary that is a participant in *Monte Titoli* or do not make arrangements for GELE shares to be credited to the account of an intermediary that is a *Monte Titoli* participant, FCA will be unable to deliver any GELE ordinary shares to you and the GELE ordinary shares which you would otherwise be entitled to receive will be sold (together with the entitlements of other FCA shareholders unable to receive GELE shares). In that case, you will be entitled only to a pro rata portion of the net proceeds of such sale.

Q: When will I receive GELE ordinary shares?

A: The record date for the distribution with respect to FCA common shares held through participants in the Monte Titoli system will be available on the investor relations page of the FCA website. GELE ordinary shares are expected to be credited to the accounts of participants in the Monte Titoli system shortly following completion of the Distribution.

Q: What are the Dutch tax consequences of the Distribution?

A: For Dutch income tax purposes and Dutch corporate tax purposes the receipt of InterimCo shares pursuant to the Demerger would generally qualify as a tax-free transaction based upon the application of a roll over relief. As a result, Dutch resident holders of FCA shares and non-Dutch

resident holders of FCA shares subject to Dutch income taxation or Dutch corporate taxation do not have to recognize a gain or loss upon the receipt of the InterimCo shares except with respect to any cash received (whether in lieu of fractional shares or otherwise). The holder's aggregate tax basis in its FCA shares in respect of which InterimCo shares are allotted and such InterimCo shares should equal such holder's aggregate basis in its FCA shares immediately before the Demerger. The allocation between the FCA shares and the InterimCo shares allotted in the Demerger needs to be made in proportion to the fair market value of each.

The Liquidation distribution made by InterimCo consisting of the shares in GELE constitutes for certain Dutch resident holders of InterimCo shares and certain non-Dutch resident holders of InterimCo shares taxable income for Dutch income tax and Dutch corporate tax purposes to the extent the fair market value of the liquidation distribution received exceeds the individual tax base of the InterimCo shares.

The liquidation distribution by InterimCo will not be subject to Dutch dividend withholding tax if and to the extent the fair market value of the distributed assets does not exceed the average recognized paid up capital of the InterimCo shares for Dutch dividend withholding tax purposes.

To the extent the liquidation distribution by InterimCo exceeds the average recognized paid up capital of the InterimCo shares for Dutch dividend withholding tax purposes, InterimCo is generally required to withhold Dutch dividend withholding tax at a rate of 15 percent from the excess amount, subject to possible relief under Dutch domestic law, the Treaty on the Functioning of the European Union or an applicable Dutch income tax treaty depending on the specific circumstances of an individual holder of InterimCo shares. As an exception to this rule, InterimCo may not be required to withhold Dutch dividend withholding tax if it is considered to be a tax resident in both the Netherlands and Italy, in accordance with the domestic tax residency provisions applied by each of these jurisdictions, while the double tax treaty between the Netherlands and Italy attributes the tax residency exclusively to Italy. This exception does not apply to dividends distributed by InterimCo to a holder who is resident or deemed to be resident in the Netherlands for Dutch income tax purposes or Dutch corporation tax purposes.

For a more detailed discussion of the Dutch tax consequences, see "Certain Tax Consequences of the Distribution – Certain Netherlands Tax Consequences".

This information is not intended as tax advice. You are urged to consult your tax advisor as to the specific tax consequences to you of the Distribution under applicable tax laws.

Q: What are the Italian tax consequences of the Distribution?

A: For Italian income tax purposes the Demerger will qualify as a tax-free (neutral) transaction. In particular, holders of FCA shares regardless of whether they are resident of Italy for income tax purposes, will not recognize any gain or loss upon the receipt of shares of InterimCo. The aggregate tax basis that holders of FCA shares have in those shares will be split between the shares in FCA (after the Demerger) and the new shares in InterimCo based on the ratio between the fair market value of the assets spun off to InterimCo (i.e., FCA's shareholding in GELE and cash) and the aggregate fair market value of FCA before the Demerger.

The Liquidation distribution made by InterimCo consisting of GELE ordinary shares formerly held by FCA constitutes for certain Italian resident individual holders of InterimCo shares and certain non-Italian resident holders of InterimCo shares, a dividend for Italian income tax purposes to the extent that the fair market value of the liquidation distribution received exceeds the tax basis that the holder has in the InterimCo shares after the Demerger. For Italian resident corporate holders of InterimCo (and for non-resident holders of InterimCo shares that have a permanent establishment in Italy to which the InterimCo shares are effectively connected), the

Liquidation distribution made by InterimCo constitutes dividends to the extent the distribution is paid out of profits reserves of InterimCo.

The Liquidation distribution may be treated as a dividend that will give rise to a tax withheld at source for certain shareholders at a rate of up to 26 percent of the excess of the fair value of the GELE ordinary shares received over the tax basis therein determined as described above. See “Certain Tax Consequences of the Distribution – Certain Italian Tax Consequences – Tax Consequences of the Liquidation.” If withholding applies, shareholders subject to withholding will be required to make arrangements to satisfy the withholding obligation with the intermediaries through which they will receive GELE ordinary shares or the intermediary may be required to sell the GELE ordinary shares to satisfy the withholding obligation.

For a more detailed discussion of the Italian tax consequences, see “Certain Tax Consequences of the Distribution – Certain Italian Tax Consequences”.

This information is not intended as tax advice. You are urged to consult your tax advisor as to the specific tax consequences to you of the Distribution under applicable tax laws.

Q: What are the U.S. federal income tax consequences of the Distribution?

A: FCA expects that the Distribution will result in a taxable distribution to U.S. holders of FCA common shares in an amount equal to the fair market value of any GELE ordinary shares plus the fair market value in U.S. dollars of any cash received. For U.S. federal income tax purposes, FCA intends to take the position that U.S. holders who will receive cash instead of GELE ordinary shares will be treated as (i) having received such GELE ordinary shares and (ii) having sold such shares for the amount of cash received in respect of such shares in a taxable transaction. FCA intends to take the position that the fair market value of the GELE ordinary shares deemed to be distributed to such U.S. holders is equal to the amount of cash actually received by such U.S. holders, and accordingly, that such U.S. holders should recognize no gain or loss on the deemed sale.

For a more detailed discussion of the U.S. federal income tax consequences of the Distribution, see “Certain Tax Consequences of the Distribution—Certain U.S. Federal Income Tax Consequences”.

This information is not intended as tax advice. You are urged to consult your tax advisor as to the specific tax consequences to you of the Distribution under applicable tax laws.

Q: Will the number of FCA shares that I own change as a result of the Distribution?

A: No. The number of FCA shares that you own will not change as a result of the Distribution.

Q: Is the Distribution subject to any conditions?

A: Completion of the Distribution will depend on the completion of the Share Exchange and will require approval of the Demerger by the shareholders of FCA at the AGM scheduled to be held on April 14, 2017, and the Distribution is not subject to any other conditions. Completion of the Distribution will remain subject to FCA’s discretion until it is completed.

Q: Where can shareholders get more information?

A: More information on GELE is available on the GELE investor relations website (<http://www.gruppoespresso.it/en/investor-relations.html>). Additional information on the Distribution has been posted on the FCA investor relations website (http://www.fcagroup.com/investor_relations).

For questions relating to the transfer of GELE ordinary shares, shareholders should consult the investor relations page of the FCA website where FCA may post additional information. Any FCA shareholder that holds FCA common shares through a bank, broker or other intermediary or nominee, should contact that institution directly.

RISK FACTORS

You should carefully consider the following risk factors and all the other information contained in this Information Statement in evaluating GELE and an investment in its ordinary shares. FCA is not an “insider” and does not possess nonpublic information regarding GELE and its business, financial condition or operations. Therefore, there may be a number of risks related to these matters that would affect your decision as to whether to invest in GELE securities or to continue to hold any of the GELE ordinary shares that you may receive in the Distribution. FCA expressly disclaims any responsibility with respect to information related to GELE.

FCA has determined that the publishing business operated by GELE is not consistent with its efforts to increase focus on its core business of mass-market automobile manufacturing and sales

FCA has determined to pursue the Distribution because it believes investments on the publishing business are no longer consistent with its continuing efforts to increase its focus on its core mass market automobiles business and to conserve its financial and management resources for those efforts. FCA shareholders that may have invested in FCA for exposure to the global automobile business may not be suited or simply may not wish to invest in a largely European publishing and media business. Moreover, FCA shareholders that hold their common shares directly or indirectly through intermediaries that are not participants in *Monte Titoli* (such as participants in the Depository Trust Company (“DTC”) clearing and settlement system) may be unable to hold GELE ordinary shares unless they open an account with a bank or other intermediary that is a participant in the *Monte Titoli* clearing system.

The GELE ordinary shares that FCA distributes to its shareholders in the Distribution may immediately be sold in the public market. FCA expects that some of its shareholders will sell GELE ordinary shares that they receive in the Distribution because, among other reasons, GELE’s business profile and market capitalization does not fit their investment objectives. Moreover, index funds that hold FCA shares may be required to sell GELE ordinary shares that they receive in the Distribution. The sales of significant amounts of GELE ordinary shares or the perception in the market that these sales will occur could adversely affect the market price of these shares.

GELE may not publish information or have internal controls similar to those in place at FCA

FCA as a large listed company with shares listed in the United States and Italy is subject to strict internal control requirements including those under the U.S. Sarbanes-Oxley Act requiring a comprehensive evaluation of FCA’s internal control over financial reporting. GELE is not subject to all of the same requirements.

In addition, GELE may not publish or report financial and other information similar to those published by FCA. In addition, there may be less information published by security analysts related to GELE.

The market price of GELE ordinary shares may decline following the Distribution.

The market prices of the GELE ordinary shares may decline following the Distribution for a number of reasons including sales of GELE shares distributed in the Distribution. Some FCA shareholders will be unable to receive or hold GELE shares including shareholders in certain jurisdictions and those that do not open trading accounts through *Monte Titoli* or one of its participating intermediaries.

GELE ordinary shares to which such FCA shareholders may be entitled will be sold by an intermediary and have proceeds delivered to the relevant FCA shareholder.

There is limited trading value for the GELE ordinary shares, which may cause the trading price of these shares to be volatile.

GELE has a relatively limited trading volume as compared to FCA's measured in terms of trading value. As a result, purchases and sales of relatively small amounts of GELE ordinary shares may affect the market price of these shares. This volatility could prevent a shareholder seeking to sell GELE ordinary shares from being able to sell the shares at or above the price at the time of the Distribution.

The GELE ordinary shares to be received by FCA shareholders will have different rights from the FCA common shares.

There are certain differences between your current rights as a holder of FCA common shares and the rights to which you will be entitled as a holder of GELE ordinary shares.

ABOUT GELE

The GELE group is a multimedia branded company. It operates in the media sector in Italy in the following sectors:

- Press
- Radio
- Advertising
- Digital

The parent company Gruppo Editoriale L'Espresso S.p.A., listed on the Milan Stock Exchange, publishes the national daily newspaper la Repubblica and the weekly magazine l'Espresso. Through its subsidiaries it also publishes 12 local daily newspapers and one tri-weekly, broadcasts three national radio stations (including Radio DeeJay) and has a musical television business. L'Espresso also operates in the internet sector and collects advertising for the Group publications and also for some third-party publications. The GELE group has organized its activities into five business divisions:

- National Press: la Repubblica and its supplements, l'Espresso, four monthly and two bimonthly
- Local newspapers: 12 local dailies and one three-weekly paper
- Digital: internet and mobile applications
- Radio and TV: three national radio stations (Radio DeeJay, Radio Capital and Radio m2o) and musical tv
- Advertising with the company Manzoni

On February 27, 2017, the Board of GELE announced that it had approved consolidated results for the year of 2016 which included total revenues of €586 million, gross operating profit of €45 million, operating profit of €23 million and net profit of €10 million.

