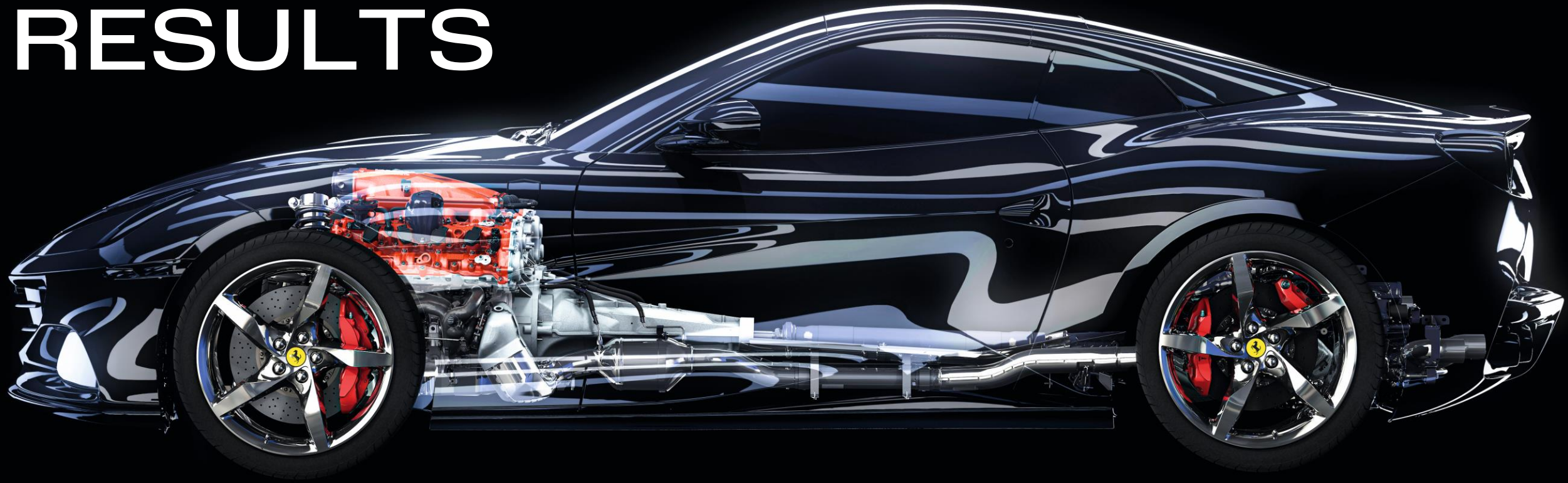
Q3 2021 RESULTS



MARANELLO, NOVEMBER 2, 2021

SAFE HARBOR STATEMENT

This document, and in particular the section entitled "Upgraded 2021 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 progressively coming into effect in 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 effects of the evolution of and response to the Covid-19 pandemic; 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 China and other growth markets; the Group's low volume strategy; global economic conditions, pandemics and macro events; reliance upon a number of key members of executive management and employees, and the ability of its current management team to operate and manage effectively; 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; 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 Brexit on the UK market; 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; 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 and 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 THE WAY TO ANOTHER RECORD YEAR

Double digit growth with Q3 2021 Net Revenues up 19% versus PY and Industrial FCF[1] generation at €242M

Upgraded 2021 Guidance

Record net order intake sustained by vibrant demand, with Mainland China and US leading

Acclaimed reception of the newly launched 296 GTB

Enthusiastic customers' attendance at GT and racing events

New Icona unveiling in mid-November

Kick off of collaboration with LoveFrom

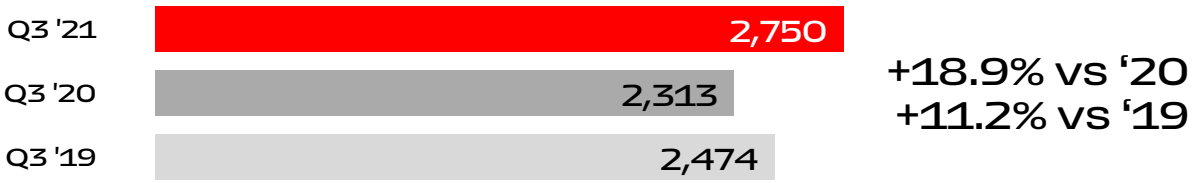


Note: (1) Refer to notes to the presentation in the Appendix

Q3 2021 HIGHLIGHTS

SHIPMENTS[2]

(UNITS)



+18.9% vs '20
+11.2% vs '19

NET REVENUES

(€M)



+18.6% vs '20
+15.1% vs '19

EBITDA[1]

(€M and margin %)



