Full Year 2016 Results – February 2nd, 2017

SAFE HARBOUR STATEMENT

This document, and in particular the section entitled "2017 Outlook", contains forward-looking statements. These statements may include terms such as "may", "will", "expect", "could", "should", "intend", "estimate", "anticipate", "believe", "remain", "on track", "successful", "grow", "design", "target", "objective", "goal", "forecast", "projection", "outlook", "prospects", "plan", 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 Ferrari's Formula 1 racing team and the expenses the Group incurs for Formula 1 activities; the Group's ability to keep up with advances in high performance car technology and to make appealing designs for its new models; the Group's low volume strategy; the ability of Maserati, the Group's engine customer, to sell its planned volume of cars; changes in client preferences and automotive trends; changes in the general economic environment and changes in demand for luxury goods, including high performance luxury cars, which is highly volatile; the impact of increasingly stringent fuel economy, emission and safety standards; the Group's ability to successfully carry out its growth strategy and, particularly, the Group's ability to grow its presence in emerging market countries; competition in the luxury performance automobile industry; reliance upon a number of key members of executive management and employees; 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 Group's ability to provide or arrange for adequate access to financing for its dealers and clients; 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; product recalls, liability claims and product warranties; exchange rate fluctuations, interest rate changes, credit risk and other market risks; potential conflicts of interest due to director and officer overlaps with the Group's largest shareholders and other factors discussed elsewhere in this document.

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.

2016: A YEAR OF RECORDS…

Shipments reached 8,014 units, up by 350 units vs. previous year (+5%)

- Solid performance supported by both V8 and V12
- Strong performance of the 488 GTB, the 488 Spider and the F12tdf; the newly launched GTC4Lusso and LaFerrari Aperta ramping up
- LaFerrari finished its limited series run

2016, a year full of events

- Spin-off from FCA
- Listing on the Milan Stock Exchange
- Bond issuance
- Deconsolidation of the European Financial Services business

Financial results

- Net revenues grew 9% to €3,105 million
- Adjusted EBITDA(1) of €880 million, margin at 28.3% (30% without FX hedges(2))
- Adjusted EBIT(1) of €632 million, 380 bps margin increase to 20.4% (22.2% without FX hedges(2))
- Adjusted net profit up 37% to €425 million
- Net industrial debt(1) reduced to €653 million
- Cash distribution proposal of €120 million or 0.635 per common share(3)

2017 Outlook(4)

- Shipments: ~ 8,400 including supercars
- Net revenues: > €3.3 billion
- Adjusted EBITDA: > €950 million
- Net industrial debt(5): ~ €500 million

…ON THE WAY TO ITS 70TH ANNIVERSARY IN 2017

Note: (1) Reconciliations to non-gaap financial measures are provided in the appendix
(2) Margins without FX hedges have been calculated excluding FX hedges impact from net revenues, adjusted EBIT and adjusted EBITDA
(3) Subject to approval by the Board of Directors and to the adoption of the Company's 2016 Annual Accounts by the Shareholders' Annual General Meeting
(4) Assuming FX consistent with current market conditions
(5) Including a cash distribution to the holders of common shares and excluding potential share repurchases

2016 PRODUCT LAUNCHES

LaFerrari aperta

350 unique cars created by the Tailor Made atelier with dedicated liveries to celebrate our 70th anniversary

J50, a strictly limited series

GTC4LUSSO T

GTC4LUSSO

488 Challenge

FULL YEAR 2016 HIGHLIGHTS

Shipments (units)

FY 2016	8,014	+4.6%
FY 2015	7,664	

Total shipments up 350 units (+5% vs. PY) supported by a 5% increase in V8 and 4% increase in V12 models vs. prior year:

- The 488 GTB and the 488 Spider with robust waiting lists
- Strong performance of the F12tdf
- The GTC4Lusso and LaFerrari Aperta ramping up
- LaFerrari finished its limited series run

Net revenues (€M)

FY 2016	3,105	+8.8%
FY 2015	2,854	

Net revenues up 8.8% (+9.4% at constant currencies) with sound performance of Cars and spare parts as well as Engines. In detail, Cars and spare parts growth was driven by higher volumes, personalization and pricing increase from Q4 2016 partially offset by mix:

- Americas: €756 million (-5.7%) due to LaFerrari that finished its limited series run and LaFerrari Aperta yet to arrive
- EMEA: €880 million (+12.9%) due to higher volumes, mix and personalization
- Greater China: €254 million (+6.3%) due to volumes despite Ferrari's decision to terminate the current distributor in Hong Kong
- Rest of APAC: €290 million (+11.4%) due to volumes, personalization partially offset by mix

Adjusted EBITDA[1] (€M and margin %)

FY 2016	880	28.3%	+17.7%
FY 2015	748	26.2%	

Adjusted EBITDA[1] grew by 17.7%, primarily driven by higher volume, positive FX, Sponsorship, commercial and brand as well as Engines and other supporting activities, partially offset by mix. Adjusted EBITDA[1] excludes charges for Takata[6] airbag inflator recalls.

