

# Ferrari

Q3 2020 Results  
November 3, 2020





# SAFE HARBOR STATEMENT



This document, and in particular the section entitled "2020 Guidance" contain forward-looking statements. These statements may include terms such as "may", "will", "expect", "could", "should", "intend", "estimate", "anticipate", "believe", "continue", "remain", "on track", "successful", "grow", "design", "target", "objective", "goal", "forecast", "projection", "outlook", "prospects", "plan", "guidance" or similar terms. Forward-looking statements are not guarantees of future performance. Rather, they are based on the Group'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, including: the Group's ability to preserve and enhance the value of the Ferrari brand; the success of the Group's Formula 1 racing team and the expenses the Group incurs for its Formula 1 activities, the impact of the application of the new Formula 1 regulations (both financial and technical) progressively coming into effect from 2021 and 2022, the uncertainty of the sponsorship and commercial revenues the Group generates from its participation in the Formula 1 World Championship, including as a result of the impact of the Covid-19 pandemic, as well as the popularity of Formula 1 more broadly; the Group's ability to keep up with advances in high performance car technology and to make appealing designs for its new models; Group's ability to preserve its relationship with the automobile collector and enthusiast community; changes in client preferences and automotive trends; changes in the general economic environment, including changes in some of the markets in which the Group operates, and changes in demand for luxury goods, including high performance luxury cars, which is highly volatile; competition in the luxury performance automobile industry; the Group's ability to successfully carry out its growth strategy and, particularly, the Group's ability to grow its presence in growth and emerging market countries; the Group's low volume strategy; reliance upon a number of key members of executive management, employees, and the ability of its current management team to operate and manage effectively; the performance of the Group's dealer network on which the Group depend for sales and services; increases in costs, disruptions of supply or shortages of components and raw materials; disruptions at the Group's manufacturing facilities in Maranello and Modena; the effects of the evolution of and response to the Covid-19 pandemic; the effects of Brexit; the performance of the Group's licensees for Ferrari-branded products; the Group's ability to protect its intellectual property rights and to avoid infringing on the intellectual property rights of others; the ability of Maserati, the Group's engine customer, to sell its planned volume of cars; the Group's continued compliance with customs regulations of various jurisdictions; the impact of increasingly stringent fuel economy, emission and safety standards, including the cost of compliance, and any required changes to its products; the challenges and costs of integrating hybrid and electric technology more broadly into Group's car portfolio over time; product recalls, liability claims and product warranties; the adequacy of its insurance coverage to protect the Group against potential losses; the Group's ability to ensure that its employees, agents and representatives comply with applicable law and regulations; the Group's ability to maintain the functional and efficient operation of its information technology systems, including the Group's ability to defend from the risk of cyberattacks, including on its in-vehicle technology; the Group's ability to service and refinance its debt; the Group's ability to provide or arrange for adequate access to financing for its dealers and clients, and associated risks; labor relations and collective bargaining agreements; exchange rate fluctuations, interest rate changes, credit risk and other market risks; changes in tax, tariff or fiscal policies and regulatory, political and labor conditions in the jurisdictions in which the Group operates, including possible future bans of combustion engine cars in cities and the potential advent of self-driving technology; potential conflicts of interest due to director and officer overlaps with the Group's largest shareholders and other factors discussed elsewhere in this document.

The Group expressly disclaims and does not assume any liability in connection with any inaccuracies in any of the forward-looking statements in this document or in connection with any use by any third party of such forward-looking statements. Any forward-looking statements contained in this document speak only as of the date of this document and the Company does not undertake any obligation to update or revise publicly forward-looking statements. Further information concerning the Group and its businesses, including factors that could materially affect the Company's financial results, is included in the Company's reports and filings with the U.S. Securities and Exchange Commission, the AFM and CONSOB.

# ON TRACK TO REACH THE TOP END OF THE FULL YEAR GUIDANCE ON ALL METRICS



Revenues at €888 million, -3% vs. prior year, with Cars and spare parts up 2.6% driven by the Ferrari Monza SP1 and SP2. EBITDA<sup>(1)</sup> at €330 million, up 6.4% vs. prior year. Positive Industrial free cash flow<sup>(1)</sup> generation of €77 million.

Record order book, robust residuals and low level of cancellations

Very successful media and customer test drives of the SF90 Stradale and the Ferrari Roma

The Portofino M was unveiled as the symbol of a voyage of rediscovery through the Ferrari first-ever digital world premiere

Ferrari signed the 2021-2025 Concorde Agreement



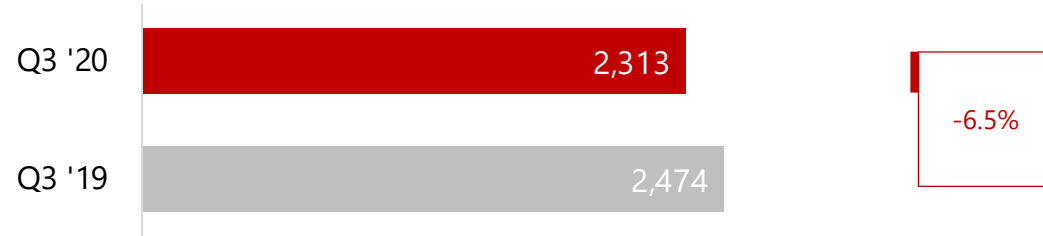
## CORE BUSINESS SUSTAINED Q3 2020 EARNINGS

# Q3 2020 HIGHLIGHTS



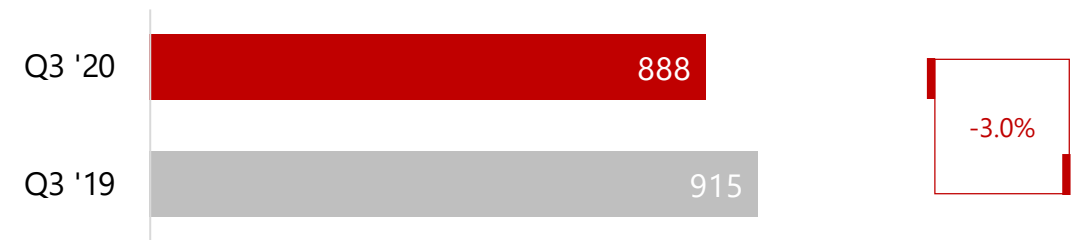
## SHIPMENTS<sup>(2)</sup>

(UNITS)



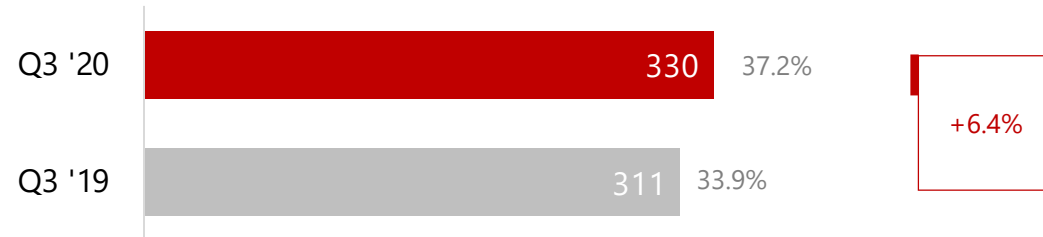
## NET REVENUES

(€M)



