



NEW MODELS:

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POMIGLIANO

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FIAT 500L VERSATILITY, SPACE AND NEW IDEAS

The debut date remains the same: 4 July. The same as for the Fiat 500 five years ago and the original 500 55 years ago. This time it is the turn of the 500L, presented to the press on an evocative stage set up within the Large Repairs Workshop, once upon a time used for the maintenance of trains and since last year's show Being Italians an important contemporary culture centre. There, in the heart of Turin, the vehicle destined to write a new chapter in the history of the model – now a symbol of Italian style and the functionality of Fiat's design – made its debut. The 500L, which will be marketed in more than 100 countries, including the United States starting in the first half of 2013, will be available for order in Italy

and Europe in July. The dealership open-house event will instead be held in September in Italy and France and in October in the other European markets.

Developed according to the concept of a different, more efficient use of space, the new model moves beyond the traditional segmentation of the automotive industry and its classes. According to an unprecedented formula, it is presented as an alternative to the classic B and C segment sedans because it can offer the roominess of a MPV, the efficiency of a compact and the aesthetic profile of a small SUV.

Still a 500, in other words, yet also L, standing for "large," or more functionality

and space; "light," i.e. the lightness allowed by an easy-to-use technology and an environmentally friendly engine; and "loft," as in a trendy environment in which to enjoy one's time to the fullest.

Innovative in terms of both form and substance, the 500L leads its category in terms of the ratio of exterior size to interior space, Cx (0.30) and articulation index, which allows for easy interaction without having to raise one's voice. Upon release, the vehicle will feature three engines with limited consumption and low CO2 emissions. Two of these are gasoline engines (the first Euro 6 compliant engines in their class) and one is a turbo diesel.





THE NEW VEHICLE IN SIX SNAPSHOTS

Developed on the basis of the concept of space efficiency, the Fiat 500L is entirely novel in the way it expresses its stylistic individuality, engages in dialogue with the outside world and presents its spaces. Let us take a closer look at how and why!



The Fiat 500L is 4.15 metres long, just 8 cm longer than the Punto. Yet it can comfortably carry five passengers and their luggage. In its class, it is the model that offers the best ratio of exterior size to internal passes where these seconds and 400 litera of

space, where there are 3.17 square metres for people and 400 litres of luggage capacity. A totally flat cargo area can be obtained by fully lowering the rear seats.



A champion of functionality, the model has adjustable and foldable front and rear seats that allow the space to be customized into 1,500 different configurations. Useful features include the ability to transport objects 2.4 metres long and the cargo magic space in the luggage compartment, which can be adjusted to three levels and allows fragile to be separated from heavy, clean from dirty and wet from dry.



Three engines will be available at launch: two gasoline engines (the 105-HP 0.9 TwinAir and 95-HP 1.4 litre engines), the first Euro 6 engines in the segment, and one turbo diesel engine (the 85-HP 1.3 Multijet 2). The 105-HP Turbo TwinAir is among the best on the market due to its low consumption and reduced emissions (a mere 112 g/km). Starting next year, a methane-powered Natural Power engine, created on the basis of the Turbo Twin Air engine, will also be made available.



The new car offers excellent exterior visibility and a well-lighted interior. It does so due to the 360-degree windows and the largest glass roof in the category (1.5 square metres) in two versions: electric or skydome.

The Fiat 500L is available in 11 body colours, with three different colours for the roof, four trim sets (Pop, Pop Star, Easy and Lounge) and three colours for the alloy wheels, for a total of 333 combinations.



A wide array of technology is included in the Fiat 500L, and all of it is easy to use. It includes the 5" touch screen of the Uconnect multimedia system, which can be used to manage radios, mobile telephones, media players, iPods or smartphones. All wirelessly, of course. In the future, a wide range of applications will be able to be used through integration between smartphones and onboard systems to keep in constant touch with social media and information.



Each Fiat 500L can be transformed into a unique, personalized vehicle, thanks to the more than 140 accessories designed by Centro Stile Fiat and manufactured by Mopar. Worthy of mention among these are the brand-new espresso machine created in partnership with Lavazza, perfectly integrated into the vehicle with a deck specially designed by Fiat. The 500 L is the first mass-produced car in the world to offer this possibility.