Adjusted EBIT[1] (€M and margin %)

FY 2016	632	20.4%	+33.6%
FY 2015	473	16.6%	

Adjusted EBIT[1] margin increased by 380 bps driven by strong adjusted EBITDA[1] and lower D&A mainly due to the 458 family phase-out and LaFerrari that finished its limited series run

Industrial free cash flow[1] (€M)

FY 2016	280	+20.7%
FY 2015	232 / 429	

Industrial free cash flow[1] driven by strong adjusted EBITDA[1] of €880 million offset by capex of €340 million and taxes, which included FY 2015 tax balance and FY 2016 tax advance payments. Other included a positive contribution from advances of LaFerrari Aperta, offset by a decrease in tax liabilities due to tax payments in Q4 2016, as previously communicated.

FY 2015 included one-time of €160 million related to the reimbursement by Maserati of its inventory in China and €37 million one-time cash inflow from the sale of investment properties to Maserati.

Net industrial debt[1] (€M)

Dec. 31, 2016	(653)	-18.1%
Dec. 31, 2015	(797)	

Net industrial debt[1] reduced to €653 million primarily due to the industrial free cash flow[1] generation, partially offset by cash distribution to the holders of common shares and dividends paid to non-controlling interest.

Note: (1) reconciliations to non-gaap financial measures are provided in the appendix.
(6) Note on Takata airbag inflator recalls is provided in the appendix
Certain totals in the tables included in this document may not add due to rounding.

FULL YEAR 2016 – SHIPMENTS BY REGION(7)

Americas

(33% vs. 34% PY of total shipments)

Americas' shipments increased by 1.8%

- USA – in Ferrari's single largest market shipments increased by over 2%, notwithstanding only few deliveries of the newly launched GTC4Lusso. LaFerrari Aperta yet to arrive on the market.
  The 488 family and the F12tdf performed strongly offsetting the 458 family, the FF phase-out and LaFerrari, that finished its limited series run.

EMEA

(45% vs. 44% PY of total shipments)

EMEA's shipments expanded by 7.7%

- UK – deliveries up 4% with robust performance of the 488 family more than offsetting the 458 family phase-out. Despite timing of the newly launched GTC4Lusso, yet to arrive on the market, V12 shipments increased thanks to the F12tdf and LaFerrari Aperta.
- double-digit growth recorded in Italy (+28%), Germany (+13%) and France (+12%) mainly due to the 488 family, the F12tdf and the newly launched GTC4Lusso and LaFerrari Aperta. Other European countries, Africa and Middle East up low single-digit.

Greater China

(8% vs. 8% PY of total shipments)

Greater China's shipments grew by 1.5%

- China mainland – shipments increased by over 6% thanks to the 488 family more than offsetting the 458 family phase-out. First deliveries of the newly launched GTC4Lusso while LaFerrari Aperta about to arrive on the market.
- HK and Taiwan – decreased mainly due to Ferrari's decision to terminate the current distributor in Hong Kong in Q4 2016. Solid performance of the 488 family and the F12tdf.

Rest of APAC

(14% vs. 14% PY of total shipments)

