Equity Research Report

Ferrari N.V. - RACE

Where Scarcity Drives Value

FERRARI
EQUITY RESEARCH
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Stock Rating	12-m Target Price	Price (30-Jun-26)
HOLD	**€325.32**	**€318.85**

We initiate coverage of Ferrari N.V. (RACE) with a HOLD recommendation and a 12-month target price of €325.32 per share, implying approximately 2.0% upside from the €318.85 share price on 30 June 2026. Ferrari's scarcity-led model remains exceptionally strong: although FY2025 shipments declined by 0.8% to 13,640 units, net revenue rose by 7.0% to €7.15 billion and revenue per car increased by 5.7% to approximately €440,000, demonstrating continued pricing, mix and personalisation gains. Our target blends DCF, peer-multiples and dividend-discount valuations of €327.33, €213.00 and €337.92, respectively. Nevertheless, the limited upside and the DCF's heavy reliance on terminal value suggest that Ferrari's exceptional franchise quality is already largely reflected in its current share price.

Company Overview

Ferrari designs, engineers, produces and sells the world's most recognizable luxury performance sports cars from its historic home in Maranello, Italy. The company sells in more than 60 markets through 181 authorized dealers operating 195 points of sale, targeting the wealthiest segment of the luxury car market. Rather than maximising output, it keeps supply below demand to protect exclusivity, residual values and pricing power. Customer loyalty is exceptional: in FY2025, around 84% of new cars went to existing owners and 56% to clients who already owned more than one Ferrari.

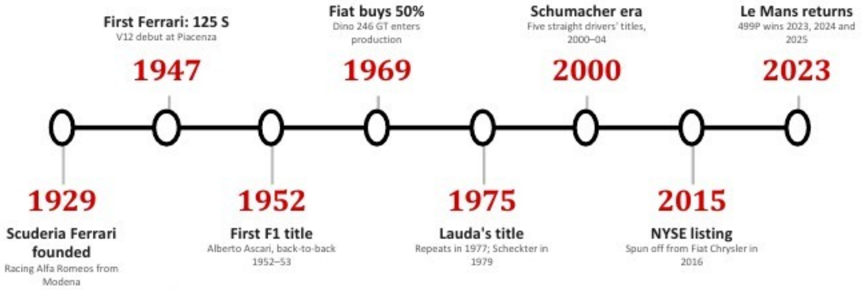


Figure 3 -Timeline of Ferrari history

FY2025 shows why this model works. Revenue rose by 7.0% to €7.15 billion, €6.01 billion from cars and spare parts, €820 million from sponsorship, commercial and brand activities, and €321 million from other activities. More tellingly, shipments fell by 0.8% to 13,640 cars while cars revenue increased by 4.8%. Revenue per vehicle rose from €318,000 in FY2021 to €440,000, reflecting pricing, personalization and mix.