+12.4% vs '20
+19.6% vs '19

EBIT

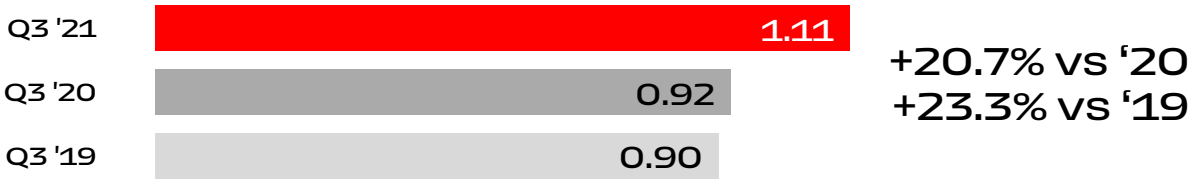
(€M and margin %)



+21.8% vs '20
+19.2% vs '19

DILUTED EARNINGS PER SHARE[1]

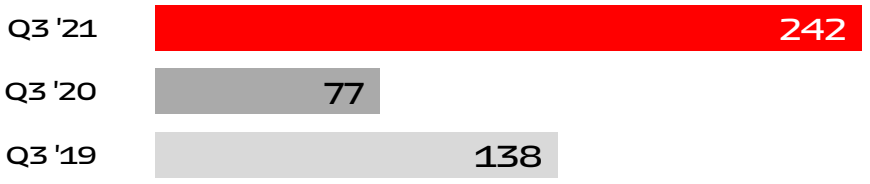
(€)



+20.7% vs '20
+23.3% vs '19

INDUSTRIAL FREE CASH FLOW[1]

(€M)



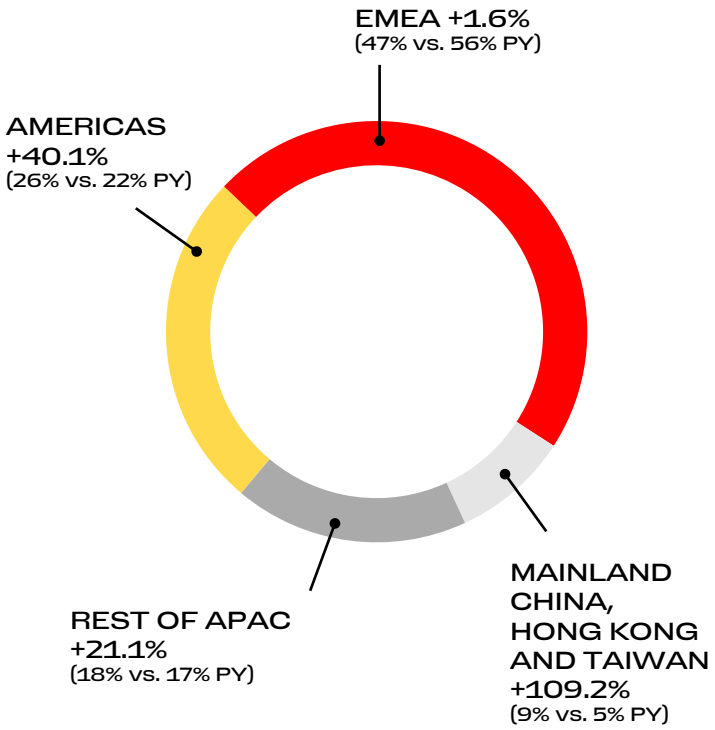
3.1x vs '20
+75.4% vs '19

Note: (1) (2) Refer to notes to the presentation in the Appendix

Q3 2021 – SHIPMENTS[2]

SHIPMENTS BY REGION[3]

(Q3 2021 VS. Q3 2020)

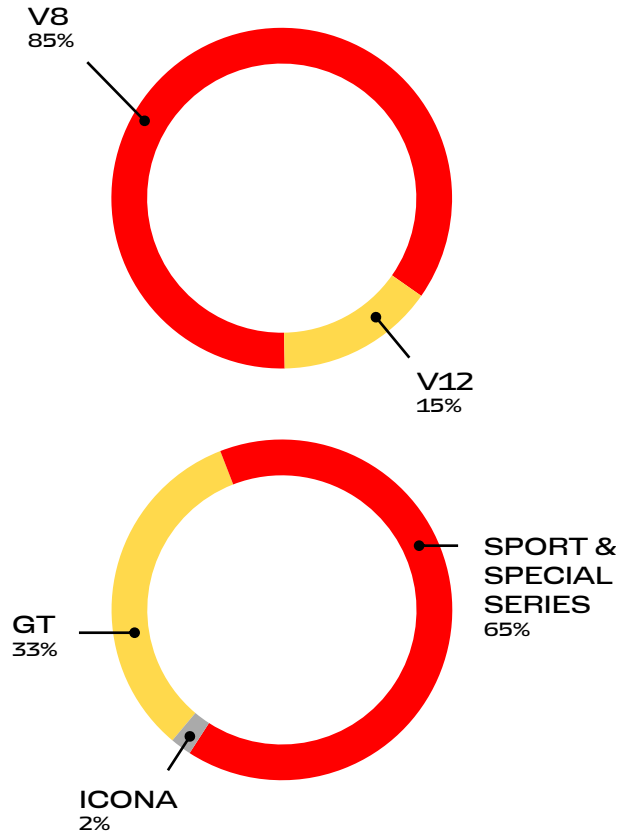


Total shipments up 437 units or +18.9% vs. Q3 2020:

- Production planning not impacted by the semi-conductor and raw material shortages
- Range models driving deliveries
- First deliveries of the SF90 Spider
- Portofino M in ramp up phase
- Monza SP1 and SP2 continued to be delivered in line with planning
- All geographic regions positively contributed in the quarter
- Mainland China, Hong Kong and Taiwan doubled thanks to the arrival of new models, in particular the Ferrari Roma and the SF90 Stradale

SHIPMENTS BREAKDOWN

(Q3 2021)



RECORD ORDER BOOK ACROSS ALL MODELS AND REGIONS

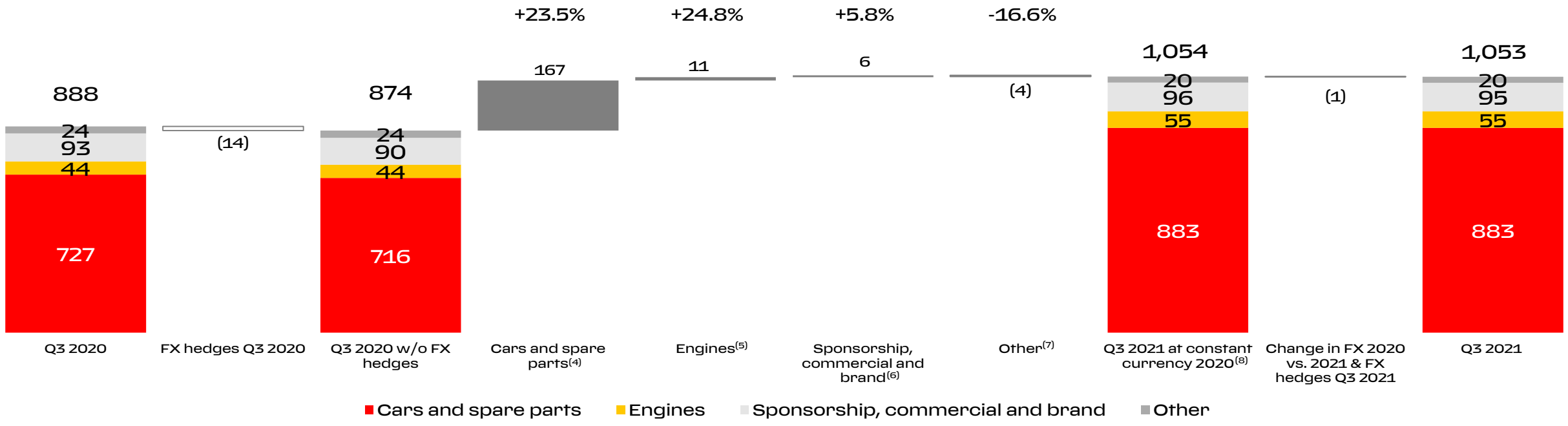
Note: (2) (3) Refer to notes to the presentation in the Appendix

NET REVENUES BRIDGE
Q3 2020 – 2021

(€M)

Net revenues reported **+18.6%**

Net revenues at constant currency[8] **+20.7%**

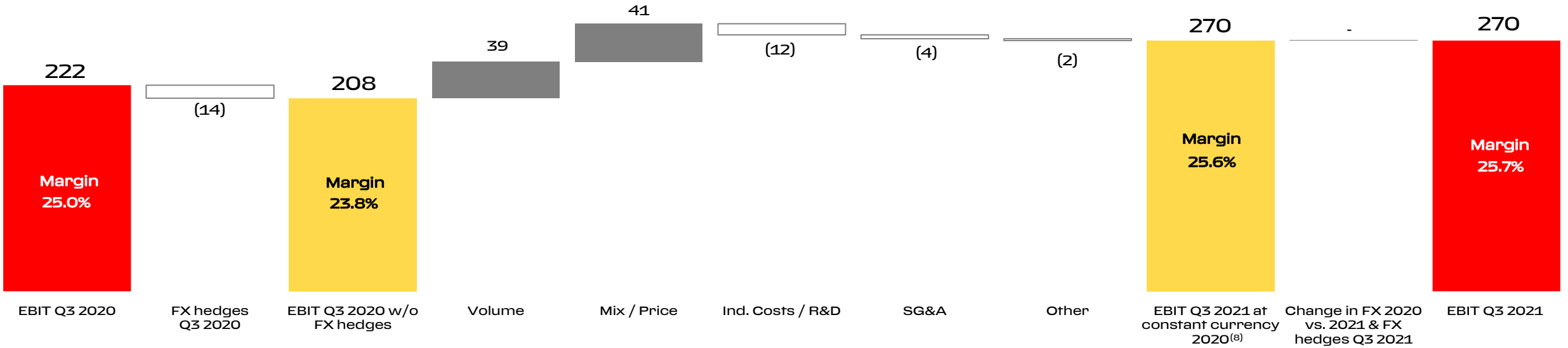


- Cars and spare parts: increase thanks to higher volumes, positive product mix and personalizations
- Engines: improvement due to higher shipments to Maserati and, to a lesser extent, to rental of engines to other Formula 1 racing teams
- Sponsorship, commercial and brand: mainly related to brand-related activities
- Currency: negative impact mostly related to FX hedges