FCA will, subject to completion of the share exchange described below, acquire 74,421,417 GELE ordinary shares representing approximately 14.63% of the outstanding ordinary shares of GELE.

GELE operates through several divisions.

- **Newspapers.** GELE operates la Repubblica, one of Italy's leading national newspapers and consistently first in daily circulation, with balanced distribution across the country. La Repubblica publishes national content with additional local editions in nine major Italian cities. GELE also publishes twelve local daily newspapers and one that is published three times per week for smaller cities with circulation ranging from a few thousand per day to nearly 50,000.
- **Magazines.** GELE publishes several weekly and monthly magazines including L'Espresso, a cultural and political magazine that is influential in public opinion in Italy, with approximately 1.5 million readers.

- **Radio.** GELE has developed a presence in the radio sector over the past two decades and through Elemedia S.p.A. holds licenses for three national radio stations in Italy, including Radio DeeJay which focuses on popular music, and Radio Capital. The radio sector also operates music video channels accessible via satellite.
- **Digital.** GELE's digital division distributes the group's content via digital platforms for use on personal computers, mobile devices and Net TV platforms, providing both free and subscription based services.
- **Advertising.** GELE operates A. Manzoni & C., an advertising agency for the group as well as third party publishers.

GELE is headquartered in Via Cristoforo Colombo 90 – 00147 Rome, Italy and has been registered under number 00488680588 in the Rome Company Register (ISIN code: IT0001398541). GELE's largest shareholder is CIR, which holds approximately 53.6% of the ordinary shares in GELE and is expected to hold approximately 43.4% of the GELE ordinary shares following the Share Exchange.

All information about GELE in this Information Statement has been derived from material published by GELE, and FCA has not undertaken to verify the accuracy or completeness of any such information and disclaims any responsibility for such information.

MARKET PRICES OF GELE ORDINARY SHARES

GELE ordinary shares are listed and traded on the MTA under the symbol “ES”.

On March 17, 2017, the closing sale price of GELE ordinary shares (as reported by MTA) was € 0.7935. The following table presents for the periods indicated the closing market prices per share as reported on the MTA for GELE ordinary shares:

	Price per ordinary share on the MTA	
	High	Low
	(in €)	
Year ended December 31, 2015		
First Quarter 2015	1.292	0.893
Second Quarter 2015	1.295	0.915
Third Quarter 2015	1.110	0.853
Fourth Quarter 2015	1.040	0.888
Year ended December 31, 2016		
First Quarter 2016	1.030	0.705
Second Quarter 2016	1.012	0.700
Third Quarter 2016	0.792	0.696
Fourth Quarter 2016	0.761	0.622
Month ended		
January 2017	0.833	0.766
February 2017	0.826	0.767
March 2016 (through March 17)	0.807	0.780

On March 17, 2017, the closing market price per share as reported on the MTA for GELE ordinary shares was €0.7935.

SELECTED CONSOLIDATED FINANCIAL DATA OF GELE

The following table sets forth selected consolidated financial data of GELE been derived from the annual and quarterly reports of GELE posted on its website. This information should be read in conjunction with the other financial and operating information in the annual and quarterly reports of GELE. FCA has extracted this information from then most recent annual and quarterly financial reports of GELE made available on the GELE website and takes no responsibility for the accuracy or completeness of such information. See “Responsibility Statement.” Historical results are not necessarily indicative of results for any future period.

	For the nine months ended September 30,		For the year ended December 31,	
	2016	2015	2015	2014
	(€ / millions)			
Income Statement				
Revenues.....	424	440	605	643
Gross operating profit (EBITDA)	37	41	48	60
Operating profit	26	30	30	30
Pre-tax profit.....	19	23	5	28
Net profit	14	25	17	9
	As of September 30, 2016		As of December 31, 2015	As of December 31, 2014
Statement of Financial Position				
Net capital employed	--		601	602
Equity	605		590	567
Average number of employees	2,195		2,250	2,366

THE DISTRIBUTION

The Steps of the Distribution

FCA intends to separate its ownership interest in GELE and distribute that ownership interest to holders of its common shares. FCA currently expects this “Distribution” will be accomplished through the following steps, all of which we expect will be completed during the second quarter of 2017 immediately following and subject to completion of the share exchange in which FCA and the other shareholder in Itedi will each exchange its interest in Itedi for shares in GELE:

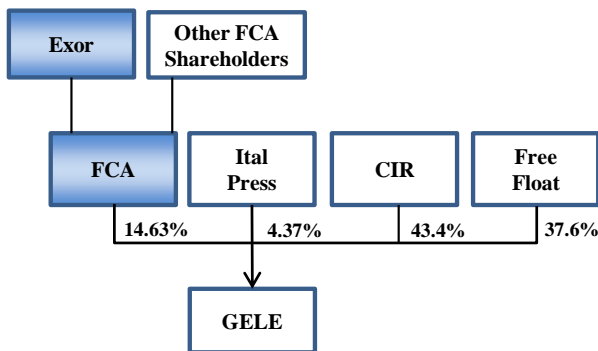
- Through a Dutch law demerger (*afsplitsing*), FCA would transfer all of the ordinary shares in GELE held by FCA to InterimCo, with InterimCo issuing shares to holders of FCA’s shares (the “Demerger”). Pursuant to the Demerger, each holder of FCA common shares will receive one common share in InterimCo for each common share in FCA held immediately prior to the Demerger and each holder of FCA special voting shares will receive one special voting share in InterimCo for each special voting share in FCA held immediately prior to the Demerger;
- FCA shareholders will have to approve the Demerger in accordance with the Demerger proposal prepared by the boards of directors of FCA and InterimCo, which has been published on FCA’s website and filed at the Dutch trade register and registered offices of FCA and InterimCo. No other vote of FCA shareholders is required for any other step in the Distribution. The summary description in this Information Statement of the Demerger is qualified in its entirety by reference to the Demerger proposal. The Demerger proposal has been published and is available on the investor relations page of the FCA website.
- Immediately following the completion of the Demerger, InterimCo will be liquidated pursuant to a resolution adopted prior to the effectiveness of the Demerger. As a part of the liquidation of InterimCo the GELE shares acquired in the Demerger and/or the proceeds therefrom, will be distributed as an advance distribution to holders of InterimCo common shares (i.e. holders of FCA common shares) and InterimCo will after completion of necessary steps including the expiration of a creditors’ opposition waiting period under Dutch law be dissolved (the “**Liquidation**”). Holders of special voting shares in InterimCo will not be entitled to any liquidation distribution; and
- Through the Demerger and the Liquidation, based on the number of FCA common shares currently outstanding FCA expects that each holder of FCA common shares will receive approximately 0.0484 ordinary shares of GELE for each FCA common share they hold immediately prior to the Distribution or one (1) GELE share for every approximately 20.7 FCA shares held.

The following chart shows GELE’s ownership structure before and immediately after the Distribution.

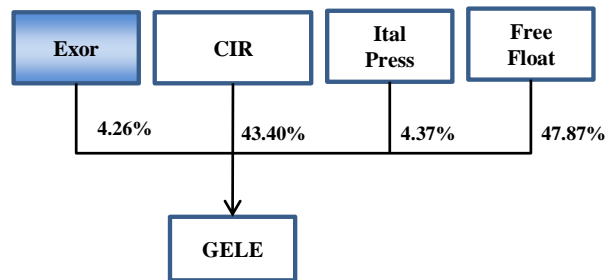
Before Share Exchange



Before Distribution



After Distribution



The Demerger will require the adoption of a resolution at the AGM, which must be adopted with the affirmative vote of two-thirds of the votes cast if less than half of the issued FCA share capital is present or represented at the meeting, or by a majority of the votes cast if at least half of the issued FCA share capital is present or represented at the meeting.

We currently expect that the Distribution will be completed through several transactions that are expected to be completed during the second quarter of 2017. However, we cannot assure you that the Distribution will be carried out as described in this Information Statement or completed within the expected timeline or at all. Completion of the Distribution is within FCA’s discretion and remains subject to various conditions, risks and uncertainties including market conditions.

CERTAIN TAX CONSEQUENCES OF THE DISTRIBUTION

Certain Dutch, Italian and U.S. federal tax consequences of the Demerger and the Liquidation distribution are discussed herein. This information is not intended as tax advice. You should consult your tax advisor as to the specific tax consequences to you of the Demerger and the Liquidation distribution under applicable tax laws.

Certain Dutch Tax Consequences

This section describes solely certain Dutch tax consequences of (i) the acquisition of InterimCo common shares and, if applicable, InterimCo special voting shares pursuant to the Demerger, and (ii) the liquidation distribution by InterimCo.

It does not consider every aspect of Dutch taxation that may be relevant to a particular holder of shares in FCA and/or InterimCo in special circumstances or who is subject to special treatment under applicable law. Shareholders should consult their own tax advisors regarding the Dutch tax consequences of the transactions described above and the ownership of GELE shares in their particular circumstances.

Where in this section English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this section the terms “the Netherlands” and “Dutch” are used, these refer solely to the European part of the Kingdom of the Netherlands. This summary also assumes that FCA and InterimCo are organized, and that their respective business will be conducted such that FCA is considered to be tax resident in the United Kingdom for purposes of the tax treaty as concluded between the Netherlands and the United Kingdom, while InterimCo is considered to be tax resident in Italy for purposes of the tax treaty as concluded between Italy and the Netherlands. A change to the organizational structure or to the manner in which FCA and/or InterimCo conduct their business may invalidate the contents of this section, which will not be updated to reflect any such change.

This description is based on the tax law of the Netherlands (unpublished case law not included) as it stands as per March 17, 2017. The law upon which this description is based is subject to change, perhaps with retroactive effect. Any such change may invalidate the contents of this description, which will not be updated to reflect such change.

Where in this Dutch taxation discussion reference is made to “a holder of common shares and, if applicable, special voting shares”, that concept includes, without limitation:

- an owner of one or more common shares and, if applicable, special voting shares who in addition to the title to such common shares and, if applicable, special voting shares, has an economic interest in such common shares and, if applicable, special voting shares;
- a person who or an entity that holds the entire economic interest in one or more common shares and, if applicable, special voting shares;
- a person who or an entity that holds an interest in an entity, such as a partnership or a mutual fund, that is transparent for Dutch tax purposes, the assets of which comprise one or more common shares and, if applicable, special voting shares, within the meaning of 1. or 2. above; or
- a person who is deemed to hold an interest in common shares and, if applicable, special voting shares, as referred to under 1. to 3., pursuant to the attribution rules of article 2.14a, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), with respect to property that has been segregated, for instance in a trust or a foundation.

Definitions

For the purposes of this taxation section a holder is a “**Dutch Individual holder**” if such holder satisfies the following tests:

- (a) such holder is an individual;
- (b) such holder is a resident, or deemed to be a resident, in the Netherlands for Dutch income tax purposes;
- (c) such holder’s common shares and, if applicable, special voting shares and any benefits derived or deemed to be derived therefrom have no connection with such holder’s past, present or future employment, if any; and
- (d) such holder’s common shares and, if applicable, special voting shares do not form part of a substantial interest (*aanmerkelijk belang*) or a deemed substantial interest in FCA and/or InterimCo within the meaning of Chapter 4 of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*).

Generally, if a person holds an interest in FCA and/or InterimCo such interest forms part of a substantial interest, or a deemed substantial interest, in FCA and/or InterimCo if any one or more of the following circumstances is present:

- (1) Such person - either alone or, in the case of an individual, together with his partner, if any, or pursuant to article 2.14a, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) - owns or is deemed to own, directly or indirectly, either a number of shares in FCA and/or InterimCo representing five percent or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares), or rights to acquire, directly or indirectly, shares, whether or not already issued, representing five percent or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of the shares), or profit-participating certificates (*winstbewijzen*) relating to five percent or more of the annual profit or to five percent or more of the liquidation proceeds. The common shares and the special voting shares are considered to be separate classes of shares.
- (2) Such person’s shares, rights to acquire shares or profit-participating certificates in FCA and/or InterimCo are held by him or deemed to be held by him following the application of a non-recognition provision.
- (3) Such person’s partner or any of his relatives by blood or by marriage in the direct line (including foster-children) or of those of his partner has a substantial interest (as described under (1) and (2) above) in FCA and/or InterimCo.