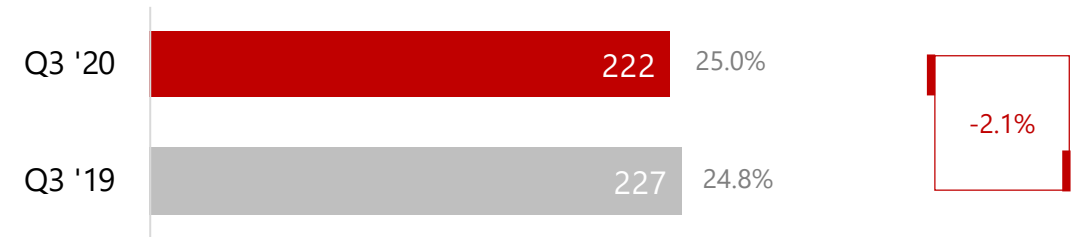
## EBITDA<sup>(1)</sup>

(€M and margin %)



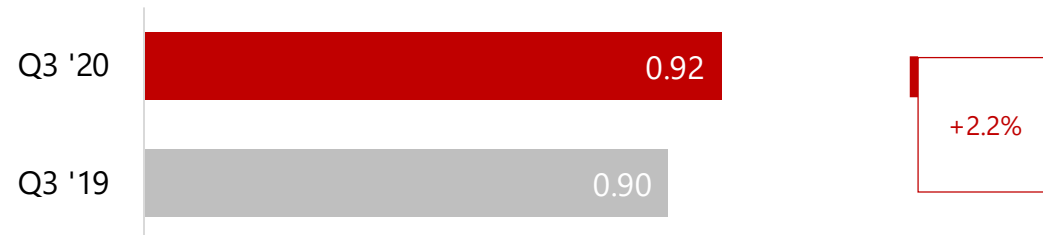
## EBIT

(€M and margin %)



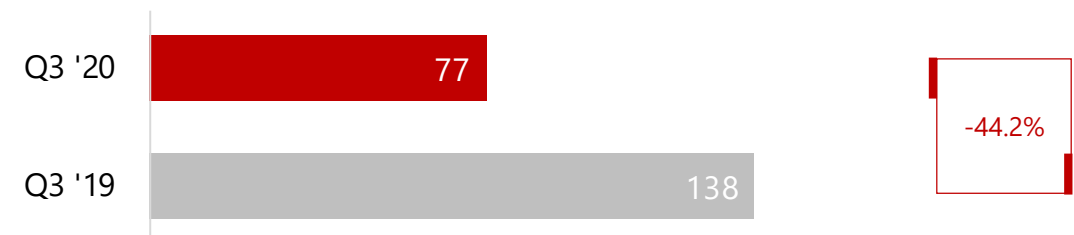
## DILUTED EARNINGS PER SHARE<sup>(1)</sup>

(€)



## INDUSTRIAL FREE CASH FLOW<sup>(1)</sup>

(€M)



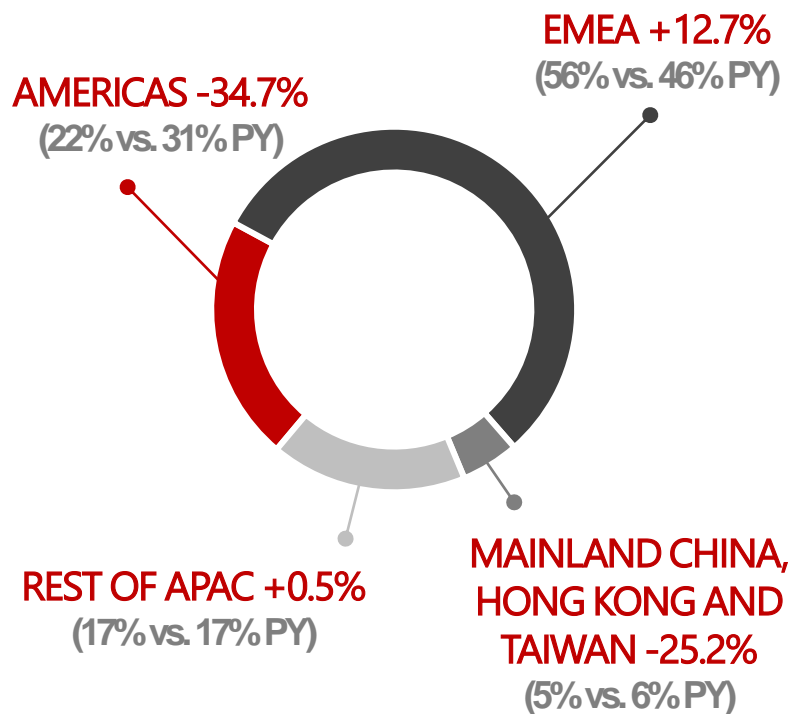
Note: (1) Reconciliations to non-GAAP financial measures are provided in the Appendix

(2) Refer to notes to the presentation in the Appendix  
Certain totals in the tables included in this document may not add due to rounding.

# Q3 2020 – SHIPMENTS<sup>(2)</sup>



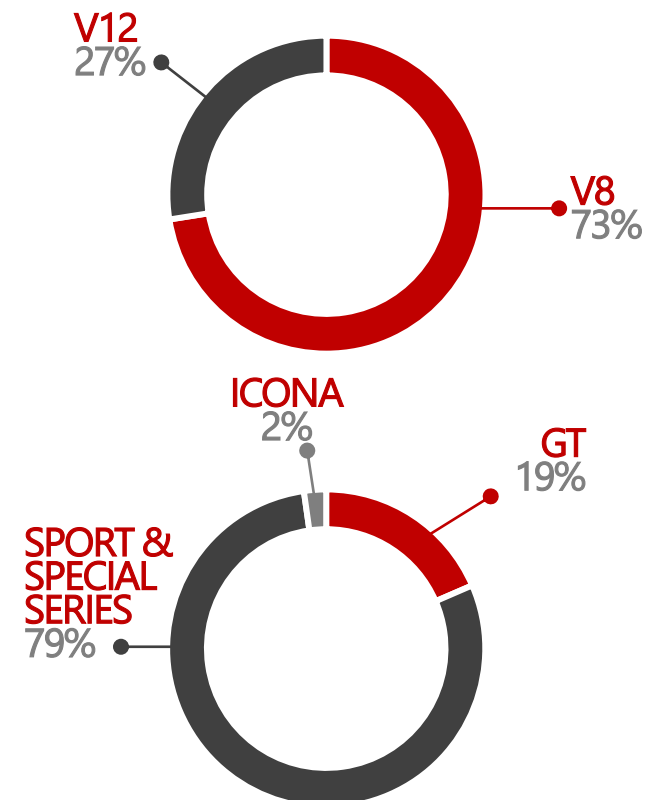
## SHIPMENTS BY REGION<sup>(3)</sup> (Q3 2020 vs. Q3 2019)