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

EBIT BRIDGE
Q3 2020 – 2021

(€M)



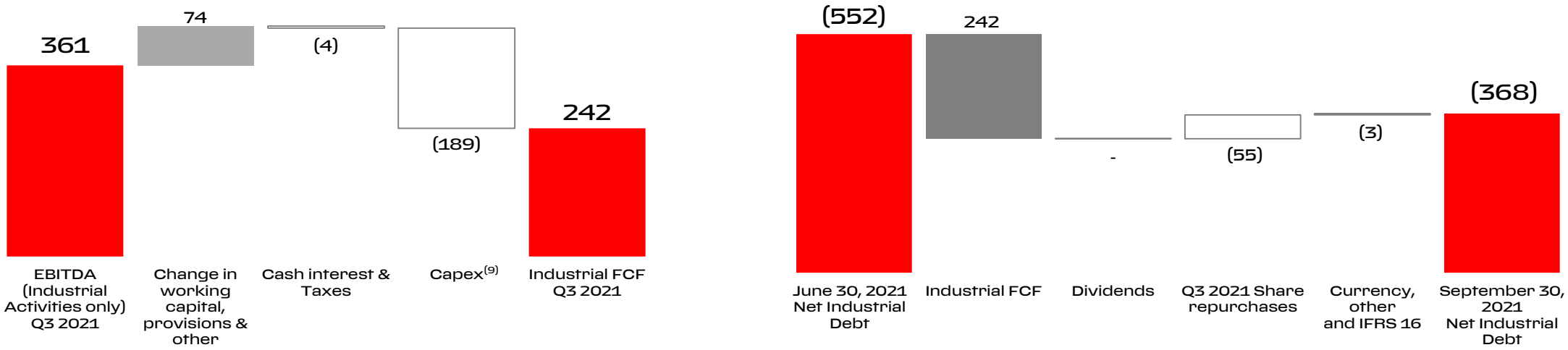
EBITDA(1)	EBITDA(1)	EBITDA(1)	EBITDA(1)
330	316	371	371
37.2%	36.1%	35.2%	35.2%

- Volume: shipments up versus prior year
- Mix / price: richer product mix thanks to SF90 family and Ferrari Monza along with personalizations, partially offset by Ferrari Roma ramp up and reduced contribution of 812 Superfast
- Industrial costs / R&D: product innovation and start-up costs as well as Formula 1 expenses
- SG&A: mainly reflecting communication and marketing activities
- Other: decrease mainly due to costs related to improved assumptions on in-season Formula 1 ranking and other supporting activities

Note: (1) (8) Refer to notes to the presentation in the Appendix

INDUSTRIAL FCF[(1)] AND NET INDUSTRIAL DEBT[(1)] BRIDGES JUN 30, 2021 – SEPT 30, 2021

(€M)



Change vs. Q3 '20	+39	+142	+15	(31)	+165		+165	+3	(55)	+10

- Working capital & other: mainly sustained by collection of advances on 812 Competizione
- Capex progressing in line with plans
- Multi-year share repurchase program: €150M fourth tranche concluded at the end of September, announced a fifth tranche of up to €150M to be completed by March 31, 2022

Note: (1) (9) Refer to notes to the presentation in the Appendix

UPGRADED 2021 GUIDANCE

Core business sustained by volume and mix

Revenues from Formula 1 racing activities based on targeted calendar and reflecting lower 2020 ranking versus prior year

Brand-related activities dealing with Covid-19 challenges

Operational and marketing costs gradually resuming

Improved net working capital sustaining industrial free cash flow (advances on new special series and spending cadence)

(€B, unless otherwise stated)	2019 ACTUAL	2020 ACTUAL	2021 GUIDANCE[11]
NET REVENUES	3.8	3.5	≤4.3
ADJ. EBITDA (margin %)	1.3 33.7%	1.1 33.0%	~1.52 ~35.6%
ADJ. EBIT (margin %)	0.9 24.4%	0.7 20.7%	~1.05 ~24.6%
ADJ. DILUTED EPS (€)	3.71	2.88[10]	~4.30[12]
INDUSTRIAL FCF	0.7	0.2	>0.55