For the purposes of circumstances (1), (2) and (3) above, if a holder is entitled to the benefits from shares or profit-participating certificates (for instance if a holder is a holder of a right of usufruct), such holder is deemed to be a holder of shares or profit-participating certificates, as the case may be, and such holder’s entitlement to benefits is considered a share or profit-participating certificate, as the case may be.

If a Dutch Individual holder satisfies test (b), but does not satisfy test (c) and/or test (d) above, such holder’s Dutch income tax position is not discussed in this section. If a holder of common shares and, if applicable, special voting shares is an individual who does not satisfy test (b), please refer to the section “—Non-resident holders”.

For the purposes of this taxation section a holder is a “**Dutch Corporate holder**” if such holder satisfies the following tests:

- i. such holder is a corporate entity (*lichaam*), including an association that is taxable as a corporate entity, that is subject to Dutch corporation tax in respect of benefits derived from its common shares and, if applicable, special voting shares;
- ii. such holder is a resident, or deemed to be resident, in the Netherlands for Dutch corporation tax purposes;
- iii. such holder is not an entity that, although subject to Dutch corporation tax, is, in whole or in part, specifically exempt from that tax; and
- iv. such holder is not an investment institution (*beleggingsinstelling*) as defined in article 28 of the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

If a holder of common shares and, if applicable, special voting shares is not an individual and if such holder does not satisfy any one or more of these tests, with the exception of test ii., such holder's Dutch corporation tax position is not discussed in this section. If a holder of common shares and, if applicable, special voting shares is not an individual and if such holder does not satisfy test ii., please refer to the section "—Non-resident holders".

For the purposes of this taxation section, a holder of common shares and, if applicable, special voting shares, is a "**Non-resident holder**" if such holder satisfies the following tests:

- (a) such holder is neither resident, nor deemed to be resident, in the Netherlands for purposes of Dutch income tax or corporation tax, as the case may be;
- (b) such holder's common shares and, if applicable, special voting shares and any benefits derived or deemed to be derived from such shares have no connection with past, present or future employment, management activities and functions or membership of a management board (*bestuurder*) or a supervisory board (*commissaris*);
- (c) such holder's common shares and, if applicable, special voting shares do not form part of a substantial interest or a deemed substantial interest in FCA and/or InterimCo within the meaning of Chapter 4 of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*); and
- (d) if such holder is not an individual, no part of the benefits derived from such holder's common shares and, if applicable, special voting shares is exempt from Dutch corporation tax under the participation exemption as laid down in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

See above for a description of the circumstances under which shares form part of a substantial interest or a deemed substantial interest.

If a holder of common shares and, if applicable, special voting shares satisfies test (a), but does not satisfy any one or more of tests (b), (c), and (d), such holder's Dutch income tax position or corporation tax position, as the case may be, is not discussed in this section.

Dividend withholding tax in connection with implementation of the Demerger (from FCA into InterimCo)

The partial exchange of FCA common shares and, if applicable, FCA special voting shares for InterimCo common shares and, if applicable, InterimCo special voting shares pursuant to the Demerger will not be subject to Dutch dividend withholding tax.

Taxes on income and capital gains in connection with implementation of the Demerger (from FCA into InterimCo)

General

The description set out in this section “—Taxes on income and capital gains in connection with implementation of the Demerger (from FCA into InterimCo)” applies only to a holder of FCA common shares and, if applicable, FCA special voting shares who is a “Dutch Individual holder”, a “Dutch Corporate holder” or a “Non-resident holder”.

Dutch Individual holders of FCA common shares and, if applicable, FCA special voting shares deriving profits or deemed to be deriving profits from an enterprise

For a Dutch Individual holder whose FCA common shares and, if applicable, FCA special voting shares are attributable to an enterprise from which such holder derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of an enterprise (other than as an entrepreneur or a shareholder), the partial exchange of FCA shares for InterimCo shares is considered to be a partial disposal of such holder's FCA common shares and, if applicable, FCA special voting shares and will result in recognition of a capital gain or a capital loss. Such benefits are generally subject to Dutch income tax at progressive rates. A Dutch Individual holder of FCA common shares and, if applicable, FCA special voting shares can opt for application of a roll-over facility for the capital gain. If the roll-over facility is applied, the aggregate tax basis in the shares of FCA will be split between the shares in FCA and the new shares in InterimCo based on the ratio between the fair market value of the assets spun off to InterimCo (i.e., the shares in GELE) and the aggregate fair market value of FCA before the Demerger. The roll-over facility does not apply to any cash consideration received.

Dutch Individual holders of FCA common shares deriving benefits from miscellaneous activities

If a Dutch Individual holder derives or is deemed to derive any benefits from FCA common shares and, if applicable, FCA special voting shares, that constitute benefits from miscellaneous activities (as outlined below) (*resultaat uit overige werkzaamheden*), the partial exchange of such holder's FCA shares for InterimCo shares is considered to be a partial disposal of such holder's FCA shares and will result in recognition of a capital gain or a capital loss. Such benefits are generally subject to Dutch income tax at progressive rates. A Dutch Individual holder of FCA common shares and, if applicable, FCA special voting shares can opt for a roll-over facility for the capital. If the roll-over facility is applied, the aggregate tax basis in the shares of FCA will be split between the shares in FCA and the new shares in InterimCo based on the ratio between the fair market value of the assets spun off to InterimCo (i.e., the shares in GELE) and the aggregate fair market value of FCA before the Demerger. The roll-over facility does not apply to any cash consideration received.

A Dutch Individual holder may, *inter alia*, derive, or be deemed to derive, benefits from FCA common shares and, if applicable, FCA special voting shares that are taxable as benefits from miscellaneous activities if such holder's investment activities go beyond the activities of an active portfolio investor, for instance in the case of use of insider knowledge or comparable forms of special knowledge.

Other Dutch Individual holders of FCA common shares and, if applicable, FCA special voting shares

If a Dutch Individual holder's situation has not been discussed before in this section “—Taxes on income and capital gains in connection with implementation of the Demerger (from FCA into InterimCo)” the value of such holder's FCA common shares and, if applicable, FCA special voting shares forms part of the yield basis (*rendementsgrondslag*) for purposes of tax on benefits from savings and investments (*voordeel uit sparen en beleggen*). A deemed benefit, which is determined on the basis of progressive rates starting from 2.87% up to 5.39% per annum of the holder's “yield basis”, generally to be determined at the beginning of the relevant year, to the extent that such yield basis exceeds the “exempt

net asset amount” (*heffingvrij vermogen*) for the relevant year, is taxed at the rate of 30 %. Under this rule, any capital gain or loss realized upon the partial exchange of FCA shares for InterimCo shares is not as such subject to Dutch income tax.

Attribution rule

Benefits derived or deemed to be derived from certain miscellaneous activities by, and yield basis for benefits from savings and investments of, a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or to the parents who exercise, authority over the child, irrespective of the country of residence of the child.

Dutch Corporate holders of FCA common shares and, if applicable, FCA special voting shares

For a Dutch Corporate holder, the partial disposal of such holder's FCA common shares and, if applicable, FCA special voting shares in exchange for InterimCo common shares and, if applicable InterimCo special voting shares will result in recognition of a capital gain or a capital loss, except to the extent that the benefits are exempt under the participation exemption as laid down in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*). If the participation exemption does not apply in respect of such holder's FCA shares, such holder can opt for application of a roll-over facility for the capital gain. If the roll-over facility is applied, the aggregate tax basis in the shares of FCA will be split between the shares in FCA (after the Demerger) and the new shares in InterimCo based on the ratio between the fair market value of the assets spun off to InterimCo (i.e. the shares in GELE) and the aggregate fair market value of FCA before the Demerger. The roll-over facility does not apply to any cash consideration received.

Non-resident holders of FCA common shares and, if applicable, FCA special voting shares

A Non-resident holder of FCA common shares and, if applicable, FCA special voting shares will not be subject to any Dutch taxes on income or capital gains in respect of the partial exchange of such holder's FCA common shares and, if applicable, FCA special voting shares for InterimCo common shares and, if applicable, InterimCo special voting shares, except if:

- (a) such holder derives profits from an enterprise directly, or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, and such enterprise either is managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative which is taxable in the Netherlands, and such holder's FCA shares are attributable to such enterprise; or
- (b) such holder is an individual and such holder derives benefits from FCA shares that are taxable as benefits from miscellaneous activities in the Netherlands.

If a Non-resident holder falls under the exception (a) or (b), the partial disposal of such holder's FCA shares in exchange for InterimCo shares will result in recognition of a capital gain or a capital loss. In these two cases and provided that the InterimCo shares received as Demerger consideration are attributable to such enterprise or such miscellaneous activities in the Netherlands, such holder can opt for application of a roll-over facility for the capital gain. If the roll-over facility is applied, the aggregate tax basis in the shares of FCA will be split between the shares in FCA (after the Demerger) and the new shares in InterimCo based on the ratio between the fair market value of the assets spun off to InterimCo (i.e. the shares in GELE) and the aggregate fair market value of FCA before the Demerger. The roll-over facility does not apply to any cash consideration received.

See above for a description of the circumstances under which the benefits derived from FCA shares may be taxable as benefits from miscellaneous activities, on the understanding that such benefits will be taxable in the Netherlands only if such activities are performed or deemed to be performed in the Netherlands.

Attribution rule

Benefits derived or deemed to be derived from certain miscellaneous activities by a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or the parents who exercise, authority over the child, irrespective of the country of residence of the child.

Dividend withholding tax in connection with the liquidation distribution by InterimCo

General

The liquidation distribution by InterimCo will not be subject to Dutch dividend withholding tax if and to the extent the fair market value of the distributed assets does not exceed the average recognized paid up capital of the InterimCo shares for Dutch dividend withholding tax purposes.

To the extent the liquidation distribution by InterimCo exceeds the average recognized paid up capital of the InterimCo shares for Dutch dividend withholding tax purposes, InterimCo is generally required to withhold Dutch dividend withholding tax at a rate of 15 percent from the excess amount, subject to possible relief under Dutch domestic law, the Treaty on the Functioning of the European Union or an applicable Dutch income tax treaty depending on the specific circumstances of an individual holder of InterimCo shares. As an exception to this rule, InterimCo may not be required to withhold Dutch dividend withholding tax if it is considered to be a tax resident of both the Netherlands and Italy, in accordance with the domestic tax residency provisions applied by each of these jurisdictions, while the double tax treaty between the Netherlands and Italy attributes the tax residency exclusively to Italy. This exception does not apply to dividends distributed by InterimCo to a holder who is resident or deemed to be resident in the Netherlands for Dutch income tax purposes or Dutch corporation tax purposes.

Pursuant to the Dutch Dividend withholding tax act (*Wet op de dividendbelasting 1965*), a Dutch Corporate holder is entitled to an exemption from dividend withholding tax with regard to proceeds from shares if the participation exemption as laid down in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) applies.

Taxes on income and capital gains in connection with the liquidation distribution by InterimCo

General

The description set out in this section “—Taxes on income and capital gains in connection with the liquidation distribution by InterimCo” applies only to a holder of InterimCo common shares and, if applicable, InterimCo special voting shares, who is a “Dutch Individual holder”, a “Dutch Corporate holder” or a “Non-resident holder”.