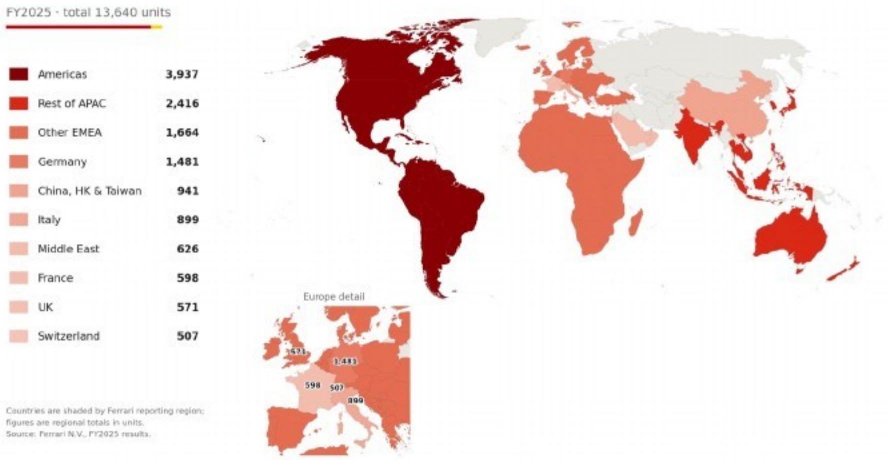


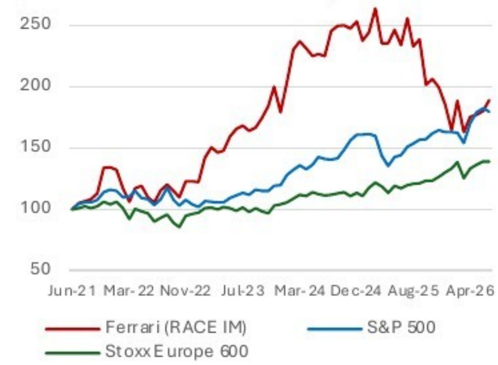
Figure 4 - Ferrari global sales

Key Financial Data

Bloomberg ticker	RACE IM / RACE US
Sector	Luxury Autos
Share price (€)	318.85
Rating	HOLD
12-m target price (€)	325.32
Market cap (€m)	56,091
Shares outstanding (m)	175.9
52-week range (€)	273.8 - 440.9
Dividend yield (FY25)	1.1%
Net fin. liabilities (€m)	9.7
EPS, LTM / NTM (€)	9.17 / 10.21
P/E, LTM / NTM (x)	34.8 / 31.2
EV/EBITDA, NTM (x)	19.0
ROE (FY2025)	40.9%

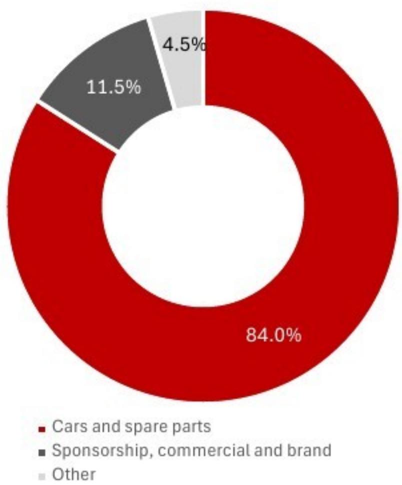
Indexed Share Price

Figure 1 - Ferrari vs benchmarks, weekly, Jun-2021 = 100



FY2025 Revenue Mix

Figure 2 - Ferrari vs benchmarks, weekly, Jun-2021 = 100



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The financial profile looks closer to a luxury group than a conventional carmaker. Ferrari reported a 29.5% EBIT margin, 38.8% EBITDA margin, €1.60 billion of net income and €1.54 billion of industrial free cash flow. Its heritage, loyal clients and controlled supply are difficult to reproduce.