Note: (10) (11) (12) Refer to notes to the presentation in the Appendix

Q&A



APPENDIX



NOTES TO THE PRESENTATION

1. Reconciliations to non-GAAP financial measures are provided in the Appendix
2. Excluding the XX Programme, racing cars, one-off and pre-owned cars
3. Shipments geographic breakdown
   EMEA includes: Italy, UK, Germany, Switzerland, France, Middle East (includes the United Arab Emirates, Saudi Arabia, Bahrain, Lebanon, Qatar, Oman and Kuwait), 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, India and Malaysia
4. Includes net revenues generated from shipments of our cars, 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. Net of a tax benefit, with no cash impact on 2020, from the one-off partial step-up of the trademark's book value in accordance with the Italian tax regulations
11. Subject to trading conditions unaffected by Covid-19 pandemic restrictions
12. Calculated using the weighted average diluted number of common shares as of December 31, 2020 (185,379 thousand)
13. Models not included in the total shipments' figure provided
14. Not including lease liabilities and other debt
15. Financial leverage is calculated as the ratio between Net Debt or Net Industrial Debt and Adjusted EBITDA or Adjusted EBITDA (Industrial Activities only)
16. Capitalized as intangible assets
17. For the three and nine months ended September 30, 2021 and 2020 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
18. 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

STRONG TRACK-RECORD IN NEW MODELS INTRODUCTION

RANGE MODELS INTRODUCED

Model / year of delivery	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
SPORT RANGE																
599 GTB Fiorano																
458 Italia																
458 Spider																
F12berlinetta																
488 GTB																
488 Spider																
812 Superfast																
F8 Tributo																
SF90 Stradale																
812 GTS																
F8 Spider																
SF90 Spider																
296 GTB																
GRAN TURISMO RANGE																
California																
FF																
California 30																
California T																
GTC4LUSSO																
GTC4LUSSO T																
Ferrari Portofino																
Ferrari Roma																
Ferrari Portofino M																

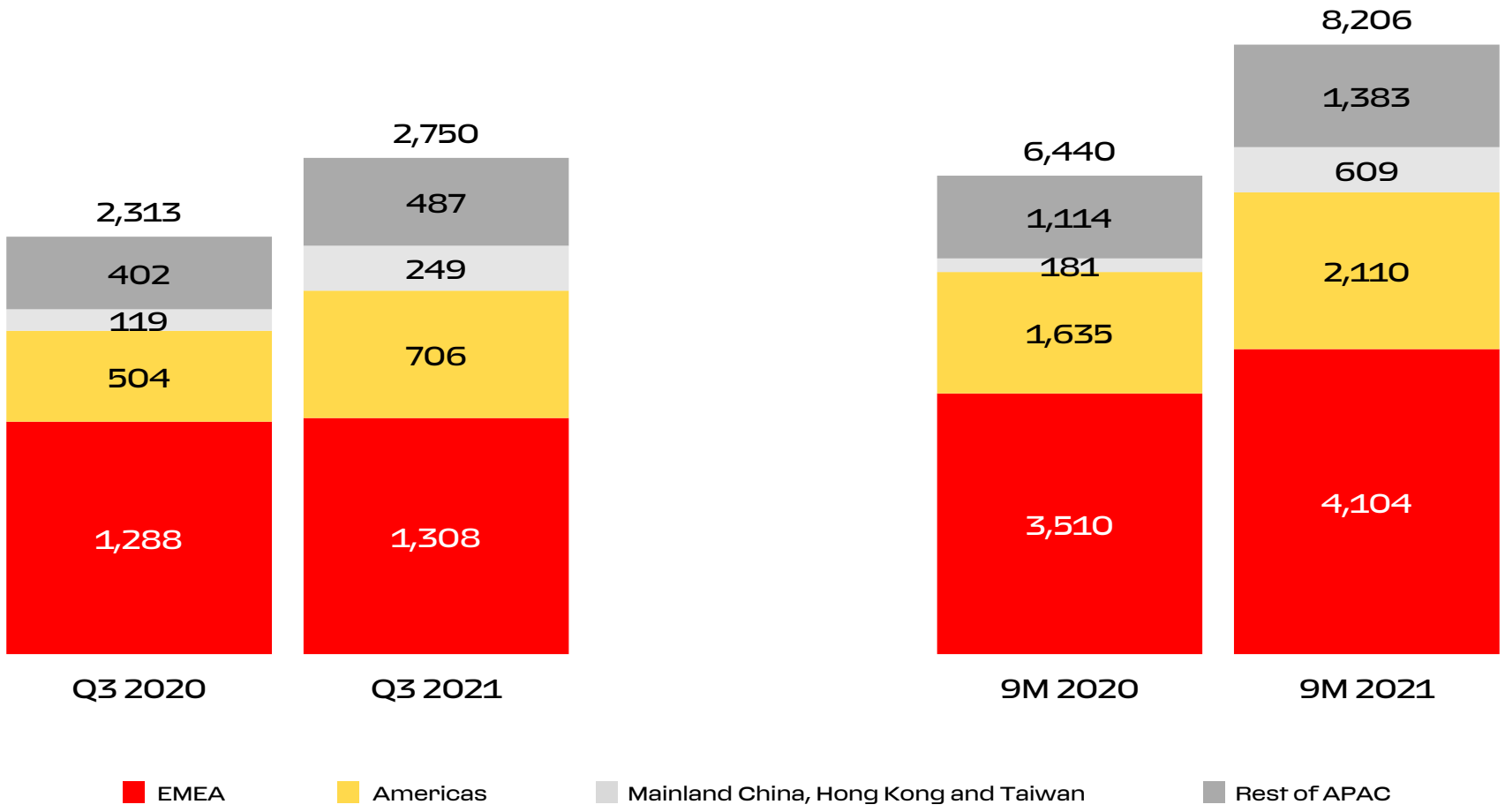
STRONG TRACK-RECORD IN NEW MODELS INTRODUCTION