Total shipments decreased by 161 units (-6.5% vs. PY) driven by the cadence of the full year production plan, which projects a recovery of 500 units out of the 2,000 lost following the seven-week production suspension due to the Covid-19 pandemic:

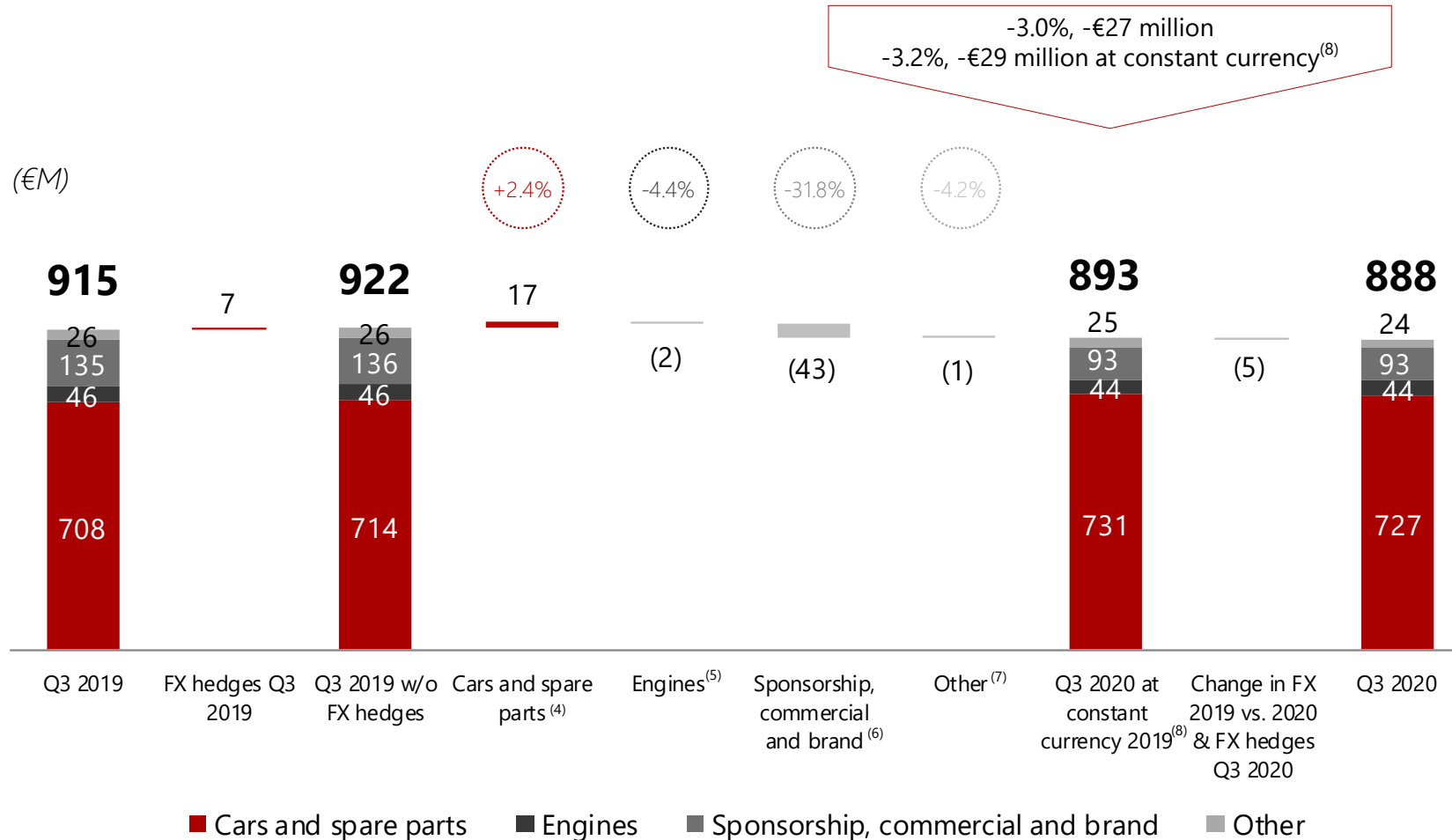
- The 488 Pista family as well as the Ferrari Portofino essentially reached the end of their lifecycle
- The F8 Spider and 812 GTS in ramp up phase reaching mainly EMEA
- The Ferrari Monza SP1 and SP2 continue to be delivered as originally scheduled
- Deliveries of the SF90 Stradale and the Ferrari Roma are on track to start in Q4 2020
- Quarterly shipments were affected by deliberate geographic allocations driven by the phase-in pace of individual models

## SHIPMENTS BREAKDOWN (Q3 2020)



## DILIGENT PRODUCTION PLANNING TO RECOVER 500 UNITS IN 2020

# NET REVENUES BRIDGE Q3 2019 – 2020



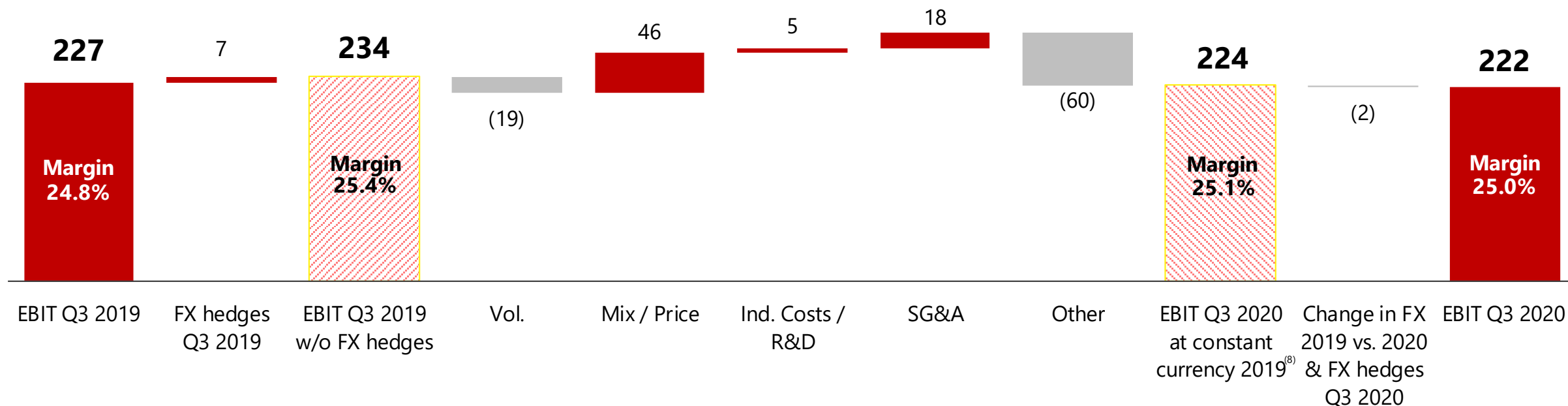
- **Cars and spare parts:** growth reflecting positive mix, thanks to the Ferrari Monza SP1 and SP2. Partially offset by lower volume mostly due to the phase-out of the 488 Pista family, which implies a lower contribution from personalizations, as well as the Ferrari Portofino reaching the end of its lifecycle.
- **Engines:** substantially in line with prior year
- **Sponsorship, commercial and brand:** significantly impacted by the Covid-19 pandemic resulting in a reduced number of Formula 1 races and corresponding lower revenue accrual – albeit improved in the quarter based on updated estimates – as well as reduced in-store traffic and museum visitors
- **Currency:** minor positive impact from translation, transaction and hedges, mainly USD