THE FLAVIA: THE CHARM OF A CONVERTIBLE

Fully embodying the Italian way of life in terms of style, taste, imagination and refinement. And doing so through a type of vehicle that is distinctive and unique in terms of the sensations without borders it is capable of providing. This is the feat achieved by Lancia with the presentation on the Italian market of the Flavia, a car capable of meeting the needs of those who wish to drive a prestigious coupe that when needed can be transformed into a topless vehicle with four full seats. The model, a version of the Chrysler 200 Convertible for Italy and the major European markets in the Lancia brand's characteristic style, is an elegant, dynamic car of nearly five metres in length that features an original design in terms of its impressive, prestigious frontal profile, highly personal LED headlight, fog light and taillight design and a streamlined side profile that infuses the car with energy and dynamism. In addition to the aesthetic refinement, which continues in the cabin, where passengers are enveloped in an environment crafted from fine materials, cutting-edge devices and luxurious details, the car also provides brilliant performance. It does so with a 2.4-litre engine that provides 170 HP and 22 Nm of torque, which for the driver translate into a lively driving feel and a high degree of responsiveness. All of this is achieved while guaranteeing maximum comfort with specifically designed features such as the automatic six-gear transmission with sequential function for optional manual gear selection and two engine balancer shafts. Then, when the time is right, simply activate the electric opening system for the refined black cloth soft top, and in just 28 seconds the car will be ready to provide the full open-air driving experience as a splendid convertible.



THE FASTEST JEEP EVER MADE



It is called the Grand Cherokee SRT and it has already become a part of the brand's history as the most powerful and fastest vehicle ever made. The SRT owes its speed to the 468 horsepower that allow it to reach a top speed of 257 kph, and accelerate from 0 to 100 kph in five seconds and brake from 100 to 0 kph in just 35 metres.

The key to this thrilling performance (an impressive 624 Nm of torque) is the new 6.4-litre HEMI V-8 that powers the vehicle, an engine that is also capable of limiting consumption when necessary by deactivating four of its eight cylinders (Fuel Saver technology).

In order to allow the driver to control all this power, the SRT's engine is paired with the model's time-tested five-gear automatic transmission, available in a configuration with paddle shifters mounted on the steering wheel and an Auto Stick on the floor. The vehicle owes its handling and comfort to the new suspensions featuring adaptive damping active shock absorbers and a sophisticated five-mode Selec-Track system. The utmost traction and safety on all road types are guaranteed by the active ondemand Quadra Trac all-wheel drive system with rear electronic limited-slip differential (ELSD).

An aggressive, "muscular" style and a decidedly sporty design, with a racing-inspired interior, were chosen for this vehicle with its twofold nature of exceptional, high-performance onroad vehicle and prestigious 4x4 by the most famous off-road brand in the world. Naturally, the standard features are entirely complete and include everything that one could desire: from the double panoramic roof to a 825-watt, 19-speaker audio system, sophisticated navigation and infotainment system and all of the most cutting-edge automatic safety and traction control devices.

POMIGLIANOTAKES THE SILVER

After a two-day visit, Hajime Yamashina, the world's foremost expert on World Class Manufacturing, awarded the Giambattista Vico plant in Pomigliano d'Arco, Italy, the WCM Silver level. The prestigious certification, obtained for the results achieved in terms of quality, maintenance, cost management, logistics and systematic reduction of all types of waste and loss, represents recognition not only for the factory, but also, and most importantly, for its workers, who will be rewarded with a bonus of €200. The success is due in part to the complete retooling of the factory in view of the production of the new Panda, for which approximately €800 million was invested in technology and 100,000 training days provided.







THE GIULIA, QUEEN OF GOODWOOD

Alfa Romeo occupied centre stage at the Festival of Speed held at the track in Goodwood, England, a traditional event for collectors and enthusiasts of historical cars. This year is the 50th anniversary of the launch of the Giulia, one of the manufacturer's best



loved models and for years a landmark in the global automotive scene. Two racing versions of the Giulia GT coupe were on display at Goodwood: the 1750 GT Am and diminutive GTA 1300 Junior, winner of the European Turismo Challenge for two seasons, in 1971 and 1972. Alongside them were a large number of historical racing Alfa Romeo vehicles.