SPECIAL AND LIMITED EDITION MODELS INTRODUCED

Model / year of delivery	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
SPECIAL SERIES																
F430 Scuderia																
Scuderia Spider 16M																
599 GTO																
SA APERTA																
458 Speciale																
458 Speciale A																
F12tdf																
488 Pista																
488 Pista Spider																
812 Competizione																
812 Competizione A																
ICONA																
Ferrari Monza SP1																
Ferrari Monza SP2																
HYPERCAR																
LaFerrari																
LaFerrari Aperta																
TRACK CAR(13)																
FXX-K																
FXX-K EVO																
488 GT Modificata																
FUORISERIE(13)																
F60 America																
J50																

Note: (13) Refer to notes to the presentation in the Appendix

GROUP SHIPMENTS BY REGION[2][3]



Note: (2) (3) Refer to notes to the presentation in the Appendix

DEBT AND LIQUIDITY POSITION

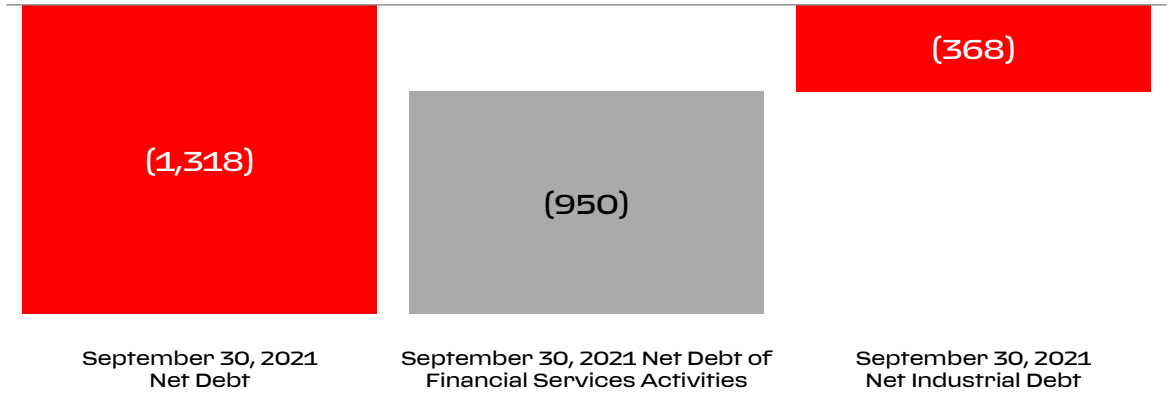
NET INDUSTRIAL DEBT

(€M)

	At Sept. 30 2021	At Jun. 30 2021	At Mar. 31 2021	At Dec. 31 2020	2019	2018
Debt	(2,591)	(2,360)	(2,283)	(2,725)	(2,090)	(1,927)
Cash and Cash Equivalents (A)	1,273	922	980	1,362	898	794
Net Debt	**(1,318)**	**(1,438)**	**(1,303)**	**(1,363)**	**(1,192)**	**(1,133)**
Net Debt of Financial Services Activities	(950)	(886)	(883)	(820)	(855)	(763)
Net Industrial Debt	**(368)**	**(552)**	**(420)**	**(543)**	**(337)**	**(370)**
Undrawn Committed Credit Lines (B)	767	767	750	700	350	500
Total Available Liquidity (A+B)	**2,040**	**1,689**	**1,730**	**2,062**	**1,248**	**1,294**

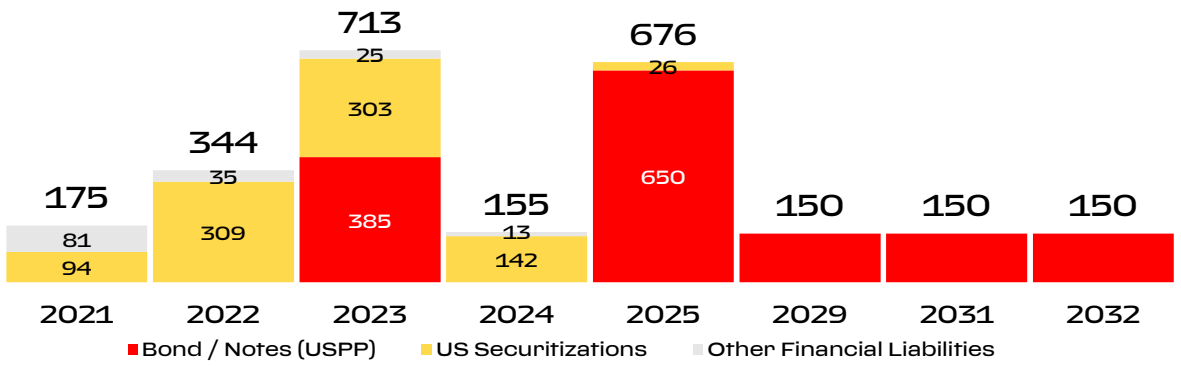
NET INDUSTRIAL DEBT

(€M)