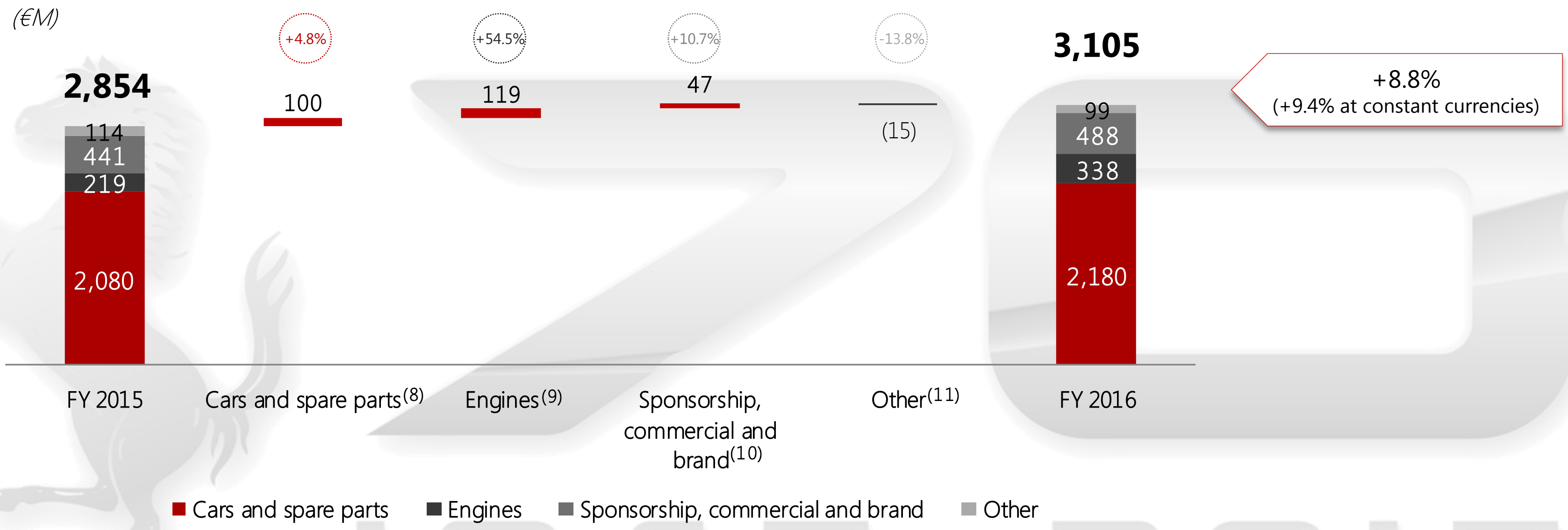
Rest of APAC's shipments up 3.3%

- Japan – deliveries in line with previous year. The newly launched GTC4Lusso and LaFerrari Aperta yet to arrive on the market.
- Australia – strong double-digit growth thanks to the 488 family and the F12tdf. The newly launched GTC4Lusso yet to arrive on the market.
- Other APAC – shipments in line with prior year. The newly launched GTC4Lusso yet to arrive on the market.

All regions positively contributing thanks to the 488 family, F12tdf, GTC4Lusso and LaFerrari Aperta

Note: (7) refer to notes to the presentation in the Appendix

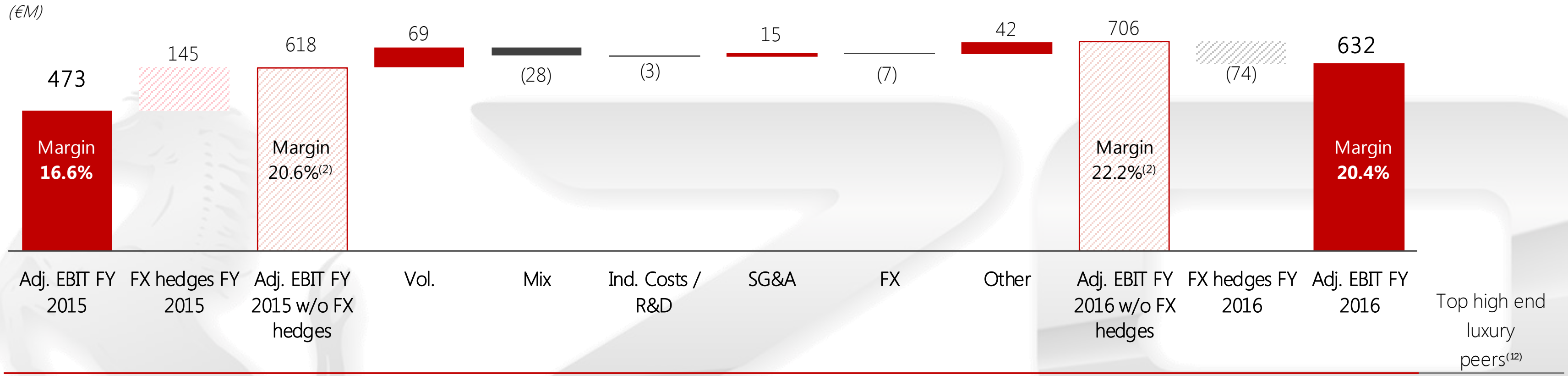
NET REVENUES BRIDGE FULL YEAR 2015-2016



- €100 million increase in Cars and spare parts due to higher volumes led by the 488 GTB, the 488 Spider, the F12tdf, the new models GTC4Lusso and LaFerrari Aperta, the non-registered car FXX K and the strictly limited edition F60 America, along with a higher contribution from personalization programs and pricing increase from Q4 2016, partially offset by LaFerrari that finished its limited series run
- €119 million increase in Engines mainly attributable to strong sales to Maserati and higher rental revenues from other Formula 1 teams
- €47 million increase in Sponsorship, commercial and brand mainly due to better 2015 championship ranking compared to 2014, higher sponsorship revenues and positive contribution from brand related activities
- €15 million decrease in Other mostly due to lower collateral revenues including the deconsolidation of the European Financial Services business