NEW FACTORY IN CHINA

An inaugural ceremony was held to commemorate the opening of the Changsha factory in China's Hunan province and the start of production of the Fiat Viaggio, the first Fiat model manufactured in the country. The new plant, which extends over an area of 730,000 square metres, adopts World Class Manufacturing standards and is part of the joint venture between Fiat and GAC, China's number-six manufacturer of cars, buses and industrial vehicles, formed in March 2010. Pictured are Fiat's Chief Executive Officer Sergio Marchionne along with, on the left, Stefan Ketter, Chief Manufacturing Officer, and Michael Manley, Chief Operating Officer for the APAC (Asia-Pacific) area.



FIAT AND MISS ITALIA 2012

Carefree, charming and undeniably part of Italy's history and collective memory – it was inevitable that the two would meet, as had already happened in the sixties and seventies: Fiat and Miss Italia have announced their partnership for the 2012 edition of the famous beauty contest set to conclude on 10 September in Montecatini Terme. The new Panda – the best-seller that has shipped 6.4 million exemplars in its 31 years of existence, now available with a modern, fluid and harmonious new profile - will accompany the contestants during this year's edition of the event that has stirred passion in Italians of all generations since 1939. In the picture, the 1968 edition of Miss Italia.



FGA AND EUROP ASSISTANCE EXTEND THEIR OFFERINGS IN EUROPE

France, Germany, the Netherlands, Hungary, Switzerland, Portugal and, of course, Italy: these are the seven countries in which the renewed partnership with Europ Assistance now provides Fiat Group Automobiles customers with access to a full range of services for cars, drivers and passengers, with coverage 24 hours a day, seven days a week and 365 days a year. These include roadside assistance in the event of an accident or other mishap (such as an exhausted battery, empty gas tank or flat tire) and a replacement vehicle or alternative transport to finish one's trip by taxi, train or plane (the prescribed cases are described in the vehicle's onboard documentation).

LANCIA AND CRF FOR THE EUROFOT PROJECT



What are the benefits, in terms of safety in actual traffic conditions, yielded by cutting-edge driving assistance systems? This is the subject of the inquiry by Europe's foremost vehicle manufacturers in the context of the euroFOT project, which concluded with an event held in Brussels in late June. Lancia and Centro Ricerche Fiat played a key role in the initiative, presenting Driving Advisor (available for the Lancia Delta), an important preventative safety feature that warns the driver when he or she involuntarily steers the vehicle near the edge of the lane.



05 LUGLIO 2012

INNOVATION DAY

Magneti Marelli's meeting dedicated to innovation was held on 4th and 5th July in Bologna. The event represented a moment of reflection on strategic competitiveness factors during a period of fast and significant market changes. The meeting featured the participation of all business lines, and was

characterized by a sharing of guidelines, opportunities for synergies and focus on certain product aspects and on the use of innovative technologies. An exhibition area for products with high innovative content was set up to allow the meeting participants to become more familiar with such technologies.



NEW MAGNETI MARELLIPOWERTRAIN LABORATORY

A new Laboratory for reliability tests of automotive components was inaugurated on 5th July at the Powertrain plant in Bologna. The Laboratory is one of the best examples on an international level in terms of the quantity of technologically advanced equipment and the ability to carry out combined simultaneous tests in accelerated mode. Such characteristics make the Laboratory able to simultaneously meet the validation specifications of different customers and the need to carry out tests on a wide range of products: from the smaller ones, such as GDI injectors, to the larger and more complex ones, such as dual clutch transmissions,

also including advanced technology components for electric engines, such as electric motor-generators and inverters.

The tests can simulate the actual utilization conditions of components at the test bench, which means that all the stress peaks that a component undergoes throughout the entire life of the vehicle can be concentrated in just a few hours. "Guaranteeing customers higher and higher reliability and quality levels is an unavoidable commitment and a necessary condition if one wants to continue being competitive, especially on the automotive market" - stated Eugenio Razelli, CEO of Magneti Marelli.