Note: (4) (5) (6) (7) (8) Refer to notes to the presentation in the Appendix

# EBIT BRIDGE Q3 2019 – 2020



(€M)



| EBITDA <sup>(1)</sup> | EBITDA w/o FX hedges | EBITDA at constant curr. 2019 <sup>(8)</sup> | EBITDA <sup>(1)</sup> |
|-----------------------|----------------------|--|-----------------------|
| 311                   | 318                  | 332  | 330                   |
| 33.9%                 | 34.4%                | 37.2%  | 37.2%                 |

- **Volume** reflecting shipments decrease
- **Mix / price** positive performance thanks to the Ferrari Monza SP1 and SP2, partially offset by the lower contribution from personalization programs due to the decrease of shipments and the gradual phase-out of the 488 Pista family
- **Industrial costs / R&D** decreased due to spending cadence in Formula 1 racing activities, partially compensated by higher depreciation and amortization of fixed assets
- **SG&A** decreased reflecting fewer marketing initiatives, as well as cost containment actions
- **Other** decreased due to the Covid-19 impact on the Formula 1 racing calendar, as well as lower traffic for brand-related activities

Note: (1) Reconciliations to non-GAAP financial measures are provided in the Appendix

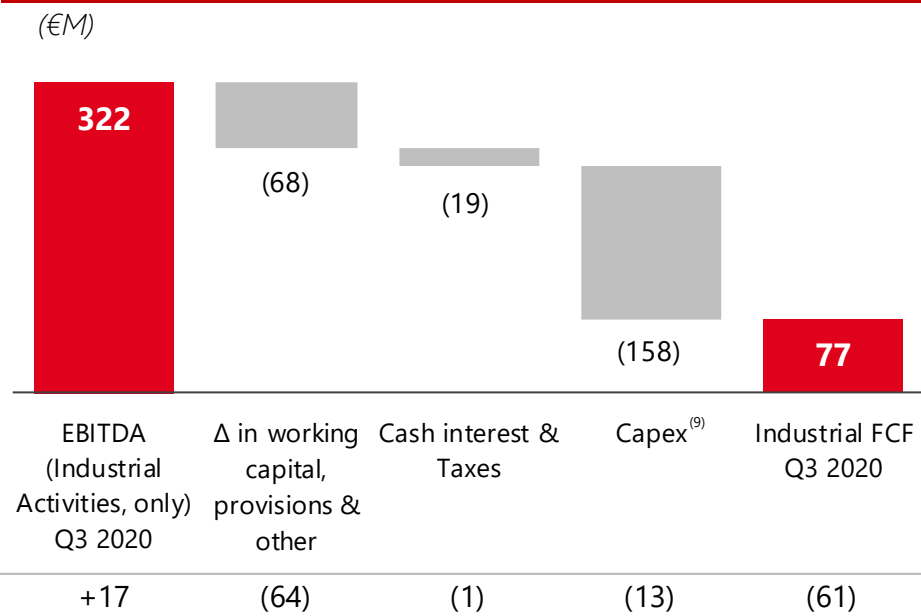
(8) Refer to notes to the presentation in the Appendix

# INDUSTRIAL FCF<sup>(1)</sup> AND NET INDUSTRIAL DEBT<sup>(1)</sup> BRIDGES

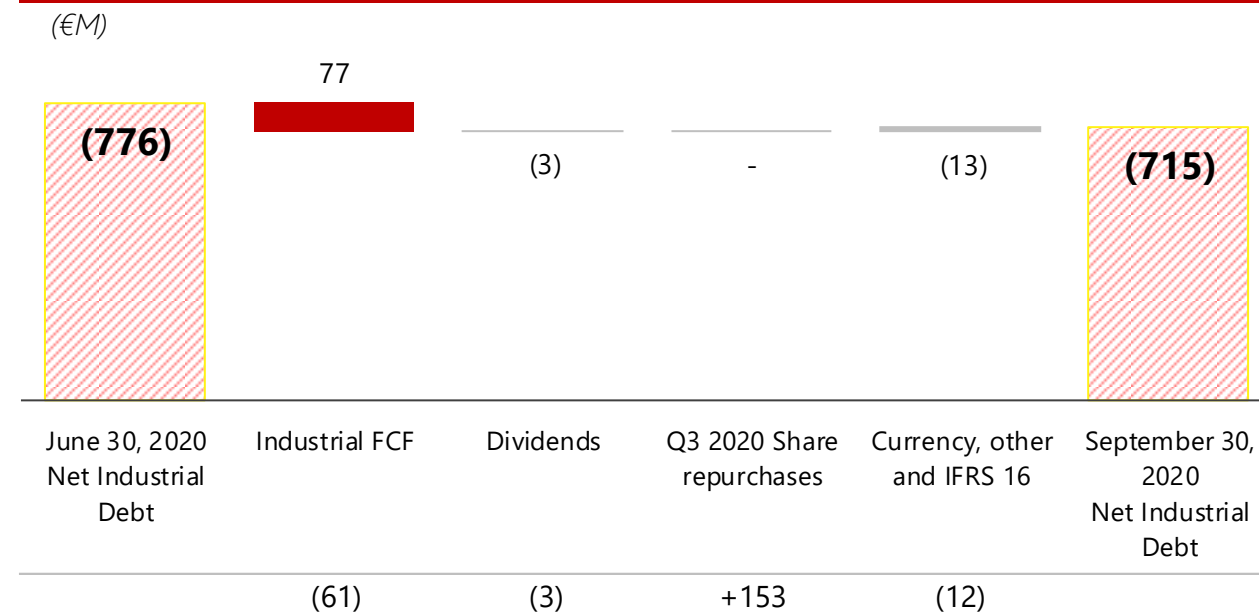
## JUN 30, 2020 – SEPT 30, 2020



### Industrial Free Cash Flow



### Change in Net Industrial Debt



- Back to positive Industrial free cash flow<sup>(1)</sup> generation
- Adverse change in working capital due primarily to higher raw material and component inventories, as well as the reversal of the Ferrari Monza SP1 and SP2 advances
- Continuous investments in the long-term product development
- Multi-year share repurchase program temporarily suspended

Note: (1) Reconciliations to non-GAAP financial measures are provided in the Appendix

(9) Excluding right-of-use assets recognized during the period in accordance with IFRS 16 – Leases