Dutch Individual holders of InterimCo common shares and, if applicable, InterimCo special voting shares deriving profits or deemed to be deriving profits from an enterprise

For a Dutch Individual holder whose InterimCo common shares and, if applicable, InterimCo special voting shares are attributable to an enterprise from which such holder derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of an enterprise (other than as an entrepreneur or a shareholder), the liquidation distribution by InterimCo will result in recognition of a capital gain or a capital loss if the fair market value of the liquidation distribution received deviates from the individual tax base of the shares. Such benefits are generally subject to Dutch income tax at progressive rates.

Dutch Individual holders of InterimCo common shares and, if applicable, InterimCo special voting shares deriving benefits from miscellaneous activities

If a Dutch Individual holder derives or is deemed to derive any benefits from InterimCo common shares and, if applicable, InterimCo special voting shares, that constitute benefits from miscellaneous activities (as outlined below) (*resultaat uit overige werkzaamheden*), the liquidation distribution by InterimCo will result in recognition of a capital gain or a capital loss if the fair market value of the

liquidation distribution received deviates from the individual tax base of the shares. Such benefits are generally subject to Dutch income tax at progressive rates.

A Dutch Individual holder may, *inter alia*, derive, or be deemed to derive, benefits from InterimCo shares that are taxable as benefits from miscellaneous activities if such holder's investment activities go beyond the activities of an active portfolio investor, for instance in the case of use of insider knowledge or comparable forms of special knowledge.

Other Dutch Individual holders of InterimCo common shares and, if applicable, InterimCo special voting shares

If a Dutch Individual holder's situation has not been discussed before in this section “—Taxes on income and capital gains in connection with the liquidation distribution by InterimCo” the value of such holder's InterimCo common shares and, if applicable, InterimCo special voting shares forms part of the yield basis (*rendementsgrondslag*) for purposes of tax on benefits from savings and investments (*voordeel uit sparen en beleggen*). A deemed benefit, which is determined on the basis of progressive rates starting from 2.87% up to 5.39% per annum of the holder's “yield basis”, generally to be determined at the beginning of the relevant year, to the extent that such yield basis exceeds the “exempt net asset amount” (*heffingvrij vermogen*) for the relevant year, is taxed at the rate of 30%. Under this rule, any capital gain or loss realized upon the liquidation distribution by InterimCo is not as such subject to Dutch income tax.

Attribution rule

Benefits derived or deemed to be derived from certain miscellaneous activities by, and yield basis for benefits from savings and investments of, a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or to the parents who exercise, authority over the child, irrespective of the country of residence of the child.

Dutch Corporate holders of InterimCo common shares and, if applicable, InterimCo special voting shares

For a Dutch Corporate holder, the liquidation distribution by InterimCo will result in recognition of a taxable capital gain or a capital loss if the fair market value of the liquidation distribution received deviates from the individual tax base of the shares in InterimCo, except to the extent that the benefits are exempt under the participation exemption as laid down in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Non-resident holders of InterimCo common shares and, if applicable, InterimCo special voting shares

A Non-resident holder will not be subject to any Dutch taxes on income or capital gains in respect of the liquidation distribution by InterimCo except if:

- (a) such holder derives profits from an enterprise directly, or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, and such enterprise either is managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative which is taxable in the Netherlands, and such holder's InterimCo shares and, if applicable, InterimCo special voting shares are attributable to such enterprise; or
- (b) such holder is an individual and such holder derives benefits from InterimCo common shares and, if applicable, InterimCo special voting shares that are taxable as benefits from miscellaneous activities in the Netherlands.

If a Non-resident holder falls under the exception (a) or (b), the liquidation distribution by InterimCo will result in recognition of a taxable capital gain or a capital loss if the fair market value of the liquidation distribution received deviates from the individual tax base of the share.

See above for a description of the circumstances under which the benefits derived from InterimCo common shares and, if applicable, InterimCo special voting shares may be taxable as benefits from miscellaneous activities, on the understanding that such benefits will be taxable in the Netherlands only if such activities are performed or deemed to be performed in the Netherlands.

Attribution rule

Benefits derived or deemed to be derived from certain miscellaneous activities by a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or the parents who exercise, authority over the child, irrespective of the country of residence of the child.

Taxes on income and capital gains from the ownership and disposition of GELE shares

General

The description set out in this section “—Taxes on income and capital gains from the ownership and disposition of GELE shares applies only to a holder of GELE shares who is a “Dutch Individual holder”, a “Dutch Corporate holder” or a “Non-resident holder”.

Dutch Individual holders of GELE shares deriving profits or deemed to be deriving profits from an enterprise

If a Dutch Individual holder of GELE shares derives or is deemed to derive any benefits from such holder’s GELE shares including any capital gain realized on the disposal of such GELE shares that are attributable to an enterprise from which such holder derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of an enterprise, other than as a shareholder, such benefits are generally subject to Dutch income tax at progressive rates.

Dutch Individual holders of GELE shares deriving benefits from miscellaneous activities

If a Dutch Individual holder of GELE shares derives or is deemed to derive (as outlined below) any benefits from such holder’s GELE shares, including any gain realized on the disposal of such GELE shares, that constitute benefits from miscellaneous activities (as outlined below) (*resultaat uit overige werkzaamheden*), such benefits are generally subject to Dutch income tax at progressive rates.

A Dutch Individual holder may, *inter alia*, derive, or be deemed to derive, benefits from GELE shares that are taxable as benefits from miscellaneous activities if such holder’s investment activities go beyond the activities of an active portfolio investor, for instance in the case of use of insider knowledge or comparable forms of special knowledge.

Other Dutch Individual holders of GELE shares

If a Dutch Individual holder’s situation has not been discussed before in this section “—Taxes on income and capital gains from the ownership and disposition of GELE shares” the value of such holder’s GELE shares forms part of the yield basis (*rendementsgrondslag*) for purposes of tax on benefits from savings and investments (*voordeel uit sparen en beleggen*). A deemed benefit, which is determined on the basis of progressive rates starting from 2.87% up to 5.39% per annum of the holder’s “yield basis”, generally to be determined at the beginning of the relevant year, to the extent that such yield basis exceeds the “exempt net asset amount” (*heffingvrij vermogen*) for the relevant year, is taxed at the rate of 30%. Under this rule, actual benefits derived from such holder’s GELE shares, including any gain realized on the disposal of such GELE shares, are not as such subject to Dutch income tax.

Attribution rule

Benefits derived or deemed to be derived from certain miscellaneous activities by, and yield basis for benefits from savings and investments of, a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or to the parents who exercise, authority over the child, irrespective of the country of residence of the child.

Dutch Corporate holders of GELE shares

If a holder of GELE shares is a Dutch Corporate holder, any benefits derived or deemed to be derived by such holder from such holder's GELE shares, including any gain realized on the disposal thereof, are generally subject to Dutch corporation tax, except to the extent that the benefits are exempt under the participation exemption as laid down in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

Non-resident holders of GELE shares

A Non-resident holder of GELE shares will not be subject to any Dutch taxes on income or capital gains in respect of any benefits derived or deemed to be derived by such holder from such holder's GELE shares, including any capital gain realized on the disposal thereof, except if:

- (a) such holder derives profits from an enterprise directly, or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, and such enterprise either is managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative which is taxable in the Netherlands, and such holder's GELE shares are attributable to such enterprise; or
- (b) such holder is an individual and such holder derives benefits from GELE shares that are taxable as benefits from miscellaneous activities in the Netherlands.

See above for a description of the circumstances under which the benefits derived from GELE shares may be taxable as benefits from miscellaneous activities, on the understanding that such benefits will be taxable in the Netherlands only if such activities are performed or deemed to be performed in the Netherlands.

Attribution rule

Benefits derived or deemed to be derived from certain miscellaneous activities by a child or a foster child who is under eighteen years of age are attributed to the parent who exercises, or the parents who exercise, authority over the child, irrespective of the country of residence of the child.

Gift and inheritance taxes

If a holder of GELE shares disposes of GELE shares by way of gift, in form or in substance, or if a holder of GELE shares who is an individual dies, no Dutch gift tax or Dutch inheritance tax, as applicable, will be due, unless:

- (a) the donor is, or the deceased was, resident or deemed to be resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax, as applicable; or
- (b) the donor made a gift of GELE shares, then became a resident or deemed resident of the Netherlands, and died as a resident or deemed resident of the Netherlands within 180 days of the date of the gift.

For purposes of the above, a gift of GELE shares made under a condition precedent is deemed to be made at the time the condition precedent is satisfied.

Certain Italian Tax Consequences

This section describes solely certain Italian tax consequences of the Distribution to holders of FCA common shares and, if applicable, FCA special voting shares and certain Italian income tax consequences of the ownership of ordinary shares of GELE acquired pursuant to the Distribution.

This section does not consider every aspect of Italian taxation that may be relevant to a particular holder of shares in FCA and/or InterimCo in special circumstances or who is subject to special treatment

under applicable law. Shareholders should consult their own tax advisors regarding the Italian tax consequences of the transactions described above and the ownership of GELE ordinary shares in their particular circumstances.

Where in this section English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law. This summary also assumes that InterimCo is considered to be tax resident in Italy under Italian tax law and for purposes of the tax treaty as concluded between Italy and the Netherlands. A change to the organizational structure or to the manner in which InterimCo conducts its business may invalidate the contents of this section, which will not be updated to reflect any such change.

For the purposes of this discussion, an “Italian Holder” is a beneficial owner of FCA common shares (and, if applicable, special voting shares), InterimCo common shares (and, if applicable, InterimCo special voting shares) or GELE ordinary shares that is:

- an Italian-resident individual, or
- an Italian-resident corporation.

This section does not apply to holders subject to special rules, including:

- non-profit organizations, foundations and associations that are not subject to tax,
- Italian business partnerships and assimilated entities (e.g., “*società in nome collettivo*”, “*società in accomandita semplice*”),
- Italian non-business partnerships (e.g., “*società semplici*”),
- individuals holding the shares in connection with the exercise of a business activity (sole proprietors),
- Italian real estate investment funds (*fondi comuni di investimento immobiliare*) and Italian real estate SICAF (*società di investimento a capitale fisso immobiliari*);
- Italian pension funds,
- Italian investment funds (*fondi comuni di investimento mobiliare*), Italian SICAVs (*società di investimento collettivo a capitale variabile*) and Italian SICAFs (*società di investimento a capitale fisso*).

For the purposes of this discussion, a Non-Italian Holder means a beneficial owner of FCA common shares (and, if applicable, FCA special voting shares), InterimCo common shares (and, if applicable, InterimCo special voting shares) or GELE ordinary shares that is neither an Italian Holder nor a permanent establishment or a fixed base through which a non-Italian resident holder carries on business or performs personal services in Italy nor a partnership.

This discussion is limited to Italian Holders and Non-Italian Holders that hold their FCA common shares (or, if applicable, special voting shares) or GELE ordinary shares directly and whose shares represent, and have represented in any 12-month period preceding each disposal: (i) a percentage of voting rights in the ordinary shareholders’ meeting of FCA or GELE not greater than 2 percent for listed shares or (ii) a participation in the share capital not greater than 5 percent for listed shares.

This description is based upon the tax law of Italy (unpublished case law not included) and applicable tax treaties and what is understood to be the current practice in Italy as they stand as per March 17, 2017, which may be subject to changes in the future, even on a retroactive basis. Any such change may invalidate the contents of this description, which will not be updated to reflect such change.

Holders of FCA common shares and, if applicable, FCA special voting shares are urged to consult their own tax advisors regarding the Italian and foreign and other tax consequences of the Distribution.

Consequences of the Distribution

Tax Consequences of the Dutch Law Demerger of FCA in Favor of InterimCo

The Demerger qualifies as a tax-free (neutral) transaction under Article 173 of Presidential Decree no. 917 of December 22, 1986 (the Italian Consolidated Income Tax Act; “CITA”). In particular, under Article 173(3) CITA, holders of FCA shares and, if applicable, FCA special voting shares, regardless of whether they are Italian Holders or Non-Italian Holders, will not recognize any gain or loss upon the receipt of common shares and, if applicable, special voting shares of InterimCo.