Note: refer to notes to the presentation in the Appendix

ADJUSTED EBIT BRIDGE FULL YEAR 2015 - 2016

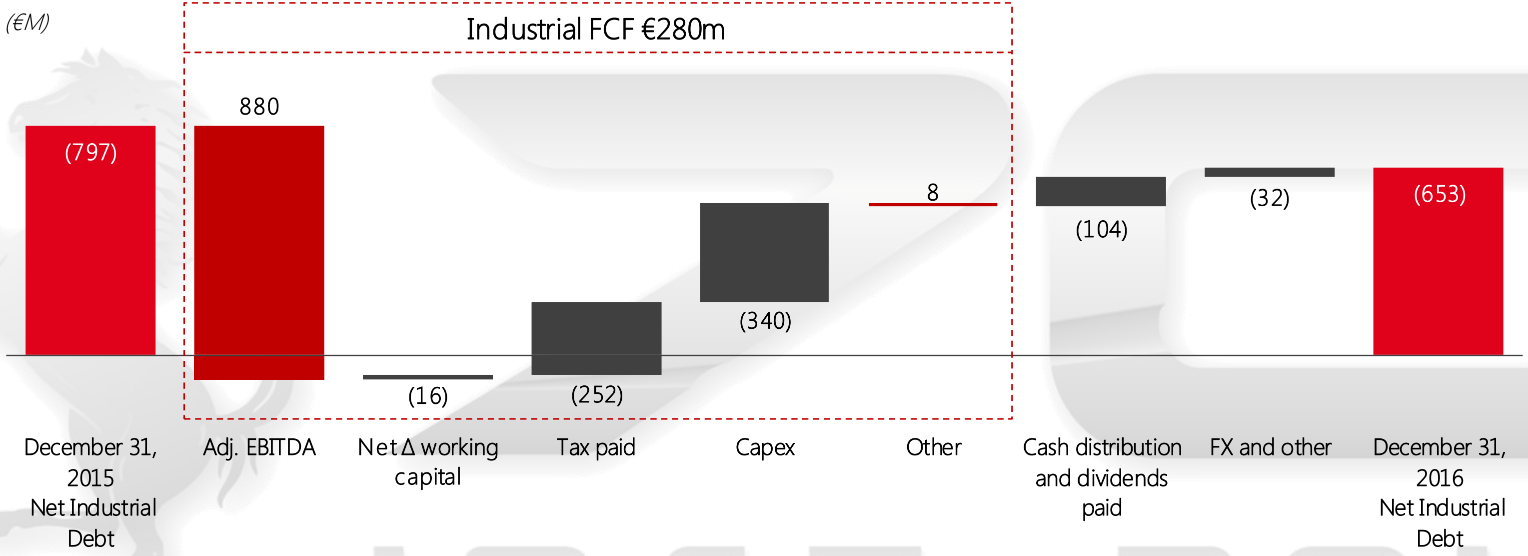


Adj. EBITDA	Adj. EBITDA w/o FX hedges[2]	Adj. EBITDA w/o FX hedges[2]	Adj. EBITDA	EBITDA[12] Margin
748	893	954	880	
26.2%	29.8%	30.0%	28.3%	33% - 37%

- Volume increase of approx. 540 cars (excluding LaFerrari and LaFerrari Aperta) thanks to the 488 GTB, the 488 Spider, the F12tdf and the newly launched GTC4Lusso, together with positive contribution from personalization
- Negative mix impacted by lower sales of LaFerrari, that finished its limited series run, partially offset by LaFerrari Aperta, the F60 America and positive range model mix, mainly due to the F12tdf and the 488 Spider, as well as pricing increase
- Industrial costs / R&D driven by F1 costs partially offset by lower D&A for the 458 family phase-out and LaFerrari, that finished its limited series run, as well as industrial cost savings
- SG&A costs lower than prior year driven by different ranking in F1 racing activity in 2016 and the deconsolidation of the European Financial Services business, partially offset by higher costs related to new directly operated stores
- FX, excluding hedges, negative impact on transaction exchange rates primarily driven by GBP partially offset by JPY
- Other, strong contribution from racing for sponsorship and commercial, Engines to Maserati and other F1 teams, as well as brand and other supporting activities

Note: (2) Margins without FX hedges have been calculated excluding FX hedges impact from net revenues, adjusted EBIT and adjusted EBITDA
(12) Ferrari's elaboration on FY 2015 publicly available data on a panel of high end luxury peers

NET INDUSTRIAL DEBT BRIDGE[(1)] DEC 31, 2015 – 2016



- Industrial free cash flow[(1)] driven by strong adjusted EBITDA[(1)] of €880 million offset by capex of €340 million and taxes, which included FY 2015 tax balance and FY 2016 tax advance payments.
  Other included a positive contribution from advances of LaFerrari Aperta, offset by a decrease in tax liabilities due to tax payments in Q4 2016, as previously communicated.
  FY 2015 included one-time of €160 million related to the reimbursement by Maserati of its inventory in China and €37 million one-time cash inflow from the sale of investment properties to Maserati.
- Net industrial debt[(1)] reduced to €653 million primarily due to the industrial free cash flow[(1)] generation, partially offset by cash distribution to the holders of common shares and dividends paid to non-controlling interest.

Note: (1) reconciliations to non-gaap financial measures are provided in the appendix

A **strictly limited** series to commemorate the **50th anniversary** of Ferrari in Japan

10 examples only, each one will be tailored specifically to the customer's requirements

Powered by a specific **690 cv** version of the 3.9-litre V8 that won the overall **International Engine of the Year Award in 2016**

Q4 2016 – "ATTIVITA' SPORTIVE GT"

XX programs / F1 Clienti
FINALI MONDIALI
Daytona (USA), Dec 1-4

XX: 28 (15 FXX K) F1: 17
XX Seasonal average participants: 22
F1 Seasonal average participants: 8

Both programs reached the highest number of participants since 2010

Ferrari Challenge
Round 7 + FINALI MONDIALI
Daytona (USA), Dec 1-4

Ferrari Challenge Europe
Round 7 participants: 37
Seasonal average participants: 36

Ferrari Challenge North America
Round 7 participants: 32
Seasonal average participants: 33

Ferrari Challenge Asia Pacific
Round 7 participants: 12
Seasonal average participants: 27

All series have experienced, in terms of attendance, the best season ever for a Challenge competition

FIA World Endurance Championship
Ferrari won the GT Manufacturers' Title for the fourth time in the past five years