# 2020 GUIDANCE<sup>(10)</sup> REVISED TO THE TOP END OF THE AUGUST 3<sup>rd</sup> GUIDANCE



| (€B, unless otherwise stated) | AUGUST 3 <sup>rd</sup> |                                 |                            |
|-------------------------------|------------------------|---------------------------------|----------------------------|
|                               | 2019A                  | 2020<br>GUIDANCE                | 2020<br>GUIDANCE           |
| <b>NET REVENUES</b>           | <b>3.8</b>             | <b>&gt; 3.4</b>                 | <b>&gt; 3.4</b>            |
| <b>ADJ. EBITDA (margin %)</b> | <b>1.27</b><br>33.7%   | <b>1.075-1.125</b><br>31%-32.5% | <b>~1.125</b><br>~32.5%    |
| <b>ADJ. EBIT (margin %)</b>   | <b>0.92</b><br>24.4%   | <b>0.65-0.70</b><br>18.5%-20%   | <b>~0.70</b><br>~20%       |
| <b>ADJ. DILUTED EPS (€)</b>   | <b>3.71</b>            | <b>2.6-2.8<sup>(11)</sup></b>   | <b>~2.8<sup>(11)</sup></b> |
| <b>INDUSTRIAL FCF</b>         | <b>0.7</b>             | <b>0.10-0.15</b>                | <b>~0.15</b>               |

Note: (10) Subject to trading conditions unaffected by further Covid-19 pandemic restrictions

(11) Calculated using the weighted average diluted number of common shares as of June 30, 2020 (185,460 thousand)



# APPENDIX



# NOTES TO THE PRESENTATION



1. *Reconciliations to non-GAAP financial measures are provided in the Appendix*
2. *Excluding the XX Programme, racing cars, Fuori Serie, one-off and pre-owned cars*
3. *Shipments geographical breakdown*  
*EMEA includes: Italy, UK, Germany, Switzerland, France, Middle East (includes the United Arab Emirates, Saudi Arabia, Bahrain, Lebanon, Qatar, Oman and Kuwait) and Rest of EMEA (includes Africa and the other European markets not separately identified);*  
*Americas includes: United States of America, Canada, Mexico, the Caribbean and Central and South America;*  
*Rest of APAC mainly includes: Japan, Australia, Singapore, Indonesia, South Korea, Thailand and Malaysia*
4. *Includes net revenues generated from shipments of our cars, including any personalization net revenues generated on cars, as well as sales of spare parts*
5. *Includes net revenues generated from the sale of engines to Maserati for use in their cars, and the revenues generated from the rental of engines to other Formula 1 racing teams*
6. *Includes net revenues earned by our Formula 1 racing team through sponsorship agreements and our share of the Formula 1 World Championship commercial revenues, as well as revenues generated through the Ferrari brand, including merchandising, licensing and royalty income*
7. *Primarily relates to financial services activities, management of the Mugello racetrack and other sports-related activities*
8. *The constant currency presentation eliminates the effects of changes in foreign currency (transaction and translation) and of foreign currency hedges*
9. *Excluding right-of-use assets recognized during the period in accordance with IFRS 16 – Leases*
10. *Subject to trading conditions unaffected by further Covid-19 pandemic restrictions*
11. *Calculated using the weighted average diluted number of common shares as of June 30, 2020 (185,460 thousand)*



# STRONG TRACK-RECORD IN NEW MODELS INTRODUCTION



Range models introduced

| Model / Year of delivery  | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>SPORT RANGE</b>        |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F430                      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F430 Spider               |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 599 GTB Fiorano           |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 458 Italia                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 458 Spider                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F12berlinetta             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 488 GTB                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 488 Spider                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 812 Superfast             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F8 Tributo                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| SF90 Stradale             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 812 GTS                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F8 Spider                 |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| <b>GRAN TURISMO RANGE</b> |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 612 Scaglietti            |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| California                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| FF                        |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| California 30             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| California T              |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| GTC4Lusso                 |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| GTC4Lusso T               |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Portofino                 |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Roma                      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |

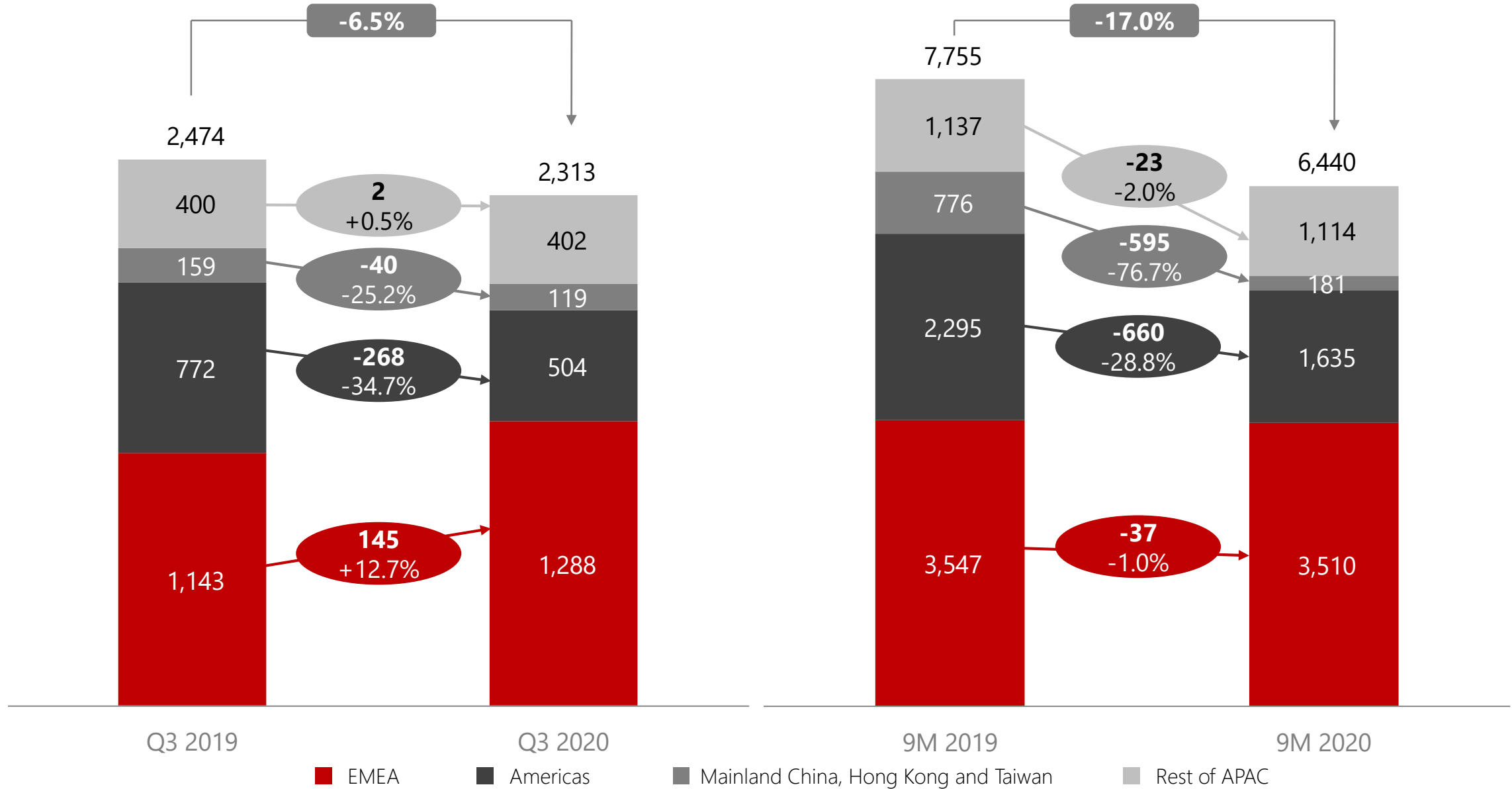
# STRONG TRACK-RECORD IN NEW MODELS INTRODUCTION