MAGNETI MARELLI FOR THE LAUNCH OF THE STRALIS

From 30th June until 2nd July, Iveco presented to the international press and to the dealers the new Stralis, a high-range model. The launch took place in Turin, at the Fiat Industrial Village, with 150 journalists on hand from all over Europe. For the event, Magneti Marelli created a totem that demonstrated the Iveconnect infotelematic system. Also worthy of mention is the fact that Magneti Marelli produces the UTP telematic box, which enables Iveco customers to use the Qualcomm telematic services.

SUCCESS OF THE ECO-QUIZ

There was great participation in the activities organized by many Magneti Marelli plants in order to celebrate the day dedicated to the Environment. It began with the eco-quiz developed for all Italian plants: the three lucky winners drawn per plant took home a basket containing organic food products, a backpack made from recycled seatbelts and a photovoltaic recharging unit for cell phones. The Cassino plant came first in terms of participation (98%), followed by Tito Scalo, Turin and Atessa with equal scores, while the employees at the Sulmona plant turned out to be the best prepared as they gave the highest number of correct answers, followed by their colleagues at the Melfi Suspension Systems and Melfi Plastic Components and Modules plants.

In Italy, almost 2,500 people participated with 609 correct questionnaires. To celebrate this event, a quiz was also developed for employees at the Brazilian plants on topics of last year's environmental campaign. A total of 8,000 quizzes were distributed at the eight plants involved in the initiative. The winners were given











INAUGURATION OF NEW PLANT IN CHINA

In parallel with the official inauguration of the GAC Fiat plant, the production activities officially kicked off at the new Magneti Marelli plant in Changsha, capital of the Hunan province. This new plant is dedicated to the supply of exhaust systems to GAC Fiat, the 50/50 joint venture between Fiat and GAC, China's sixth largest manufacturer of automobiles, buses and industrial vehicles.

The Magneti Marelli plant is located in the Economic and Technical Development Zone of Changsha and covers a surface area of 21,000 square meters, 10,000 of which are intended for the production of complete exhaust systems based on a consolidated know-how in the sector which sees Magneti Marelli operating in China since 2000 with a factory in Shanghai. The plant will therefore supply on site exhaust systems for the Fiat Viaggio as well, soon to be sold on the Chinese market. For this automobile, our Company also contributes other hi-tech components in the following areas: Lighting, Powertrain, Electronic Systems and Suspensions. This new and modern production plant further expands Magneti Marelli's activities in China, in a strategic sector for the automotive industry.

ONE HUNDRED CANDLES FOR ELECTRIC AUTOMOTIVE LIGHTING



In June, the German Automotive Lighting business line celebrated 100 years of electric lighting in the automotive sector with a series of events dedicated to customers, employees and their families. The celebrations got under way with the Family Day, which included a visit to the Reutlingen plant, followed by a rich exhibition dedicated to the past and future of headlamps. Meetings with the main customers were held in the form of a series of thematic workshops, presentations of new technologies and innovation trends.

NEW AUTOMOTIVE LIGHTING PLANT IN THE UNITED STATES

Magneti Marelli is planning to locate a new Automotive Lighting operation inside its existing site of Pulaski, Tennessee (USA). This new production unit completes the footprint of Automotive Lighting division in the NAFTA area, that already has manufacturing sites in

Juarez, Mexico, and in Tepotzotlan, Mexico.

The aim is to serve the automotive clients located in NAFTA area at the highest quality and with the most advanced lighting technologies available.

PROMOTINGCULTURE

Magneti Marelli Brazil sponsored two publications through the Federal Law for the Promotion of Culture (Lei Rouanet). The first one, entitled "Italian Immigration in Brazil", by the Italian-Brazilian journalist and writer Angelo Iacocca, is part of the celebrations for "Italy/Brazil Moment". The second publication, entitled "Renewable energies in Brazil: challenges and opportunities", deals with the energy issue and the importance of using renewable energies in favour of sustainability



in modern society.
Staying on the topic of culture, Magneti Marelli signed an agreement with the Art Museum of São Paulo to sponsor its activities. The aim is to spread education and love for the arts and knowledge.