GROSS DEBT MATURITY PROFILE(14)

(€M and Cash Maturities)



CASH AND MARKETABLE SECURITIES

(€M)

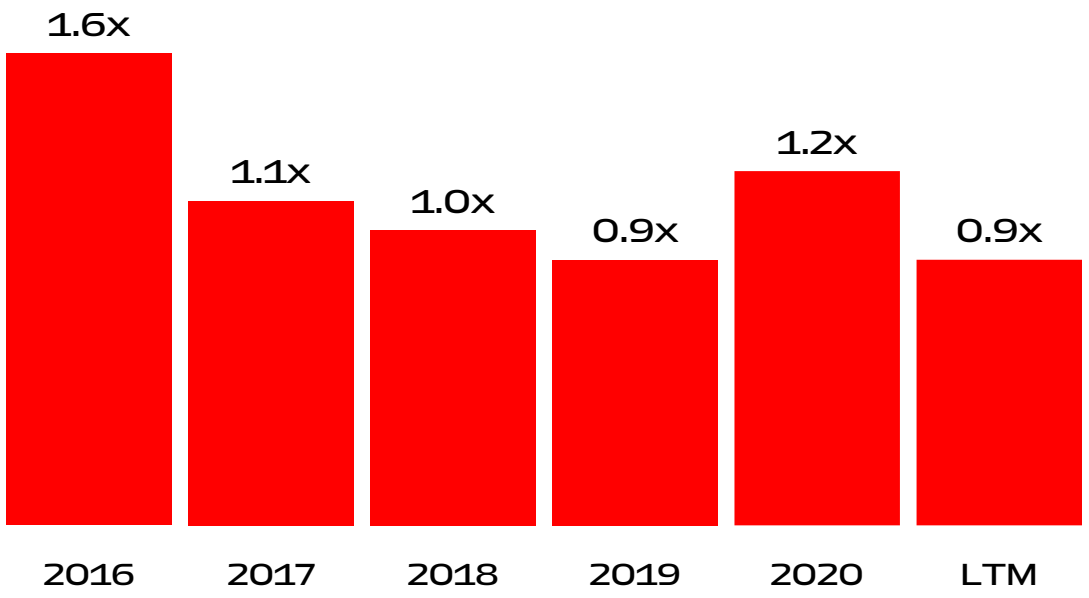
	At Sept. 30 2021	At Jun. 30 2021	At Mar. 31 2021	At Dec. 31 2020	2019	2018
Euro	1,096	739	802	1,203	690	616
US Dollar	69	79	78	76	63	50
Chinese Yuan	69	59	65	51	110	73
Japanese Yen	16	17	10	13	12	24
Other Currencies	23	28	25	19	23	31
Total (€ equivalent)	**1,273**	**922**	**980**	**1,362**	**898**	**794**

Note: (14) Refer to notes to the presentation in the Appendix
Certain totals in the tables included in this document may not add due to rounding

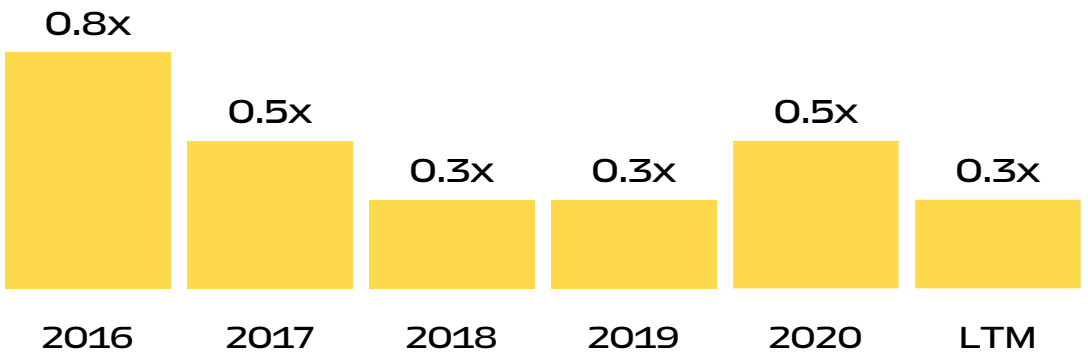
FINANCIAL LEVERAGE[15] HISTORICAL TREND

Total available liquidity at €2,040M as of September 30, 2021 (€1,689M as of June 30, 2021), including undrawn committed credit lines of €767M