Special and Limited edition models introduced

| Model / Year of delivery | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>SPECIAL SERIES</b>    |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Superamerica             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F430 Scuderia            |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Scuderia Spider 16M      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 599 GTO                  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| SA APERTA                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 458 Speciale             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 458 Speciale A           |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F12tdf                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 488 Pista                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| 488 Pista Spider         |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| <b>ICONA</b>             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Ferrari Monza SP1        |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Ferrari Monza SP2        |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| <b>HYPERCAR</b>          |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| LaFerrari                |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| LaFerrari Aperta         |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| <b>TRACK CARS</b>        |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| FXX K(*)                 |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| FXX K EVO(*)             |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| <b>FUORISERIE</b>        |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| F60 America(*)           |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| J50(*)                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |

# GROUP SHIPMENTS BY REGION<sup>(2)(3)</sup>



Note: (2) (3) Refer to notes to the presentation in the Appendix  
Graphs not to scale.



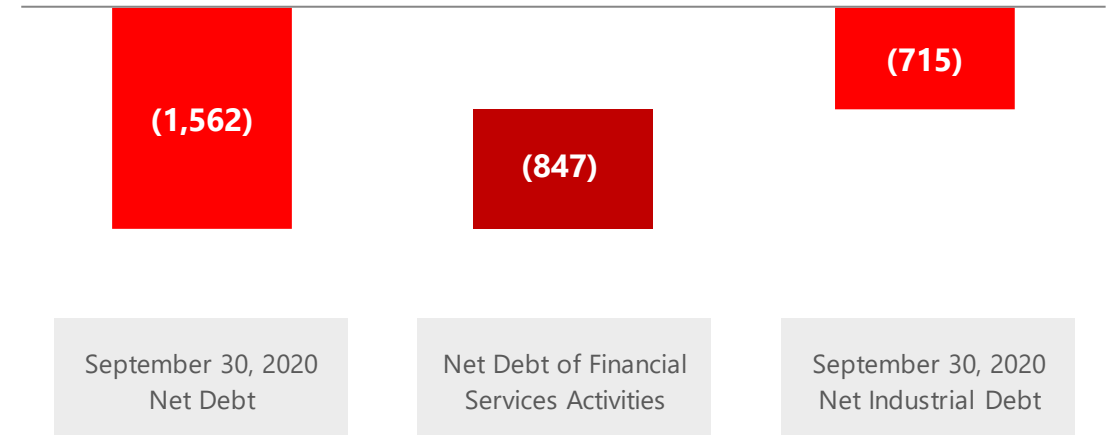
# DEBT AND LIQUIDITY POSITION



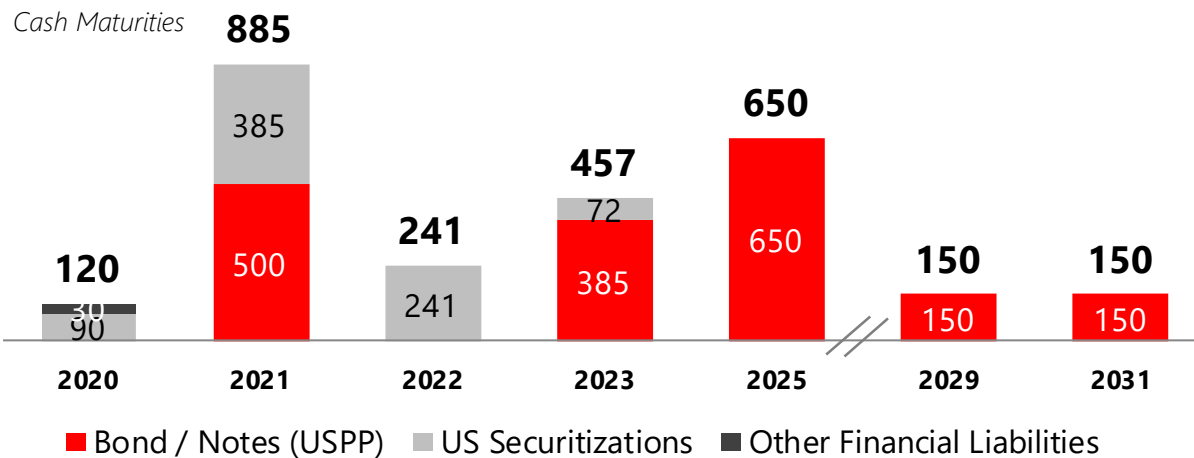
## Net Industrial Debt (€M)

|   | At Sept. 30 | At Jun. 30 | At Mar. 31 | At Dec. 31 |         |         |
|---|-------------|------------|------------|------------|---------|---------|
| (€M)                                      | 2020        | 2020       | 2020       | 2019       | 2018    | 2017    |
| Debt                                      | (2,741)     | (2,757)    | (2,141)    | (2,090)    | (1,927) | (1,806) |
| Cash & Cash Equivalents (A)               | 1,179       | 1,112      | 880        | 898        | 794     | 648     |
| Net Debt                                  | (1,562)     | (1,645)    | (1,261)    | (1,192)    | (1,133) | (1,158) |
| Net Debt of Financial Services Activities | (847)       | (869)      | (860)      | (855)      | (763)   | (650)   |
| Net Industrial Debt                       | (715)       | (776)      | (401)      | (337)      | (370)   | (508)   |
| Undrawn Committed Credit Lines (B)        | 700         | 700        | 350        | 350        | 500     | 500     |
| Total Available Liquidity (A+B)           | 1,879       | 1,812      | 1,230      | 1,248      | 1,294   | 1,148   |

## Net Industrial Debt (€M)



## Gross Debt Maturity Profile(\*) (€M)



## Cash and Marketable Securities (€M)

|                      | At Sept. 30 | At Jun. 30 | At Mar. 31 |         |         |         |
|----------------------|-------------|------------|------------|---------|---------|---------|
| (€M)                 | 2020        | 2020       | 2020       | FY 2019 | FY 2018 | FY 2017 |
| Euro                 | 1,034       | 912        | 662        | 690     | 616     | 435     |
| Chinese Yuan         | 68          | 96         | 108        | 110     | 73      | 62      |
| US Dollar            | 48          | 78         | 86         | 63      | 50      | 88      |
| Japanese Yen         | 15          | 9          | 9          | 12      | 24      | 26      |
| Other Currencies     | 14          | 17         | 15         | 23      | 31      | 37      |
| Total (€ equivalent) | 1,179       | 1,112      | 880        | 898     | 794     | 648     |