The aggregate tax basis that holders of common shares and special voting shares of FCA have in their shares of FCA will be split between the shares in FCA (after the Demerger) and the new shares in InterimCo based on the ratio between the fair market value of the assets spun off to InterimCo (i.e., FCA’s shareholding in GELE and cash) and the aggregate fair market value of FCA before the Demerger (see Italian Revenue Agency, Ruling no. 52/E of May 26, 2015).

The holders’ holding period in InterimCo shares should include the holders’ holding period in their common shares and special voting shares of FCA with respect to which such holders have received such InterimCo shares.

Holders that acquired blocks of common shares or special voting shares of FCA at different times or at different prices should consult their own tax advisors regarding the allocation of their aggregate adjusted tax basis among, and the determination of their holding period in, the common shares and special voting shares, if any, of InterimCo after the Demerger. FCA and InterimCo believe and intend to take the position that the value of each special voting share of FCA and InterimCo is minimal. However, because the fair market value of the special voting shares is factual and is not governed by any guidance that directly addresses such a situation, the Italian Revenue Agency could assert that the value of the special voting shares (and thus the amount of basis that should be allocated thereto) as determined by FCA and InterimCo is incorrect.

Tax Consequences of the Liquidation

Although the assignment of GELE ordinary shares upon the Liquidation is a transfer of ownership of shares issued by an Italian resident corporation, no Italian financial transaction tax (“FTT”) will apply because (i) no FTT should apply on the distribution of profits or reserves through the allocation of shares, and (ii) no FTT applies on the transfer of the ownership of shares negotiated on regulated markets or multilateral trading facilities issued by Italian resident corporations having an average market capitalization lower than EUR 500 million in the month of November of the year prior to the year of the transfer as listed by the Ministry of Economy and Finance by 20 December each year and GELE is on such list for 2016.

For Italian income tax purposes, the cancellation of all common shares of InterimCo in exchange for distribution of the GELE ordinary shares (or the proceeds therefrom) to the holders of InterimCo common shares will be treated as a liquidation distribution under Articles 47(7) and 86(5-*bis*) CITA.

The Italian income tax consequences of the GELE ordinary shares distribution depend on the individual circumstances of each holder.

(a) ITALIAN HOLDERS

(1). INDIVIDUALS

The GELE ordinary shares distribution made by InterimCo upon the Liquidation is treated as a dividend distribution to the extent the fair market value of the GELE ordinary shares (or the proceeds therefrom) received by the holder of the InterimCo common shares exceeds the tax basis that following the Demerger the holder has in the InterimCo common shares that are cancelled. For these purposes, the fair market value of the GELE ordinary shares is equal to the average trading price of the GELE ordinary shares in the period between the reference date (i.e., the date when the GELE ordinary shares are credited to the account of the financial intermediary directly participating in the Monte Titoli S.p.A. clearing system) and the same calendar day of the preceding month, taking into account only days in which the GELE ordinary shares have effectively been traded.

The dividend is subject to 26 percent tax withheld at source, unless the Italian Holder has entrusted the management of the shares that are cancelled to an authorized intermediary under a discretionary asset management contract and has elected into the discretionary investment portfolio regime (*risparmio gestito*) under Article 7 of Legislative Decree No. 461 of November 21, 1997 (“**Decree 461**”). In this case, the dividend is included in the annual accrued management result (*risultato maturato annuo di gestione*), which is subjected to 26 percent substitute tax.

The withholding agent is InterimCo if the InterimCo common share that is cancelled is deposited with InterimCo or with a financial intermediary that does not participate, whether directly or indirectly, in the clearing system managed by Monte Titoli S.p.A. Conversely, if the InterimCo common share that is cancelled is deposited with a financial intermediary that participates, whether directly or indirectly, in the clearing system managed by Monte Titoli S.p.A., then the withholding agent is such intermediary (through an Italian tax representative in case of non-resident intermediaries without permanent establishment in Italy). Holders should communicate their tax basis in the InterimCo common shares that are cancelled to the withholding agent; otherwise, if the withholding agent is not aware of such tax basis, it would apply the 26 percent tax on the entire fair market value of the GELE ordinary shares assigned to the holder (or on the proceeds therefrom) and not just to the portion that exceeds the holder’s tax basis in the InterimCo common shares.

If the distribution is a distribution in kind, the holder of the InterimCo common shares that are cancelled must provide the funds to pay the Italian tax to be withheld at source to the withholding agent in order to receive the GELE ordinary shares. Conversely, if the holder of the InterimCo common shares that are cancelled receives the proceeds of the GELE ordinary shares instead of the GELE ordinary shares, the withholding agent will withhold the tax at source on such proceeds, without the need for the holder of the InterimCo common shares to provide the necessary funding.

(2). CORPORATIONS

No tax will be withheld at source on payments made to Italian Holders that are corporations.

The portion of the distribution upon the Liquidation that is paid out of profit reserves of InterimCo will be taxed as a dividend in the hands of such holders. Only 5 percent of the dividend is subject

to Italian corporate tax if the conditions for the participation exemption under Article 89 CITA are met.

The difference between the portion of the distribution that is paid out of equity reserves (including share capital) and the tax basis that following the Demerger the holder has in the InterimCo common shares that are cancelled is treated as a capital gain. 95 percent participation exemption under Article 87 CITA should apply.

For the purpose of determining whether the GELE ordinary shares distribution is paid out of profits reserves or equity reserves, InterimCo's net equity following the Demerger will be deemed to be formed by equity reserves (*riserve di capitale*) and profits reserves (*riserve di utili*) in the same proportion as the net equity of FCA before the Demerger.

(b) NON-ITALIAN HOLDERS

For Non-Italian Holders of the InterimCo common shares that do not hold the shares through an Italian permanent establishment or fixed base to which the shares are effectively connected, the GELE ordinary shares distribution made by InterimCo is treated as a dividend distribution to the extent the fair market value of the GELE ordinary shares (or the proceeds therefrom) received by the holder of the InterimCo common shares exceeds the tax basis that following the Demerger the holder has in the InterimCo common shares that are cancelled. For these purposes, the fair market value of the GELE ordinary shares is equal to the average trading price of the GELE ordinary shares in the period between the reference date (i.e., the date when the GELE ordinary shares are credited to the account of the financial intermediary directly participating in the *Monte Titoli S.p.A.* clearing system) and the same calendar day of the preceding month, taking into account only days in which the GELE ordinary shares have effectively been traded.

The dividend is subject to 26 percent tax withheld at source. Subject to a specific application that must be submitted to the Italian Revenue Agency under the terms and conditions provided by law, Non-Italian Holders are entitled to relief (in the form of a refund), which cannot be greater than 11/26 (eleven twenty-sixths) of the tax levied in Italy, if they can demonstrate that they have paid final tax abroad on the same profits.

The rate of the tax withheld at source is reduced in the following circumstances:

- the holder of the InterimCo common shares that are cancelled is a company or an entity that is (a) resident for tax purposes either in an EU Member State or in a State that is party to the European Economic Area Agreement (“**EEA Member State**”) and is included in the list contained in Ministerial Decree of September 4, 1996 (as subsequently amended and supplemented, including by Ministerial Decree of August 9, 2016) or once effective in the list contained in the decree to be issued under the authority of Article 11(4)(c) of Legislative Decree No. 239 of April 1, 1996 (the Ministerial Decree of September 4, 1996 and the decree to be issued are collectively referred to as the “**Italian White List**”) and (b) subject to corporate income tax in such State. In this case, the withholding tax rate is 1.375 percent;
- the holder of the InterimCo common shares that are cancelled is a pension fund set up in an EU Member State or in an EEA Member State that is included in the Italian White List. In this case, the withholding tax rate is 11 percent; or
- the holder of the InterimCo common shares that are cancelled is resident in a country that has a double tax treaty in force with Italy. In this case, the withholding tax rate is the rate provided under the relevant treaty.

The withholding agent is InterimCo if the shares that are cancelled are deposited with InterimCo or with a financial intermediary that does not participate, whether directly or indirectly, in the clearing system managed by Monte Titoli S.p.A.. Conversely, if the InterimCo shares that are cancelled are deposited with a financial intermediary that participates, whether directly or indirectly, in the clearing system managed by Monte Titoli S.p.A., then the withholding agent is such intermediary (through an Italian tax representative in case of non-resident intermediaries without permanent establishment in Italy). Holders should timely communicate their tax basis in the InterimCo common shares that are cancelled to the withholding agent and must timely submit the necessary documentation to claim the application of a withholding tax rate lower than the ordinary 26 percent (see above); if they fail to do so, (and the withholding agent is not aware of such tax basis) the withholding agent would apply the 26 percent tax on the entire fair market value of the GELE ordinary shares distributed to the holder of the InterimCo common shares (or on the entire proceeds therefrom) and not just to the portion that exceeds the holder's tax basis in the InterimCo common shares.

If the distribution is a distribution in kind, the holder of the InterimCo common shares that are cancelled must provide the funds to pay the Italian tax to be withheld at source to the withholding agent. Conversely, if the holder of the InterimCo common shares that are cancelled receives the proceeds of the GELE ordinary shares instead of the GELE ordinary shares, the withholding agent will withhold the tax at source on such proceeds, without the need for the holder of the InterimCo common shares to provide the necessary funding.

Consequences of Owning GELE Ordinary Shares

This section describes the material Italian tax consequences of the ownership and transfer of GELE ordinary shares. The following description is not intended to be a comprehensive description of all the tax considerations that may be relevant to a decision to own or dispose of the GELE ordinary shares (such as Italian inheritance and gift tax considerations, and transfer tax considerations).

On December 7, 2016, the Italian Parliament approved Law No. 232 of December 11, 2016, published in the Ordinary Supplement to the Official Gazette No. 297 of December 21, 2016 (“**Finance Act 2017**”).

Law No. 208 of December 28, 2015 (“**Finance Act 2016**”) reduced the corporate tax (“**IRES**”) rate from 27.5 percent to 24 percent (except for banks and certain financial intermediaries other than asset management companies) effective for fiscal years following the fiscal year that is current on December 31, 2016 (i.e., from 2017 for taxpayers that follow the calendar year). Moreover, as a result of the corporate tax rate reduction, the withholding tax rate on dividends paid to companies and entities that are (a) resident for tax purposes in an EU Member State or in an EEA Member State that is included in the Italian White List and (b) subject to corporate income tax in such State has been reduced from 1.375 percent to 1.2 percent, effective from 2017. A decree to be issued by the Ministry of Economy and Finance may set forth transitional rules applicable to dividends paid out of profits earned in fiscal years when the applicable corporate tax rate was 27.5 percent.

Italian Holders

Taxation of Dividends

Under Italian income tax laws, dividends paid by GELE to Italian Holders who are individuals are subject to a 26 percent tax withheld at source, unless the Italian Holders (a) have entrusted the

management of the GELE ordinary shares to an authorized intermediary under a discretionary asset management contract, and (b) have elected into the discretionary investment portfolio regime (*risparmio gestito*) under Article 7 of Decree 461. In this latter case, the dividends are included in the annual accrued management result (*risultato maturato annuo di gestione*), which is subjected to 26 percent substitute tax. In neither case are the Italian Holders required to report the dividends in their income tax returns.

Subject to certain conditions (including minimum holding period requirement) and limitations, dividends paid by GELE may be exempt from any income taxation (including from the 26 percent tax withheld at source) if the Italian Holder is an Italian resident individual not engaged in entrepreneurial activity and the GELE ordinary shares are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements set forth in Article 1(100-114) of Finance Act 2017.