Net Debt / Adj. EBITDA[1]



Net Industrial Debt[1] / Adj. EBITDA[1] (Industrial Activities only)



Note: (1) (15) Refer to notes to the presentation in the Appendix

CAPEX AND R&D

Q3 '21	Q3 '20	€M, unless otherwise stated	9M '21	9M '20
189	158	Capital expenditures[9]	506	465
84	79	of which capitalized development costs[16] (A)	264	222
130	111	Research and development costs expensed (B)	402	373
214	190	Total research and development (A+B)	666	595
40	47	Amortization of capitalized development costs (C)	137	132
170	158	Research and development costs as recognized in the consolidated income statement (B+C)	539	505

Note: (9) (16) Refer to notes to the presentation in the Appendix
Certain totals in the tables included in this document may not add due to rounding

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 '21	Q3 '20	€M, unless otherwise stated	9M '21	9M '20
1,053	888	Net revenues	3,099	2,391
371	330	EBITDA / Adjusted EBITDA	1,133	771
361	322	of which EBITDA (Industrial Activities only)	1,105	752
101	108	Amortization and depreciation	323	306
270	222	EBIT / Adjusted EBIT	810	465
10	14	Net financial expenses	29	38
260	208	Profit before taxes	781	427
53	37	Income tax expense	162	81
20%	18%	Effective tax rate	21%	19%
207	171	Net profit / Adjusted net profit	619	346
1.12	0.92	Basic / Adjusted basic EPS (€)	3.34	1.87
1.11	0.92	Diluted / Adjusted diluted EPS (€)	3.33	1.86

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(8)

Q3 '21	Q3 '21 at constant currency	€M, unless otherwise stated	9M '21	9M '21 at constant currency
883	883	Cars and spare parts	2,619	2,670
55	55	Engines	145	145
95	96	Sponsorship, commercial and brand	277	282
20	20	Other	58	61
1,053	1,054	Total Net Revenues	3,099	3,158

Note: (8) Refer to notes to the presentation in the Appendix
Certain totals in the tables included in this document may not add due to rounding

BASIC AND DILUTED EPS

Q3 '21	Q3 '20	€M, unless otherwise stated	9M '21	9M '20
206	171	Net profit attributable to owners of the Company	617	346
184,317	184,748	Weighted average number of common shares (thousand)[17]	184,601	184,825
1.12	0.92	Basic EPS (€)	3.34	1.87
184,617	185,344	Weighted average number of common shares for diluted earnings per common share (thousand)[17]	184,901	185,422
1.11	0.92	Diluted EPS (€)	3.33	1.86

Note: (17) Refer to notes to the presentation in the Appendix
Certain totals in the tables included in this document may not add due to rounding

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

Q3 '21	Q3 '20	€M, unless otherwise stated	9M '21	9M '20
392	218	Cash flow from operating activities	927	428
(189)	(158)	Investments in property, plant and equipment and intangible assets[9]	(506)	(465)
203	60	Free Cash Flow	421	(37)
(39)	(17)	Free Cash Flow from Financial Services Activities	(81)	(29)
242	77	Free Cash Flow from Industrial Activities[18]	502	(8)

Note: (9) (18) Refer to notes to the presentation in the Appendix
Certain totals in the tables included in this document may not add due to rounding

RECONCILIATIONS OF NON-GAAP MEASURES: NET INDUSTRIAL DEBT

€M, unless otherwise stated	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Debt	(2,591)	(2,360)	(2,283)	(2,725)	(2,090)	(1,927)	(1,806)	(1.848)
of which: Lease liabilities as per IFRS 16 (simplified approach)	(59)	(61)	(62)	(62)	(60)	-	-	-
Cash and Cash Equivalents	1,273	922	980	1,362	898	794	648	458
Net Debt (A)	(1,318)	(1,438)	(1,303)	(1,363)	(1,192)	(1,133)	(1,158)	(1,390)
Net Debt of Financial Services Activities	(950)	(886)	(883)	(820)	(855)	(763)	(650)	(700)
Net Industrial Debt (B)	(368)	(552)	(420)	(543)	(337)	(370)	(508)	(690)
EBITDA / Adj. EBITDA LTM (C)	1,505	1,464	1,202	1,143	1,269	1,114	1,036	880
EBITDA / Adj. EBITDA LTM (Industrial Activities only) (D)	1,469	1,430	1,171	1,116	1,251	1,098	1,020	854
Financial Leverage[15] on Net Industrial Debt (B/D)	0.3x	0.4x	0.4x	0.5x	0.3x	0.3x	0.5x	0.8x
Financial Leverage[15] on Net Debt (A/C)	0.9x	1.0x	1.1x	1.2x	0.9x	1.0x	1.1x	1.6x

Note: (15) Refer to notes to the presentation in the Appendix
Certain totals in the tables included in this document may not add due to rounding