Q4 2016 – FERRARI BRAND AND STORE PRESENCE

Licensing activities

- In Q4 2016, Hublot and Ferrari signed a multiyear renewal of their sponsorship and licensing agreements, extending the partnership started in 2011

Ferrari Store

- At the end of December 2016 managing 16 directly operated stores and 29 franchised locations (including 8 Ferrari Store Junior)

Museums

- More than 478,000 visitors in 2016 between Maranello and Modena

2017 OUTLOOK

	2016 Actual	2017 Outlook[4]	2017 Drivers
Shipments	8,014	~ 8,400[13]	Strong contribution from range models (including special liveries) and LaFerrari Aperta
Net Revenues	€3.1 billion	> €3.3 billion	Top line growth driven by Cars and spare parts as well as Engines, partially offset by different F1 ranking and deconsolidation of the European Financial Services business
Adj. EBITDA[1]	€880 million	> €950 million	Positive contribution from both Volume and Mix, partially offset by R&D and SG&A (F1, new stores and 70th anniversary)
Net Industrial Debt[1]	€653 million	~ €500 million[5]	Strong adj. EBITDA, partially offset by capex to support continuous product range renewal and R&D for hybridization, taxes, lack of advances on limited edition supercars and cash distributions to holders of common shares

Note: (1) Reconciliations to non-gaap financial measures are provided in the appendix
(4) Assuming FX consistent with current market conditions
(5) Including a cash distribution to the holders of common shares and excluding potential share repurchases
(13) Including supercars

Q&A

Appendix

NOTES TO THE PRESENTATION

1. *Reconciliations to non-gaap financial measures are provided in the appendix*
2. *Margins without FX hedges have been calculated excluding FX hedges impact from net revenues, adjusted EBIT and adjusted EBITDA*
3. *Subject to approval by the Board of Directors and to the adoption of the Company's 2016 Annual Accounts by the Shareholders' Annual General Meeting*
4. *Assuming FX consistent with current market conditions*
5. *Including a cash distribution to the holders of common shares and excluding potential share repurchases*
6. *Ferrari cars were included within the United States National Highway Traffic Safety Administration ("NHTSA") Consent Order Amendment dated May 4th, 2016 with Takata (the "Amended Consent Order") due to a defect which may arise in the non-desiccated Takata passenger airbag inflators mounted on certain Ferrari cars. As a result of such Amended Consent Order, Ferrari has filed a Part 573 Defect Information Report on May 23, 2016 with NHTSA and has initiated a global recall relating to certain cars produced between 2008 and 2011. On December 9, 2016 NHTSA has issued a Third Amendment to the Coordinated Remedy Order ("ACRO") which included the list of Ferrari vehicles in US up to model year 2017 to be recalled in the future years. As a consequences of the ACRO Ferrari has decided to extend the Takata global recall campaign to all vehicles worldwide mounting a non-desiccated Takata passenger airbag inflators. On January 10, 2017 Ferrari, in accordance with the Amended Consent Order and the ACRO, has filed with NHTSA a Part 573 Defect Information Report to include MY2012 Zone A vehicles. As a result of the ACRO and the decision to extend the worldwide Takata airbag inflator recall Ferrari has decided to increase its provisions for the estimated charges for Takata airbag inflators recalls from Euro 10 million as indicated in the second quarter 2016 to Euro 37 million to cover the cost of the worldwide global Takata recall due to uncertainty of recoverability of the costs from Takata.*
7. *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; Greater China includes: China, Hong Kong and Taiwan;
   Rest of APAC includes: Japan, Australia, Singapore, Indonesia and South Korea
8. *Includes the net revenues generated from shipments of our cars, including any personalization revenue generated on these cars and sales of spare parts*
9. *Includes the 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*
10. *Includes the net revenues earned by our Formula 1 racing team through sponsorship agreements and our share of the Formula 1 World Championship commercial revenues and net revenues generated through the Ferrari brand, including merchandising, licensing and royalty income*
11. *Primarily includes interest income generated by the Ferrari Financial Services group and net revenues from the management of the Mugello racetrack*
12. *Ferrari's elaboration on FY 2015 publicly available data on a panel of high end luxury peers*
13. *Including supercars*

STRONG TRACK-RECORD IN NEW MODELS INTRODUCTION

Product Line-Up (at least a new model launched every year)

		2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
V8	F430														
	F430 Spider														
	F430 Scuderia														
	California														
	Scuderia Spider 16M														
	458 Italia														
	458 Spider														
	California 30														
	458 Speciale														
	California T														
	458 Speciale A														
	488 GTB														
	488 Spider														
	GTC4Lusso T														
V12	612 Scaglietti														
	Superamerica														
	599 GTB Fiorano														
	599 GTO														
	SA APERTA														
	FF														
	F12berlinetta														
	F12tdf														
	GTC4Lusso														
	Supercars														
	LaFerrari														
	LaFerrari Aperta														