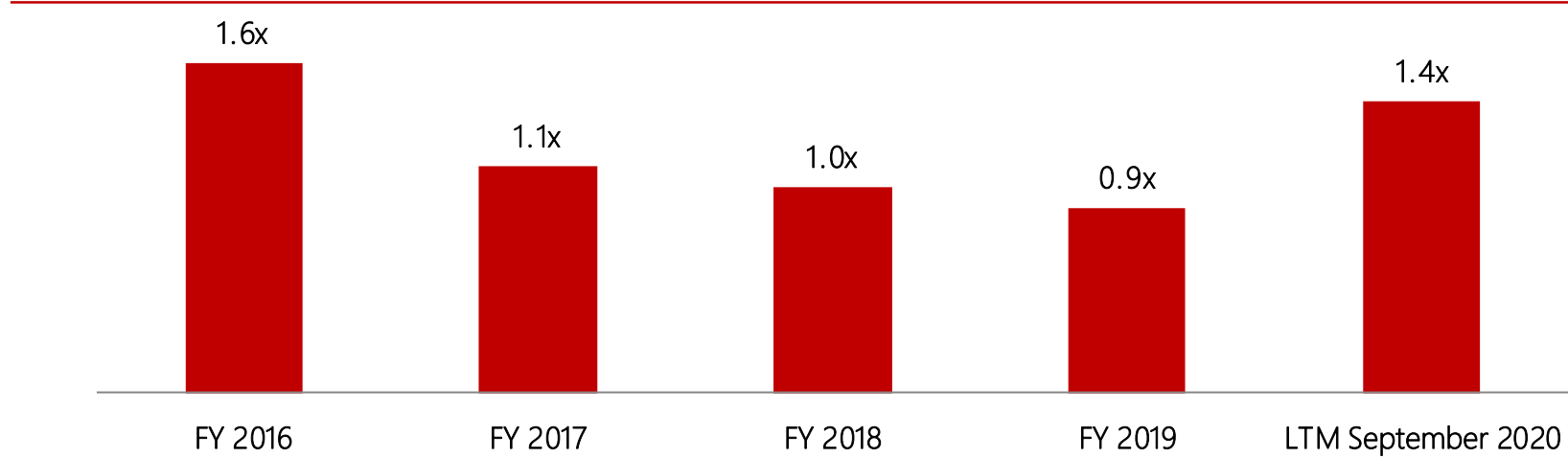
(\*) Not including lease liabilities and other debt

Certain totals in the tables included in this document may not add due to rounding

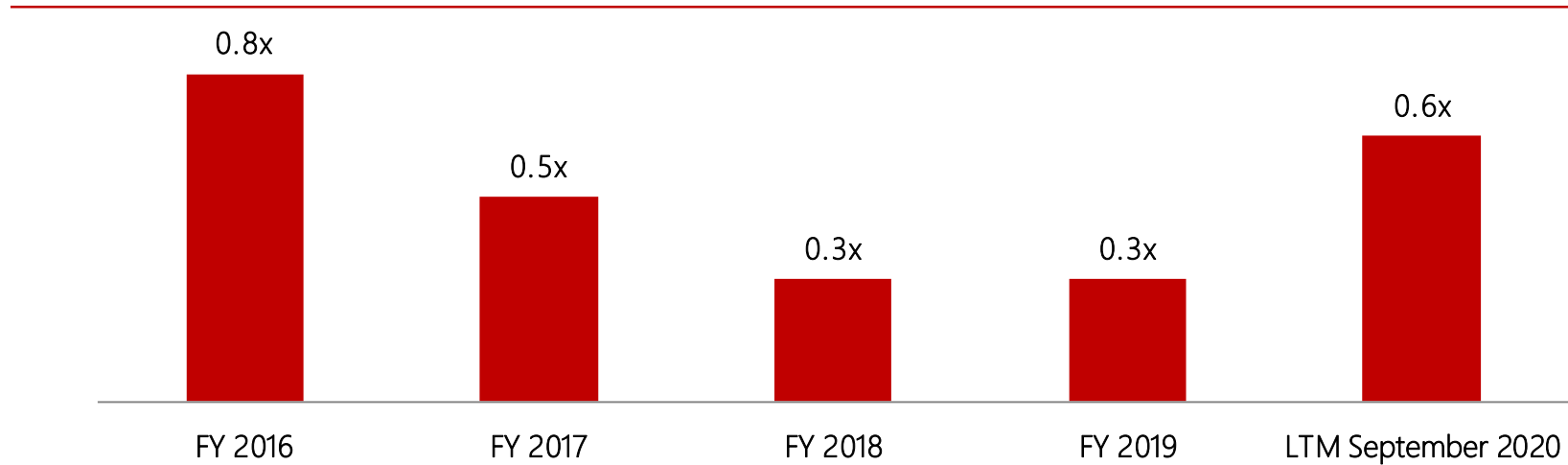
# HISTORICAL TREND



## Net Debt / Adj. LTM EBITDA



## Net Industrial Debt / Adj. LTM EBITDA



As of September 30, 2020, total available liquidity was €1,879 million (€1,812 million as of June 30, 2020), including undrawn committed credit lines of €700 million as well as the proceeds from the issuance of €650 million 1.50% notes on May 27, 2020, due in May 2025

# CAPEX AND R&D



| Q3 '20 | Q3 '19 | €M  | 9M '20 | 9M '19 |
|--------|--------|---|--------|--------|
| 167    | 145    | Capital expenditures  | 490    | 453    |
| 79     | 77     | of which capitalized development costs <sup>(12)</sup> (A)                              | 222    | 228    |
| 111    | 129    | Research and development costs expensed (B)   | 373    | 423    |
| 190    | 206    | Total research and development (A+B)  | 595    | 651    |
| 47     | 33     | Amortization of capitalized development costs (C)                                       | 132    | 94     |
| 158    | 162    | Research and development costs as recognized in the consolidated income statement (B+C) | 505    | 517    |

Certain totals in the tables included in this document may not add due to rounding

Note: (12) Capitalized as intangible assets



# non-GAAP FINANCIAL MEASURES



Operations are monitored through the use of various non-GAAP financial measures that may not be comparable to other similarly titled measures of other companies.

Accordingly, investors and analysts should exercise appropriate caution in comparing these supplemental financial measures to similarly titled financial measures reported by other companies.

We believe that these supplemental financial measures provide comparable measures of our financial performance which then facilitate management's ability to identify operational trends, as well as make decisions regarding future spending, resource allocations and other operational decisions.

Reconciliations are only provided to the most directly comparable IFRS financial statement line item for Adjusted EBITDA, Adjusted EBIT and Adjusted EPS diluted for historical periods, as the income or expense excluded from these non-GAAP financial measures in accordance with our policy are, by definition, not predictable and uncertain.

## non-GAAP financial measures

---

Total Net Revenues, EBITDA, adj. EBITDA, EBIT and adj. EBIT at constant currency eliminate the effects of changes in foreign currency (transaction and translation) and of foreign currency hedges.

EBITDA is defined as net profit before income tax expense, net financial expenses and depreciation and amortization. Adjusted EBITDA is defined as EBITDA as adjusted for certain income and costs which are significant in nature, expected to occur infrequently, and that management considers not reflective of ongoing operational activities.

Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT") represents EBIT as adjusted for certain income and costs which are significant in nature, expected to occur infrequently, and that management considers not reflective of ongoing operational activities.