PRIMA VISTA IS BACK

After a long break, Prima Vista, the magazine dedicated to the Automotive Lighting business line, will be published once again in direct response to the employees' need for greater sharing of information which emerged during the "Magneti Marelli Made by People Survey". The first issue starts with the 100 years of electric automotive lighting, while the next issues will be dealing with new technologies. The magazine will always cover topics associated with the WCM, with a different business line plant being presented in every issue.









A RACE **FOR SOLIDARITY**

On 22nd and 23rd September, Magneti Marelli will be sponsoring two teams in the Motorcity Gumball Rally, a two-day competition from Detroit to Traverse City and back to West Bloomfield. The first automobile is an Audi S5 driven by a Magneti Marelli employee, while the other is a Fiat Abarth that belongs to a team from the After Market Parts and Services business line. The proceeds from the initiative will be donated to various organizations and associations.

EVENT IN MIAMI

During the World Soccer Masters Tour at the Sun Life Stadium of Miami, Magneti Marelli North America Aftermarket organized two events which were held outside the stadium. Both events were greatly enjoyed by the audience and provided excellent visibility for Magneti Marelli, as the game was viewed by 250 million spectators in the U.S.A and in South America. The first event invited members of the audience to take on a challenge: score a goal in a smaller-size goal in order to win soccer balls bearing the Magneti Marelli brand. The second initiative, on the other hand, involved taking a ride in the Fiat 500 Abarth with driver Luca Pedersoli or his navigator, Matteo Romano, behind the wheel. Magneti Marelli gadgets were distributed to the audience inside the stadium, while customers and aficionados had the opportunity to watch our team's soccer game.







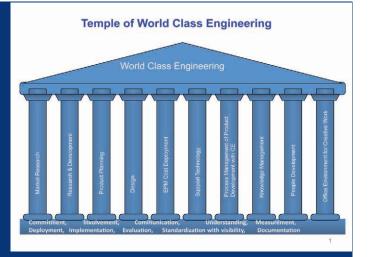
The month of May marked the excellent performance by the Melfi Plastic Components and Modules plant with regards to the ABC KPIs (consumption/stock situation). Concerning Inventory Adjustment, there are currently no movements in the KPI that measures the value of inventory adjustments.

THE WCM CORNER

The WCE kicks off

WCM alone is not enough. There are inefficiencies and waste that can be eliminated only if World Class principles and methods are also applied to the research and development process of the products. This is how the World Class Engineering (WCE) came about. The WCE adopts the same approach as the WCM but also take into account distinct aspects, such as, for example, market research activities. Two research and development centres will serve as pilot centres for the Magneti Marelli project: the instrument cluster one in Corbetta and the rear lamps one in Tolmezzo.

The task of explaining the concepts of the WCE at Magneti Marelli fell upon Prof. Hajime Yamashina, who, for the start of the World Class Engineering activities at the Corbetta plant, held a lecture with the participation of the pillar leaders of the teams involved as well as of the reference persons of all the business lines.



Audit at the Melfi plant

During the WCM audit at the SATA plant in Melfi, Professor Yamashina visited the Suspension Systems plant, the main supplier of SATA. Yamashina repeatedly emphasized the competence of personnel and the approach of the work team, which received suggestions for continuous improvement. After an overview by the Plant Manager, the plant was presented with a Major Kaizen and a Quick Kaizen. At the end of the visit to the workshop, Prof. Yamashina stated that "Magneti Marelli is a very good company".

Workshop a Sulmona

In June, the Sulmona plant hosted the second edition of the WCM Logistics for Suppliers Workshop organized by WCM FGA Central Team and by FGP. Over eighty people from about 30 suppliers of the Fiat Group participated in the workshop, exchanging views on Magneti Marelli's best practices and seizing considerable ideas for improvement which they took back with them to their organizations. The helpfulness, cooperation and professionalism shown by the Sulmona team were greatly appreciated by both the organizers and the participating companies.

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