Special series and one-offs not included

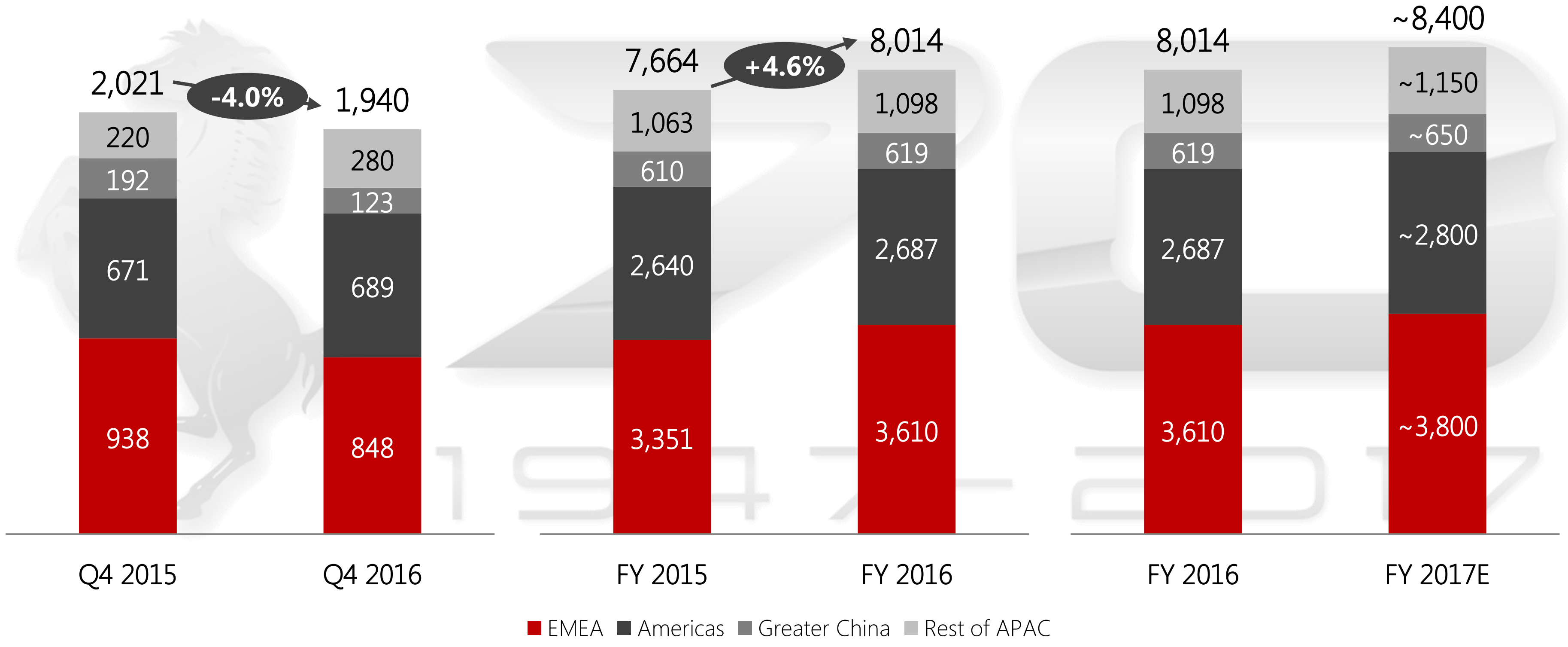
LIMITED SERIES

In and out from our portfolio

	2015	2016	2017	2018
F12tdf				
LaFerrari				
LaFerrari Aperta				
FXX K(14)				
F60 America(14)				
J50(14)				

Note: (14) Models not included in the total shipments' figure provided

GROUP SHIPMENTS[7]



Note: (7) refer to notes to the presentation in the Appendix
Graphs not to scale. Shipments including supercars LaFerrari and LaFerrari Aperta

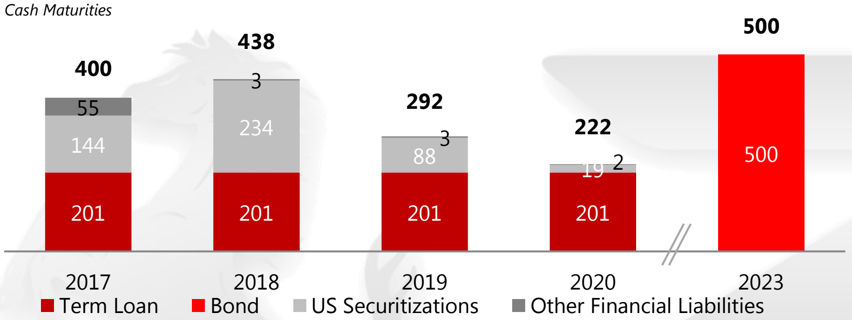
KEY PERFORMANCE METRICS

Q4 '16	Q4 '15	€M, except as otherwise stated	FY '16	FY '15
1,940	2,021	Worldwide shipments (units)	8,014	7,664
836	744	Net revenues	3,105	2,854
224	157	EBITDA(1)	843	719
27	24	Adjustments	37	29
251	181	Adjusted EBITDA(1)	880	748
156	85	EBIT	595	444
183	109	Adjusted EBIT(1)	632	473
3	5	Net financial expenses	28	10
153	80	Profit before taxes	567	434
41	25	Income tax expense	167	144
27.2%	31.8%	Effective tax rate	29.5%	33.2%
112	55	Net profit	400	290
130	71	Adjusted net profit(1)	425	310
0.59	0.28	EPS (€)	2.11	1.52
0.69	0.37	Adjusted EPS(1) (€)	2.25	1.63

Note: (1) reconciliations to non-gaap financial measures are provided in the appendix.
Certain totals in the tables included in this document may not add due to rounding.