Under Italian income tax laws, dividends paid by GELE to Italian Holders that are corporations are not subject to any tax withheld at source. Italian Holders that are corporations should benefit from a 95 percent exemption on dividends under Article 89 CITA if certain conditions are met. The remaining 5 percent of the dividends is included in the taxable business income of such Italian Holders subject to IRES in Italy. IRES is levied at 24 percent as of the fiscal year following the fiscal year that was current on December 31, 2016 (i.e., from 2017 for calendar year taxpayers). As of the same fiscal year, banks and certain financial intermediaries (other than asset management companies) are subject to a 3.5 percent IRES surtax.

However, for Italian Holders that are corporations, dividends are fully subject to tax in the following circumstances: (i) dividends paid to taxpayers using IAS/IFRS in relation to GELE ordinary shares accounted for as “held for trading” on the balance sheet of their statutory accounts; or (ii) dividends paid in relation to GELE ordinary shares acquired through repurchase transactions, stock lending and similar transactions, unless the beneficial owner of such dividends would have benefited from the 95 percent exemption described in the above paragraph.

For certain companies operating in the financial field and subject to certain conditions, dividends from GELE will also be included in the tax base for the regional tax on productive activities (*Imposta regionale sulle attività produttive*, which we refer to as IRAP).

Taxation of Capital Gains

Italian Holders who are individuals and who sell or otherwise dispose of their GELE ordinary shares will recognize capital gain or loss. Capital gains are subject to a 26 percent substitute tax (“CGT”). The Italian Holder may opt for any of the following three tax regimes:

- (a) Tax return regime (*regime della dichiarazione*). Under this regime, capital gains and capital losses realized during the fiscal year must be reported in the income tax return. CGT is computed on capital gains net of capital losses of the same nature and must be paid by the statutory term for paying the balance of the annual income tax. Capital losses in excess of capital gains may be carried forward and offset against capital gains realized in any of the four following fiscal years. Capital losses may be carried forward and offset against capital gains of the same nature realized after June 30, 2014, but up to the following amount in case of capital losses realized up to June 30, 2014: (i) 48.08 percent of the relevant capital losses realized before January 1, 2012, and (ii) 76.92 percent of the capital losses realized from January 1, 2012 to June 30, 2014. This regime is the default regime if the Italian Holder does not elect into any of the two alternative regimes described in (b) and (c) below.

- (b) Nondiscretionary investment portfolio regime (*risparmio amministrato*) (optional). Under this regime, CGT is applied separately on capital gains realized on each transfer of GELE ordinary shares. This regime is allowed subject to (x) the GELE ordinary shares being managed or in custody with Italian banks, broker-dealers (*società di intermediazione mobiliare*) or certain authorized financial intermediaries; and (y) an express election for the nondiscretionary investment portfolio regime being made in writing in due time by the relevant holder. Under this regime, the financial intermediary is responsible for accounting for and paying (on behalf of the holder) CGT in respect of capital gains realized on each transfer of the common shares (as well as in respect of capital gains realized at revocation of the intermediary's mandate), net of any relevant capital losses of the same nature. Capital losses may be carried forward and offset against capital gains of the same nature realized within the same relationship of deposit in the same fiscal year or in the following fiscal years up to the fourth. Capital losses may be carried forward and offset against capital gains of the same nature realized after June 30, 2014, but up to the following amount in case of capital losses realized up to June 30, 2014: (i) 48.08 percent of the relevant capital losses realized before January 1, 2012, and (ii) 76.92 percent of the capital losses realized from January 1, 2012 to June 30, 2014. Under this regime, the holder is not required to report capital gains in the annual income tax return.
- (c) Discretionary investment portfolio regime (*risparmio gestito*) (optional). This regime is allowed for holders who have entrusted the management of their financial assets, including the GELE ordinary shares, to an authorized intermediary and have elected in writing into this regime. Under this regime, capital gains accrued on the GELE ordinary shares are included in the computation of the annual increase in value of the managed assets accrued (even if not realized) at year end, which is subject to CGT. The managing authorized intermediary applies the tax on behalf of the Italian Holder. Any decrease in value of the managed assets accrued at year end may be carried forward and offset against any increase in value of the managed assets accrued in any of the four following fiscal years. Decreases in value of the managed assets may be carried forward and offset against any subsequent increase in value accrued after June 30, 2014, but up to the following amount in case of decreases in value occurred up to June 30, 2014: (i) 48.08 percent of the relevant decreases in value occurred before January 1, 2012; and (ii) 76.92 percent of the decreases in value occurred from January 1, 2012 to June 30, 2014. Under this regime, the holder is not required to report capital gains in the annual income tax return.

Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains on the GELE ordinary shares may be exempt from any income taxation (including from the 26 percent CGT) if the Italian Holder is an Italian resident individual not engaged in entrepreneurial activity and the GELE ordinary shares are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements set forth in Article 1(100-114) of Finance Act 2017.

Italian Holders that are corporations and that sell or otherwise dispose of their GELE ordinary shares will recognize capital gain or loss. Capital gains realized through the sale or disposal of GELE ordinary shares by Italian Holders that are corporations will benefit from a 95 percent participation exemption if the following conditions are met:

- (i) the GELE ordinary shares have been held continuously from the first day of the twelfth month preceding the disposal; and
- (ii) the GELE ordinary shares were accounted for as a long-term investment in the first balance sheet closed after the acquisition of such shares (for companies adopting IAS/IFRS, shares are considered to be a long-term investment if they are different from those accounted for as "held for trading").

Based on the assumption that GELE is a resident of Italy for income tax purposes and that its ordinary shares are listed on a regulated market (i.e., the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A.), the two additional conditions set forth by Article 87 CITA in order to enjoy the 95 percent participation exemption, (i.e., the company is not resident in a State with a preferential tax system and carries on a business activity) are both met.

The remaining 5 percent of the amount of such capital gain is included in the aggregate taxable income of the Italian Holder and subject to IRES and for banks and certain financial intermediaries (other than asset management companies), to the 3.5 percent IRES surtax.

If the conditions for the 95 percent participation exemption are met, capital losses from the disposal of GELE ordinary shares realized by Italian Holders that are corporations are not deductible from the Italian Holders' taxable income. Capital gains and capital losses realized through the disposal of GELE ordinary shares which do not meet at least one of the aforementioned conditions for the participation exemption are, respectively, fully included in the aggregate taxable income and fully deductible from the same aggregate taxable income, subject to IRES according to ordinary rules and rates (including the 3.5 percent IRES surtax for those Italian Holders that are subject to it). However, if such capital gains are realized upon disposal of GELE ordinary shares which have been accounted for as a long-term investment on the last three balance sheets, then if the Italian Holder so chooses the gains can be taxed in equal parts in the year of realization and the four following fiscal years.

For Italian Holders that are corporations, the ability to use capital losses to offset income is subject to significant limitations, including provisions against "dividend washing." In addition, Italian Holders that are corporations and that recognize capital losses (or other negative differences deriving from transactions on the GELE ordinary shares) exceeding €50,000 are subject, under certain circumstances to tax reporting requirements in their annual income tax return (also in case such capital losses are realized as a consequence of a set of transactions). Furthermore, for capital losses of more than €5 million, deriving from transactions on GELE ordinary shares booked as long-term investments, the holder must report the relevant information in its annual income tax return (also in case such capital losses are realized as a consequence of a set of transactions). Such an obligation does not apply to holders who prepare their financial statements in accordance with IAS/IFRS international accounting standards. Italian resident corporations that recognize capital losses should consult their tax advisors as to the tax consequences of such losses.

For certain types of Italian corporations operating in the financial field and subject to certain conditions, the capital gains are also included in the IRAP taxable base.

Non-Italian Holders

Taxation of Dividends

Dividends paid to Non-Italian Holders in respect of GELE ordinary shares will generally be subject to a 26 percent tax withheld at source.

Subject to a specific application that must be submitted to the Italian Revenue Agency under the terms and conditions provided by law, Non-Italian Holders are entitled to relief (in the form of a refund), which cannot be greater than 11/26 (eleven twenty-sixths) of the tax levied in Italy, if they can demonstrate that they have paid final tax abroad on the same profits. Non-Italian Holders who may be eligible for the relief should consult with their own independent tax advisors to determine whether they are eligible for, and how to obtain, the tax refund.

As an alternative to the relief described above, Non-Italian Holders who are resident in countries that have a double tax treaty in force with Italy may request that the tax withheld at source on dividends be levied at the (reduced) rate provided under the applicable double tax treaty, provided that they timely submit the necessary documentation (including a tax residence certificate) to the relevant withholding agent. If the Non-Italian Holder fails to timely submit the documentation to the withholding agent before payment of the dividends in respect of the GELE ordinary shares, the withholding agent will apply the tax at the ordinary 26 percent rate, but the beneficial owner of the dividends may nevertheless request a refund from the Italian Revenue Agency for the difference between the tax withheld and the tax that would have applied under the treaty by filing a proper refund application together with the aforementioned documentation.

The domestic withholding tax rate on dividends is 1.2 percent (and not 26 percent) if the recipients and beneficial owners of the dividends on GELE ordinary shares are companies or entities that are (a) resident for tax purposes in an EU Member State or in an EEA Member State that is included in the Italian White List and (b) subject to corporate income tax in such State. The rate was reduced from 1.375 percent to 1.2 percent by Finance Act 2016, potentially subject to transitional rules that may be provided by a decree that would be issued by the Ministry of Economy and Finance under the authority of Article 1(64) Finance Act 2016. These companies and entities are not entitled to the 11/26 refund described above.

The domestic withholding tax rate on dividends is 11 percent (and not 26 percent) if the recipients and beneficial owners of the dividends on GELE ordinary shares are pension funds that are set up in an EU Member State or an EEA Member State that is included in the Italian White List. These pension funds are not entitled to the 11/26 refund described above. Article 1(95) of Finance Act 2017 provides for an exemption from withholding taxation on dividends if the EU (or “white listed” EEA) pension fund holds shares in an Italian resident corporation (such as GELE) for at least 5 years and only to the extent of dividends from investments in qualifying shares (or units in undertakings for collective investment investing mainly in qualifying shares) that represent no more than 5 percent of the gross asset value of the pension fund of the previous year. To benefit from this exemption, the EU (or “white listed” EEA) pension fund that is the beneficial owner of the dividends must submit an affidavit to the withholding agent whereby it declares that it meets the conditions for the exemption and that it undertakes to hold the shares for the required holding period.

Dividends distributed to international entities or bodies that benefit from exemption from taxation in Italy pursuant to international rules or treaties entered into force in Italy will not be subject to any tax withheld at source.

Taxation of Capital Gains

Because GELE ordinary shares are listed on a regulated market (i.e., the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A.), Non-Italian Holders will not be subject to Italian income taxation on gain recognized on the sale or other disposition of their GELE ordinary shares.

Italian Financial Transaction Tax

Under Article 1(491-500) of Law No. 228 of December 24, 2012, FTT applies on the transfer of ownership and property rights in shares issued by Italian resident corporations, such as GELE, regardless of the tax residence of the parties and/or where the transaction is entered into. The residence of a corporation for FTT purposes is the place where the corporation has its registered office (meaning its official corporate seat or “*sede legale*”).

The FTT applies at a rate of 0.20 percent. The rate is reduced to 0.10 percent if the transaction is executed on a regulated market or a multilateral trading system, as defined by the law. The taxable base is the transaction value, which is defined as the consideration paid for the transfer or as the net balance of the transactions executed by the same person in the course of the same day.

The FTT is due by the party that acquires the shares and will be levied by the financial intermediary (or by any other person) that is involved, in any way, in the execution of the transaction. Specific exclusions and exemptions are set out by the law and by Decree of February 21, 2013 (as amended by Decree of September 16, 2013) which also regulates in detail other aspects of the FTT. In particular, no FTT applies on the transfer of the ownership of shares negotiated on regulated markets or multilateral trading facilities issued by Italian resident corporations having an average market capitalization lower than EUR 500 million in the month of November of the year prior to the year of the transfer. These corporations are listed by the Ministry of Economy and Finance by December 20 each year. GELE is on such list for 2017, and therefore transfers of ownership of GELE ordinary shares that occur in 2017 will not be subject to FTT.