Adjusted net profit represents net profit as adjusted for certain income and costs (net of tax effect) which are significant in nature, expected to occur infrequently, and that management considers not reflective of ongoing operational activities.

Adjusted earnings per share diluted represents earnings per share as adjusted for certain income and costs (net of tax effect) which are significant in nature, expected to occur infrequently, and that management considers not reflective of ongoing operational activities.

Net Industrial Debt is defined as total Debt less Cash and cash equivalents (Net Debt), further adjusted to exclude the debt and cash and cash equivalents related to our financial services activities (Net Debt of Financial Services Activities).

Free Cash Flow is defined as cash flows from operating activities less investments in property, plant and equipment (excluding right-of-use assets recognized during the period in accordance with *IFRS 16 - Leases*) and intangible assets. Free Cash Flow from Industrial Activities is defined as Free Cash Flow adjusted to exclude the operating cash flow from our financial services activities (Free Cash Flow from Financial Services Activities).

# KEY PERFORMANCE METRICS AND RECONCILIATIONS OF non-GAAP MEASURES



| Q3 '20 | Q3 '19 | €M, unless otherwise stated                   | 9M '20 | 9M '19 |
|--------|--------|---|--------|--------|
| 888    | 915    | Net revenues                                  | 2,391  | 2,839  |
| 330    | 311    | EBITDA / Adjusted EBITDA                      | 771    | 936    |
| 322    | 305    | of which EBITDA (Industrial Activities, only) | 752    | 923    |
| 108    | 84     | Amortization and depreciation                 | 306    | 238    |
| 222    | 227    | EBIT / Adjusted EBIT                          | 465    | 698    |
| 14     | 16     | Net financial expenses                        | 38     | 32     |
| 208    | 211    | Profit before taxes                           | 427    | 666    |
| 37     | 42     | Income tax expense                            | 81     | 133    |
| 18%    | 20%    | Effective tax rate                            | 19%    | 20%    |
| 171    | 169    | Net profit / Adjusted net profit              | 346    | 533    |
| 0.92   | 0.90   | Basic / Adjusted basic EPS (€)                | 1.87   | 2.82   |
| 0.92   | 0.90   | Diluted / Adjusted diluted EPS (€)            | 1.86   | 2.81   |

Certain totals in the tables included in this document may not add due to rounding

# RECONCILIATIONS OF non-GAAP MEASURES: TOTAL NET REVENUES AT CONSTANT CURRENCY<sup>(8)</sup>



| Q3 '20 | Q3 '20<br>at constant currency | €M                                | 9M '20 | 9M '20<br>at constant currency |
|--------|--------------------------------|-----------------------------------|--------|--------------------------------|
| 727    | 731                            | Cars and spare parts              | 1,965  | 1,957                          |
| 44     | 44                             | Engines                           | 97     | 97                             |
| 93     | 93                             | Sponsorship, commercial and brand | 265    | 265                            |
| 24     | 25                             | Other                             | 64     | 64                             |
| 888    | 893                            | Total Net Revenues                | 2,391  | 2,383                          |

Certain totals in the tables included in this document may not add due to rounding

Note: (8) The constant currency presentation eliminates the effects of changes in foreign currency (transaction and translation) and of foreign currency hedges

# BASIC AND DILUTED EPS



| Q3 '20  | Q3 '19  | €M, unless otherwise stated   | 9M '20  | 9M '19  |
|---------|---------|---|---------|---------|
| 171     | 168     | Net profit attributable to owners of the Company  | 346     | 529     |
| 184,748 | 186,504 | Weighted average number of common shares (thousand)                                       | 184,825 | 187,196 |
| 0.92    | 0.90    | Basic EPS (€)   | 1.87    | 2.82    |
| 185,344 | 187,302 | Weighted average number of common shares for diluted earnings per common share (thousand) | 185,422 | 187,994 |
| 0.92    | 0.90    | Diluted EPS (€)   | 1.86    | 2.81    |

Certain totals in the tables included in this document may not add due to rounding

Note: For the three and nine months ended September 30, 2020 and 2019 the weighted average number of common shares for diluted earnings per common share was increased to take into consideration the theoretical effect of the potential common shares that would be issued under the equity incentive plans

# RECONCILIATIONS OF non-GAAP MEASURES: FREE CASH FLOW AND FREE CASH FLOW FROM INDUSTRIAL ACTIVITIES



| Q3 '20 | Q3 '19 | €M   | 9M '20 | 9M '19 |
|--------|--------|--|--------|--------|
| 218    | 266    | Cash flow from operating activities  | 428    | 949    |
| (158)  | (145)  | Investments in property, plant and equipment and intangible assets <sup>(13)</sup> | (465)  | (453)  |
| 60     | 121    | Free Cash Flow   | (37)   | 496    |
| (17)   | (17)   | Free Cash Flow from Financial Services Activities                                  | (29)   | (63)   |
| 77     | 138    | Free Cash Flow from Industrial Activities <sup>(14)</sup>                          | (8)    | 559    |

Certain totals in the tables included in this document may not add due to rounding

Note: (13) Prior to the first quarter of 2020, we defined Free Cash Flow and Free Cash Flow from Industrial Activities without excluding from investments in property, plant and equipment the right-of-use assets recognized during the period in accordance with IFRS 16 - Leases. Applying the current definition of Free Cash Flow and Free Cash Flow from Industrial Activities to the three and nine months ended September 30, 2019 would result in an immaterial difference compared to the figures presented above.

(14) Free cash flow from industrial activities for the three and nine months ended September 30, 2020 includes approx. Euro 1 million related to withholding taxes, which are expected to be paid.



# RECONCILIATIONS OF non-GAAP MEASURES: NET INDUSTRIAL DEBT



| €M  | September 30, 2020 | June 30, 2020 | March 31, 2020 | December 31, 2019 | December 31, 2018 | December 31, 2017 |
|---|--------------------|---------------|----------------|-------------------|-------------------|-------------------|
| Debt  | (2,741)            | (2,757)       | (2,141)        | (2,090)           | (1,927)           | (1,806)           |
| of which: Lease liabilities as per IFRS 16<br>(simplified approach) | 68                 | 68            | 72             | 60                | -                 | -                 |
| Cash and cash equivalents   | 1,179              | 1,112         | 880            | 898               | 794               | 648               |
| Net Debt (A)  | (1,562)            | (1,645)       | (1,261)        | (1,192)           | (1,133)           | (1,158)           |
| Net Debt of Financial Services Activities                           | (847)              | (869)         | (860)          | (855)             | (763)             | (650)             |
| Net Industrial Debt (B)   | (715)              | (776)         | (401)          | (337)             | (370)             | (508)             |
| LTM EBITDA / LTM Adj. EBITDA (C)                                    | 1,104              | 1,085         | 1,275          | 1,269             | 1,114             | 1,036             |
| Financial Leverage on Net Industrial Debt<br>(B/C)                  | 0.6x               | 0.7x          | 0.3x           | 0.3x              | 0.3x              | 0.5x              |
| Financial Leverage on Net Debt (A/C)                                | 1.4x               | 1.5x          | 1.0x           | 0.9x              | 1.0x              | 1.1x              |

Certain totals in the tables included in this document may not add due to rounding