DEBT AND LIQUIDITY POSITION

Gross Debt Maturity Profile (€M)



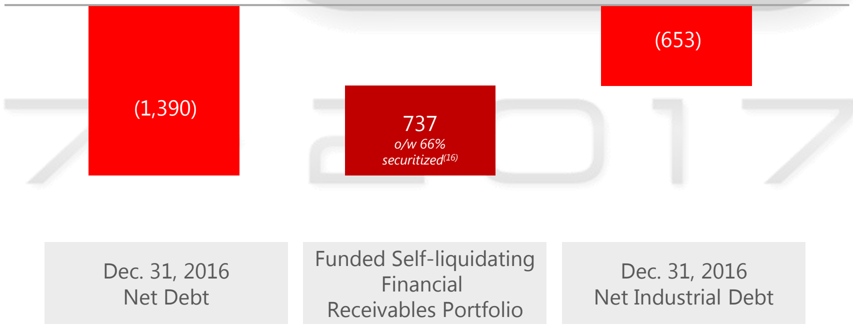
Cash and Marketable Securities (€M)

(€M)	Dec.31 2016	Sep. 30, 2016	Jun. 30, 2016	Mar. 31, 2016	Adj. FY 2015[15]	FY 2015	FY 2014
Euro	318	225	343	356	137	22	10
US Dollar	16	88	96	41	21	1	14
Chinese Yuan	58	86	73	99	106	106	74
Japanese Yen	37	37	29	24	41	41	27
Other Currencies	29	46	44	43	17	13	9
Total (€ equivalent)	458	482	585	563	322	183	134

Net Cash/Net Industrial Debt (€M)

(€M)	At Dec. 31 2016	At Sep. 30 2016	At Jun. 30 2016	At Mar. 31 2016	At Dec. 31 2015	At Dec. 31 2014
Gross Debt	(1,848)	(2,199)	(2,483)	(2,442)	(2,260)	(510)
Cash & Cash Equivalents	458	482	585	563	183	134
Deposits in FCA Cash Management Pools			-	-	139	942
(Net Debt)/Net Cash	(1,390)	(1,717)	(1,898)	(1,879)	(1,938)	566
Funded Self-Liquidating Financial Receivables Portfolio	737	1,132	1,135	1,097	1,141	1,061
(Net Industrial Debt)/Net Industrial Cash	(653)	(585)	(763)	(782)	(797)	1,627
Undrawn Committed Credit Lines	500	500	500	500	500	
Total Available Liquidity	958	982	1,085	1,063	822	1,076

Net Industrial Debt (€M)



Note: (15) After settlement of deposits on FCA Group cash management pools and financial liabilities with FCA
(16) Portion of the Self-liquidating Financial Receivables Portfolio funded through securitizations

UPDATE ON FINANCING

- On **January 19th, 2016** Ferrari Financial Services Inc., indirectly wholly owned subsidiary of Ferrari N.V., performed a revolving securitization program for funding of up to US$250 million by pledging retail financial receivables in the United States of America as collateral. The notes bear interest at a rate per annum equal to the aggregate of LIBOR plus a margin of 70 basis points. On December 16th, 2016 the limit of the program was increased to US$275 million.
- On **March 9th, 2016** Ferrari N.V. issued a 7-year €500 million senior note with a coupon of 1.5%; proceeds from the senior note were used to repay a bridge financing of equal amount provided by a syndicate of banks in 2015
- On **September 16th, 2016** Ferrari N.V. prepaid a first tranche of €300 million out of a €1,500 million Term Loan provided by a syndicate of banks in 2015, reducing the outstanding to €1,200 million
- On **October 20th, 2016** Ferrari Financial Services Inc., indirectly wholly owned subsidiary of Ferrari N.V., performed a revolving securitization program for funding of up to US$200 million by pledging leasing financial receivables in the United States of America as collateral. The notes bear interest at a rate per annum equal to the aggregate of LIBOR plus a margin of 70 basis points. Proceeds from the first sale of financial receivables were US$175 million and were used to repay in October unsecured funding of US$150 million.
- On **November 7th, 2016** Ferrari and FCA Bank finalized agreement to provide financial services in Europe. FCA Bank has acquired a majority stake in Ferrari Financial Services GmbH for a total purchase price of €18.6 million upon consummation of the share purchase agreement entered into by the parties earlier this year. As a result of the funding being directly provided by FCA Bank, which will be the consolidating entity, Ferrari N.V. received €432 million.
- On **December 14th, 2016** Ferrari Financial Services Inc. renewed a US$100 million unsecured bank loan facility of which US$25 million were drawn
- On **December 16th, 2016** Ferrari N.V. prepaid a second tranche of €300 million out of a €1,500 million Term Loan provided by a syndicate of banks in 2015, further reducing the outstanding to €900 million
- On **December 28th, 2016** Ferrari Financial Services Inc. performed a revolving securitization program for funding of up to US$120 million by pledging credit lines to Ferrari customers secured by personal vehicle collections and personal guarantees in the United States of America as collateral. The notes bear interest at a rate per annum equal to the aggregate of LIBOR plus a margin of 150 basis points.
- On **December 30th, 2016** Ferrari N.V. and Ferrari Financial Services Inc. paid respectively €92 million and US$9 million as a first installment calculated on the outstanding €900 million Term Loan originally provided by a syndicate of banks in 2015 for an initial amount of €1,500 million