Specific rules apply for the application of the FTT on derivative financial instruments having as underlying instruments shares issued by Italian resident corporations (such as the GELE ordinary shares) and on high frequency trading transactions on such shares.

Stamp Duty

Under Article 13(2*bis-2ter*) of Decree No. 642 of October 26, 1972 (“**Stamp Duty Act**”), a 0.20 percent stamp duty generally applies on communications and reports that Italian financial intermediaries periodically send to their clients in relation to the financial products that are deposited with such intermediaries. Shares (including the GELE ordinary shares) are included in the definition of financial products for these purposes. Communications and reports are deemed to be sent at least once a year even if the Italian financial intermediary is under no obligation to either draft or send such communications and reports.

The stamp duty cannot exceed €14,000.00 for investors other than individuals. Based on the wording of the Stamp Duty Act and the implementing decree issued by the Italian Ministry of Economy and Finance on May 24, 2012, the 0.20 percent stamp duty does not apply to communications and reports that the Italian financial intermediaries send to investors who do not qualify as “clients” according to the regulations issued by the Bank of Italy on June 20, 2012.

The taxable base of the stamp duty is the market value or—in the lack thereof—the nominal value or the redemption amount of any financial product.

Wealth Tax on Financial Products Held Abroad (IVAFE)

Under Article 19 of Decree No. 201 of December 6, 2011, Italian resident individuals holding certain financial products outside of the Italian territory (including shares such as the GELE ordinary shares) are required to pay a wealth tax at the rate of 0.20 percent.

The wealth tax applies on the market value at the end of the relevant year or—in the lack thereof—on the nominal value or the redemption value of such financial products held outside of the Italian territory.

Taxpayers may generally deduct from the Italian wealth tax a tax credit equal to wealth taxes paid in the country where the financial products are held (up to the amount of the Italian wealth tax due).

Certain U.S. Federal Income Tax Consequences

This section describes certain U.S. federal income tax consequences of the Distribution to U.S. holders (as defined below) of common shares of FCA. This section applies solely to persons that hold FCA common shares as capital assets. This section does not apply to holders subject to special rules, including:

- a dealer in securities or foreign currencies,
- a regulated investment company,
- a trader in securities that elects to use a mark-to-market method of accounting for securities holdings,
- a tax-exempt organization,
- a bank, financial institution, or insurance company,
- a person liable for the alternative minimum tax,
- a person that actually or constructively owns 10 percent or more, by vote or value, of FCA or GELE,
- a person that holds FCA common shares or GELE ordinary shares as part of a straddle or a hedging, conversion, or other risk reduction transaction for U.S. federal income tax purposes,
- a person that acquired FCA common shares or GELE ordinary shares pursuant to the exercise of employee stock options or otherwise as compensation, or
- a person whose functional currency is not the U.S. dollar.

For purposes of this discussion, a “U.S. holder” is a beneficial owner of FCA common shares that is:

- an individual that is a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized under the laws of the United States;
- an estate whose income is subject to U.S. federal income tax regardless of its source; or
- a trust if a U.S. court can exercise primary supervision over the trust’s administration and one or more persons are authorized to control all substantial decisions of the trust.

This section is based on the Internal Revenue Code of 1986, as amended (the “Code”), its legislative history, existing and proposed regulations, published rulings and court decisions, as well as on applicable tax treaties, all as of the date hereof. These laws are subject to change, possibly on a retroactive basis.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds FCA Equity Interests or GELE ordinary shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes holding shares should consult its tax advisors with regard to the U.S. federal income tax treatment of the Distribution and ownership of GELE ordinary shares.

Consequences of the Distribution

Characterization of the Distribution

For U.S. federal income tax purposes, FCA intends to treat (i) the demerger of GELE ordinary shares by FCA in favor of InterimCo and (ii) the liquidation of InterimCo as a distribution with respect to FCA's shares. A U.S. holder of FCA common shares will be treated as receiving a taxable distribution in an amount equal to the fair market value of any GELE ordinary shares distributed. For U.S. federal income tax purposes, FCA intends to take the position that U.S. holders who will receive cash instead of GELE ordinary shares will be treated as (i) having received such GELE ordinary shares and (ii) having sold such shares for the amount of cash received in respect of such shares in a taxable transaction. FCA intends to take the position that the fair market value of the GELE ordinary shares deemed to be distributed to such U.S. holders is equal to the amount of cash actually received by such U.S. holders, and accordingly, that such U.S. holders should recognize no gain or loss on the deemed sale. However, there is no direct authority addressing such a transaction and there can be no assurance that the U.S. Internal Revenue Service (the "IRS") will agree with such treatment.

Amounts Treated as Taxable Distributions

Assuming that the Distribution is characterized in accordance with FCA's intended characterization as described above, a U.S. holder of FCA common shares will be treated as receiving a taxable distribution in an amount equal to the fair market value of any GELE ordinary shares received (including those sold on behalf of such U.S. holder). A U.S. holder that receives or is deemed to receive GELE ordinary shares will take a basis in such shares equal to their fair market value at the time of the Distribution. A U.S. holder receiving cash in lieu of GELE ordinary shares will be deemed to have received such shares in a taxable distribution and to have sold such shares for the cash received in a taxable transaction. Because FCA intends to take the position that the fair market value of the GELE ordinary shares deemed to be distributed to such U.S. holders is equal to the amount of cash actually received by such U.S. holders, such U.S. holders are expected to recognize no gain or loss on the deemed sale of GELE ordinary shares.

Subject to the discussion of PFIC taxation below, a U.S. holder generally must include in its gross income as dividend income the gross amount of the distribution, as described above, to the extent of FCA's current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). FCA's current and accumulated earnings and profits include any earnings and profits resulting from the recognition of gain (if any) by FCA pursuant to the Distribution. FCA does not intend to maintain calculations of earnings and profits, which is a U.S. tax concept, and a U.S. holder receiving a distribution should assume that the entire amount of the distribution is attributable to earnings and profits.

Subject to certain holding period requirements relating to short-term positions and except with respect to certain hedged equity positions for which no holding period accrues, dividends paid to a noncorporate U.S. holder by certain "qualified foreign corporations" that constitute qualified dividend income are taxable to the U.S. holder at the preferential rates applicable to long-term capital gains. For this purpose, the common shares and special voting shares of FCA would be treated as stock of a

“qualified foreign corporation” if FCA is eligible for the benefits of an applicable comprehensive income tax treaty with the United States or (in the case of the common shares) if they were listed on an established securities market in the United States. The common shares of FCA are listed on the New York Stock Exchange, which is treated as an established securities market in the United States for these purposes, and FCA expects to be eligible for the benefits of such a treaty. Accordingly, subject to the discussion of PFIC taxation below, FCA expects that any amount treated as a dividend paid by FCA pursuant to the Distribution will constitute qualified dividend income, provided that the holding period and similar requirements are met.

The dividend will not be eligible for the dividends-received deduction allowed to U.S. corporations in respect of dividends received from other U.S. corporations.

Amounts in excess of FCA’s current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. holder’s basis in the common shares of FCA, causing a reduction in the U.S. holder’s adjusted basis in its common shares of FCA, and thereafter as capital gain. As stated above, however, FCA does not intend to maintain calculations of earnings and profits, and a U.S. holder receiving a distribution should assume that the entire amount of the distribution is attributable to earnings and profits. Holders of FCA common shares are urged to consult their own tax advisors regarding these matters.

A U.S. holder must generally include any foreign tax withheld from a distribution in such holder’s gross income for U.S. federal income tax purposes even though the holder does not in fact receive the amount withheld. Subject to certain limitations, any non-U.S. tax withheld and paid over to a non-U.S. taxing authority is eligible for credit against a U.S. holder’s U.S. federal income tax liability except to the extent a refund of the tax withheld is available to the U.S. holder under non-U.S. tax law or under an applicable tax treaty. The amount allowed to a U.S. holder as a credit is limited to the amount of the U.S. holder’s U.S. federal income tax liability that is attributable to income from sources outside the U.S. and is computed separately with respect to different types of income that the U.S. holder receives from non-U.S. sources.

Subject to section 904(h) of the Code, amounts treated as dividends by FCA will be foreign source income and will, depending on the circumstances of the U.S. holder, be either “passive” or “general” income for purposes of computing the foreign tax credit allowable to a U.S. holder. FCA does not believe that Section 904(h) of the Code will apply with respect to any distribution received pursuant to the Distribution, but this conclusion is a factual determination and therefore no assurance can be given in this regard. For a more detailed discussion of Section 904(h) of the Code, see “Consequences of Owning GELE Ordinary Shares—U.S. Holders—Taxation of Dividends” below and any discussion of the Section 904(h) in the relevant prospectus for your FCA common shares.

PFIC Considerations

FCA believes that it is not and has not been a passive foreign investment company (“**PFIC**”) for U.S. federal income tax purposes for the taxable year of the Distribution or any prior taxable year. However, this is a factual determination made annually and thus may be subject to change. Moreover, because the determination whether a foreign corporation is a PFIC is primarily factual and there is little administrative or judicial authority on which to rely to make a determination, the IRS might not agree that FCA is not or has not been a PFIC. If this determination were incorrect and FCA common shares were treated as stock of a PFIC, the tax consequences of the Distribution would generally be the same as those described below under “Consequences of Owning GELE Ordinary Shares—U.S. Holders—PFIC Considerations”. U.S. holders should consult their tax advisors as to the application of the PFIC rules in the event that their FCA common shares were treated as stock of a PFIC.

Consequences of Owning GELE Ordinary Shares

Because the tax consequences of owning GELE ordinary shares may depend upon factors outside of FCA's control, this section is based on publicly available information provided in GELE's securities filings. The tax consequences to holders of GELE ordinary shares could be materially different, and potentially materially more adverse, than those described below. There can be no assurances that FCA is aware of all the relevant facts, or that the discussion below accurately summarizes the tax consequences to holders of GELE ordinary shares in all respects. Holders of GELE ordinary shares are urged to consult their own tax advisors regarding the U.S. federal income tax consequences of owning GELE ordinary shares received pursuant to the Distribution.

U.S. Holders

Taxation of Dividends

Under the U.S. federal income tax laws, and subject to the discussion of PFIC taxation below, a U.S. holder must include in its gross income the gross amount of any dividend paid by GELE to the extent of its current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). Dividends will be taxed as ordinary income to the extent that they are paid out of GELE's current or accumulated earnings and profits.

Subject to certain holding period requirements relating to short-term positions and except with respect to certain hedged equity positions for which no holding period accrues, dividends paid to a noncorporate U.S. holder by certain "qualified foreign corporations" that constitute qualified dividend income are taxable to the U.S. holder at the preferential rates applicable to long-term capital gains. For this purpose, the ordinary shares of GELE would be treated as stock of a "qualified foreign corporation" if GELE is eligible for the benefits of an applicable comprehensive income tax treaty with the United States or (in the case of the common shares) if they were listed on an established securities market in the United States. The common shares of FCA are listed on the New York Stock Exchange, which is treated as an established securities market in the United States for these purposes, and FCA expects to be eligible for the benefits of such a treaty. Based upon publicly available information, FCA expects GELE to be eligible for the benefits of such a treaty. Accordingly, subject to the discussion of PFIC taxation below, FCA expects that any amount treated as a dividend paid by GELE pursuant to the Distribution will constitute qualified dividend income, provided that the holding period and similar requirements are met. However, FCA can give no assurances in this regard.

The dividend will not be eligible for the dividends-received deduction allowed to U.S. corporations in respect of dividends received from other U.S. corporations.