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 its 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

Non-GAAP financial measures

EBITDA is defined as net profit before income tax expense, net financial expenses/(income) and depreciation and amortization. Adjusted EBITDA is defined as EBITDA as adjusted for income and costs, which are significant in nature, but expected to occur infrequently

Adjusted Earnings Before Interest and Taxes ("Adjusted EBIT") represents EBIT as adjusted for income and costs, which are significant in nature, but expected to occur infrequently

Adjusted net profit represents net profit as adjusted for income and costs, which are significant in nature, but expected to occur infrequently

Adjusted earning per share represents earning per share as adjusted for income and costs, which are significant in nature, but expected to occur infrequently

Net Industrial Debt defined as Net Debt excluding the funded portion of the self-liquidating financial receivables portfolio, is the primary measure to analyze our financial leverage and capital structure, and is one of the key indicators used to measure our financial position

Free Cash Flow and Free Cash Flow from Industrial Activities are two of management's primary key performance indicators to measure the Group's performance. Free Cash flow is defined as net cash generated from operations less cash flows used in investing activities. Free Cash Flow from Industrial Activities is defined as Free Cash Flow adjusted for the change in the self-liquidating financial receivables portfolio.

RECONCILIATION OF NON-GAAP MEASURES: EBITDA

Q4 '16	Q4 '15	€M	FY '16	FY '15
112	55	Net profit	400	290
41	25	Income tax expenses	167	144
3	5	Net financial expenses / (income)	28	10
68	72	Amortization and depreciation	248	275
224	157	EBITDA	843	719

RECONCILIATION OF NON-GAAP MEASURES: ADJ. EBITDA

Q4 '16	Q4 '15	€M	FY '16	FY '15
224	157	EBITDA	843	719
-	24	(Income) and expenses incurred in connection with our IPO and separation	-	29
27	-	Charges for Takata airbag inflator recalls	37	-
251	181	Adjusted EBITDA	880	748

RECONCILIATION OF NON-GAAP MEASURES: ADJ. EBIT

Q4 '16	Q4 '15	€M	FY '16	FY '15
156	85	EBIT	595	444
-	24	(Income) and expenses incurred in connection with our IPO and separation	-	29
27	-	Charges for Takata airbag inflator recalls	37	-
183	109	Adjusted EBIT	632	473

RECONCILIATION OF NON-GAAP MEASURES: ADJ. NET PROFIT

Q4 '16	Q4 '15	€M	FY '16	FY '15
112	55	Net profit	400	290
-	16	(Income) and expenses incurred in connection with our IPO and separation (net of tax effect)	-	20
18	-	Charges for Takata airbag inflator recalls (net of tax effect)	25	-
130	71	Adjusted net profit	425	310

RECONCILIATION OF NON-GAAP MEASURES: ADJ. EPS

Q4 '16	Q4 '15	€ per common share	FY '16	FY '15
0.59	0.28	EPS	2.11	1.52
-	0.09	(Income) and expenses incurred in connection with our IPO and separation (net of tax effect)	-	0.11
0.10	-	Charges for Takata airbag inflator recalls (net of tax effect)	0.14	-
0.69	0.37	Adjusted EPS	2.25	1.63

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

Q4 '16	Q4 '15	€M	FY '16	FY '15
439	173	Cash flow from operating activities	1,005	707
(88)	(121)	Cash flows used in investing activities(17)	(320)	(317)
351	52	Free Cash Flow	685	390
(422)	(39)	Change in the self-liquidating financial receivables portfolio	(405)	39
(71)	13	Free Cash Flow from Industrial Activities(18)	280	429

Note: (17) Cash flow from investing activities for the three and twelve months ended December 31, 2016 includes €20 million proceeds from the disposal of a majority stake in FFS GmbH in November 2016
(18) FY 2015 included one-time of €160 million related to the reimbursement by Maserati of its inventory in China and €37 million one-time cash inflow from the sale of investment properties to Maserati

RECONCILIATION OF NON-GAAP MEASURES: NET INDUSTRIAL DEBT

€M	December 31, 2016	September 30, 2016	June 30, 2016	March 31, 2016	December 31, 2015
Net Industrial Debt	(653)	(585)	(763)	(782)	(797)
Funded portion of the self-liquidating financial receivables portfolio	737	1,132	1,135	1,097	1,141
Net Debt	(1,390)	(1,717)	(1,898)	(1,879)	(1,938)
Financial liabilities with FCA Group	-	-	-	-	(3)
Deposits in FCA Group cash management pools	-	-	-	-	139
Cash and cash equivalents	458	482	585	563	183
Gross Debt	(1,848)	(2,199)	(2,483)	(2,442)	(2,257)