Distributions in excess of current and accumulated earnings and profits, as determined for U.S. federal income tax purposes, will be treated as a non-taxable return of capital to the extent of the U.S. holder's basis in GELE ordinary shares, causing a reduction in the U.S. holder's adjusted basis in GELE ordinary shares, and thereafter as capital gain. FCA has no knowledge of whether GELE intends to compute earnings and profits for U.S. federal income tax purposes.

A U.S. holder must include any foreign tax withheld from the dividend payment in this gross amount even though the holder does not in fact receive the amount withheld. The dividend is taxable to a U.S. holder when the U.S. holder receives the dividend, actually or constructively. Subject to certain limitations, any non-U.S. tax withheld and paid over to a non-U.S. taxing authority is eligible for credit against a U.S. holder's U.S. federal income tax liability except to the extent a refund of the tax withheld is available to the U.S. holder under non-U.S. tax law or under an applicable tax treaty. The amount allowed

to a U.S. holder as a credit is limited to the amount of the U.S. holder's U.S. federal income tax liability that is attributable to income from sources outside the U.S. and is computed separately with respect to different types of income that the U.S. holder receives from non-U.S. sources. Subject to the discussion below regarding Section 904(h) of the Code, dividends paid by GELE will be foreign source income and will, depending on the circumstances of the U.S. holder, be either "passive" or "general" income for purposes of computing the foreign tax credit allowable to a U.S. holder.

Under Section 904(h) of the Code, dividends paid by a foreign corporation that is treated as 50 percent or more owned, by vote or value, by U.S. persons may be treated as U.S. source income (rather than foreign source income) for foreign tax credit purposes, to the extent the foreign corporation earns U.S. source income, unless such corporation has less than 10 percent of applicable earnings and profits attributable to sources within the U.S. In certain circumstances, U.S. holders may be able to choose the benefits of Section 904(h)(10) of the Code and elect to treat dividends that would otherwise be U.S. source dividends as foreign source dividends, but in such a case the foreign tax credit limitations would be separately determined with respect to such "resourced" income. In general, therefore, the application of Section 904(h) of the Code may adversely affect a U.S. holder's ability to use foreign tax credits. FCA has no knowledge whether, immediately after the Distribution, GELE will be 50 percent or more owned by U.S. persons or whether GELE's earnings and profits attributable to sources within the U.S. will not exceed 10 percent of applicable earnings and profits. U.S. holders are strongly urged to consult their own tax advisors regarding the possible impact if Section 904(h) of the Code should apply.

Taxation of Capital Gains

Subject to the discussion of PFIC taxation below, a U.S. holder that sells or otherwise disposes of its GELE ordinary shares will recognize capital gain or loss for U.S. federal income tax purposes equal to the difference between the U.S. dollar value of the amount that the U.S. holder realizes and the U.S. holder's tax basis in those shares. Capital gain of a noncorporate U.S. holder is generally taxed at preferential rates where the property is held for more than one year. The gain or loss will be U.S. source income or loss for foreign tax credit limitation purposes. The deduction of capital losses is subject to limitations.

PFIC Considerations

GELE would be a PFIC with respect to a U.S. holder if for any taxable year in which the U.S. holder held GELE ordinary shares, after the application of applicable "look-through rules":

- 75 percent or more of GELE's gross income for the taxable year consists of "passive income" (including dividends, interest, gains from the sale or exchange of investment property and rents and royalties other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business, as defined in applicable Treasury Regulations); or
- at least 50 percent of GELE's assets for the taxable year (averaged over the year and determined based upon value) produce or are held for the production of passive income.

Based upon publicly available information, FCA does not believe that the ordinary shares of GELE will be stock of a PFIC for U.S. federal income tax purposes. However, FCA's belief is based upon publicly available information and certain additional assumptions, and GELE's PFIC status is not within FCA's control. Furthermore, GELE's PFIC status is based on a factual determination made annually and thus is subject to change. Accordingly, FCA can give no assurances regarding GELE's PFIC status. If GELE ordinary shares were to be treated as stock of a PFIC, gain realized (subject to the

discussion below regarding certain exceptions) on the sale or other disposition of GELE ordinary shares would not be treated as capital gain, and a U.S. holder would be treated as if such U.S. holder had realized such gain and certain “excess distributions” ratably over the U.S. holder’s holding period for its GELE ordinary shares and would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year. With certain exceptions, a U.S. holder’s GELE ordinary shares would be treated as stock in a PFIC if GELE were a PFIC at any time during such U.S. holder’s holding period in the shares. Dividends received from GELE would not be eligible for the special tax rates applicable to qualified dividend income if GELE were treated as a PFIC in the taxable years in which the dividends are paid or in the preceding taxable year (regardless of whether the U.S. holder held GELE ordinary shares in such year) but instead would be taxable at rates applicable to ordinary income.

If GELE were to be treated as a PFIC for any taxable year and provided that GELE ordinary shares are treated as “marketable stock” within the meaning of applicable Treasury Regulations, a U.S. holder may make a mark-to-market election with respect to such U.S. holder’s ordinary shares. Under a mark-to-market election, among other things, any excess of the fair market value of the GELE ordinary shares at the close of any taxable year over the U.S. holder’s adjusted tax basis in the GELE ordinary shares is included in the U.S. holder’s income as ordinary income. These amounts of ordinary income would not be eligible for the favorable tax rates applicable to qualified dividend income or long-term capital gains.

Separately, if GELE provides the relevant information, a U.S. holder may make a “qualified electing fund” election (“**QEF election**”), which, among other things, would require a U.S. holder to include currently in income its pro rata share of the PFIC’s net capital gain and ordinary earnings, based on earnings and profits as determined for U.S. federal income tax purposes. FCA has no knowledge whether, if GELE were treated as a PFIC, GELE ordinary shares would be treated as “marketable stock” for these purposes or whether GELE would provide information required to permit shareholders to make a QEF election. Holders of GELE ordinary shares are urged to consult their own tax advisors regarding the potential tax consequences to them if GELE were treated as a PFIC.

Non-U.S. Holders

For the purposes of this discussion, a “non-U.S. holder” is a beneficial owner of GELE ordinary shares that is not a United States person for U.S. federal income tax purposes.

Taxation of Dividends

Dividends paid to a non-U.S. holder in respect of GELE ordinary shares will not be subject to U.S. federal income tax unless the dividends are “effectively connected” with the non-U.S. holder’s conduct of a trade or business within the U.S., and, if required by an applicable income tax treaty as a condition for subjecting the non-U.S. holder to U.S. taxation on a net income basis, the dividends are attributable to a permanent establishment that the non-U.S. holder maintains in the United States. In such cases a non-U.S. holder will be taxed in the same manner as a U.S. holder. If a non-U.S. holder is a corporate non-U.S. holder, “effectively connected” dividends may, under certain circumstances, be subject to an additional “branch profits tax” at a 30 percent rate or at a lower rate if it is eligible for the benefits of an income tax treaty that provides for a lower rate.

Taxation of Capital Gains

A non-U.S. holder will not be subject to U.S. federal income tax on gain recognized on the sale or other disposition of the non-U.S. holder’s GELE ordinary shares unless:

- the gain is “effectively connected” with the non-U.S. holder’s conduct of a trade or business in the United States, and, if required by an applicable income tax treaty as a condition for subjecting the holder to U.S. taxation on a net income basis, the gain is attributable to a permanent establishment that the non-U.S. holder maintains in the United States, or
- the non-U.S. holder is an individual, is present in the United States for 183 or more days in the taxable year of the sale and certain other conditions exist.

If a non-U.S. holder is a corporate non-U.S. holder, “effectively connected” gains it recognizes may, under certain circumstances, be subject to an additional “branch profits tax” at a 30 percent rate or at a lower rate if it is eligible for the benefits of an income tax treaty that provides for a lower rate.

Medicare Tax

A U.S. holder that is an individual or estate, or a trust that does not fall into a special class of trusts that is exempt from such tax, is subject to a 3.8% tax on the lesser of (1) the U.S. holder’s “net investment income” (or “undistributed net investment income” in the case of an estate or trust) for the relevant taxable year and (2) the excess of the U.S. holder’s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between \$125,000 and \$250,000, depending on the individual’s circumstances). A holder’s net investment income generally includes its dividend income and its net gains with respect to its FCA common shares or GELE ordinary shares, unless such dividend income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). If you are a U.S. holder that is an individual, estate or trust, you are urged to consult your tax advisors regarding the applicability of the Medicare tax to your income and gains in respect of the Distribution and in respect of your investment in GELE ordinary shares.

Backup Withholding and Information Reporting

Each U.S. holder that, immediately before the Distribution owned at least 5% by vote or value of the total outstanding FCA common shares must attach to such holder’s U.S. federal income tax return for the taxable year in which GELE ordinary shares are received a statement setting forth certain information related to the Distribution.

If you are a noncorporate U.S. holder, information reporting requirements, on IRS Form 1099, generally will apply to dividend payments or other taxable distributions made to you within the United States, and the payment of proceeds to you from the sale of shares effected at a United States office of a broker. Additionally, backup withholding may apply to such payments if a you fail to comply with applicable certification requirements or (in the case of dividend payments) you are notified by the IRS that you have failed to report all interest and dividends required to be shown on its federal income tax returns.

If you are a non-U.S. holder, you are generally exempt from backup withholding and information reporting requirements with respect to dividend payments made to you outside the United States by us or another non-United States payor. You are also generally exempt from backup withholding and information reporting requirements in respect of dividend payments made within the United States and the payment of the proceeds from the sale of shares or ADSs effected at a United States office of a broker, as long as either (i) the payor or broker does not have actual knowledge or reason to know that you are a United States person and you have furnished a valid IRS Form W-8 or other documentation upon which

the payor or broker may rely to treat the payments as made to a non-United States person, or (ii) you otherwise establish an exemption.

Payment of the proceeds from the sale of shares or ADSs effected at a foreign office of a broker generally will not be subject to information reporting or backup withholding. However, a sale effected at a foreign office of a broker could be subject to information reporting in the same manner as a sale within the United States (and in certain cases may be subject to backup withholding as well) if (i) the broker has certain connections to the United States, (ii) the proceeds or confirmation are sent to the United States or (iii) the sale has certain other specified connections with the United States.

You generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed your income tax liability by filing a refund claim with the IRS.

Changes in policy positions that may be proposed by the new U.S. presidential administration, including the possibility of significant tax reform, could result in changes to the tax laws that would affect the treatment described above. For example, legislation has been introduced in the United States Congress recently that if adopted would repeal the “Medicare Tax” described above. You are urged to consult your tax advisors regarding the potential impact of future tax law changes on the consequences of the Distribution and your ownership of GELE ordinary shares.

RESPONSIBILITY STATEMENT

FCA is responsible for the information contained in this document, except that the only responsibility accepted by FCA in respect of the information in this document relating to GELE, which has been compiled from published sources, has been to ensure that such information has been correctly reproduced or presented (and no steps have been taken by FCA to verify this information). This Information Statement does not constitute legal, tax, investment or accounting advice and you are urged to consult with your own advisors with respect to legal, tax, regulatory, financial and accounting consequences of investing in GELE or holding any GELE ordinary shares acquired in the Distribution.

WHERE YOU CAN FIND MORE INFORMATION

GELE publishes annual reports and quarterly information where it publishes on the investor page of its website at <http://www.gruppoespresso.it/en/investor-relations.html>. You are encouraged to review the information set out there, including the annual and interim reports of GELE, in which GELE sets out required information as well as additional information that GELE believed was relevant to its shareholders and investors at the time it was published. These documents, and any requirement to update or supplement the information contained therein are the sole responsibility of GELE and FCA disclaims any role in the preparation of, and any responsibility for the accuracy and completeness of, the information included therein at any time.

For questions relating to the transfer of GELE ordinary shares, shareholders should consult the investor relations page of the FCA website where FCA may post additional information including contact information in case you have additional questions. Any FCA shareholder that holds FCA common shares through a bank, broker or other intermediary or nominee, should contact that institution directly.