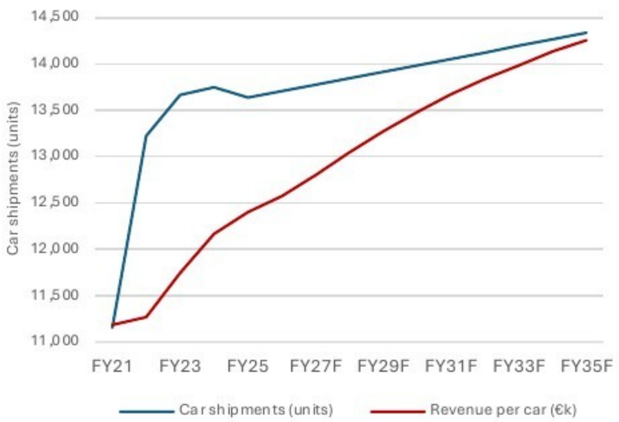

Figure 5 – Shipments vs revenue per unit

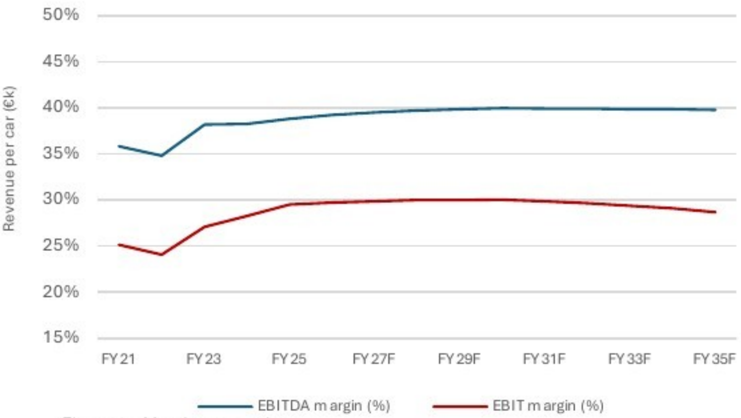

Figure 6 – Margin comparison

Industry Overview

Ferrari operates in the luxury performance car segment, defined by vehicles priced above €200,000 with more than 500 hp. Unlike conventional automakers, however, its demand is driven primarily by affluent wealth creation and product launches rather than the broader automotive cycle. Deliberately constrained production and a frequent launch cadence have also made Ferrari's volumes more resilient than those of competitors.

The industry's central uncertainty is electrification. Increasingly stringent emissions regulation is pushing the segment towards hybrid and electric powertrains, while cost and limited charging infrastructure still restrain electric demand at the high end; advances in battery technology are expected to lift adoption, though more slowly than in the mass market. Demand fundamentals remain supportive, with sustained wealth creation in Asia and younger affluent buyers expanding the customer base. Ferrari's response is deliberately technology-neutral, running internal combustion, hybrid (42% of FY2025 shipments) and electric powertrains in parallel. The decisive test is the Ferrari Luce, the company's first full-electric model, whether clients will queue, and pay Ferrari prices, for a Ferrari without a combustion engine will determine whether its scarcity economics survive the EV transition.

Table 1 – Peers financials

Company	Mkt cap (€m)	EV/Sales	EV/EBITDA	EV/EBIT	P/E
Ferrari N.V.	**57,574**	**8.1x**	**20.8x**	**27.3x**	**35.4x**
BMW AG	32,142	0.2x	1.3x	2.8x	5.5x
Mercedes-Benz Group AG	42,291	0.2x	1.6x	3.8x	8.3x
Volkswagen AG	35,772	0.1x	0.8x	4.3x	7.1x
Dr. Ing. h.c. F. Porsche AG	39,592	1.3x	7.4x	58.8x	24.0x
Stellantis N.V.	14,603	0.0x	-0.5x	-0.4x	n/m
General Motors Co.	60,890	0.4x	4.2x	38.0x	5.8x
Aston Martin Lagonda	445	n/m	n/m	n/m	n/m
Hermès International	168,700	9.8x	20.9x	24.1x	37.1x
LVMH Moët Hennessy	240,022	3.3x	10.8x	15.9x	22.1x
Kering SA	30,522	2.9x	14.7x	54.9x	n/m
Richemont (Cie Fin.)	119,511	5.2x	19.0x	25.8x	34.3x
Moncler S.p.A.	13,955	4.6x	11.4x	15.7x	21.6x
Brunello Cucinelli S.p.A.	5,617	4.5x	15.4x	27.6x	40.7x
Prada S.p.A.	11,354	2.5x	7.2x	12.5x	14.3x
Burberry Group plc	4,451	1.9x	9.6x	41.0x	176.6x

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Forecast Drivers

The forecast begins with Ferrari's FY2026 guidance. Shipments increase by only 0.5% a year from the FY2025 base, consistent with the company's controlled-volume strategy. Cars and spare-parts revenue grows by 4.5% in FY2026, reaches 5.5% in FY2027-28 and then slows to 2.5% by FY2035. With little support from volume, most growth must come from pricing, mix and personalisation. This lifts forecast revenue per car to about €626,000. Sponsorship, commercial and brand revenue initially grows by 10%, before fading to 5% as the segment matures.

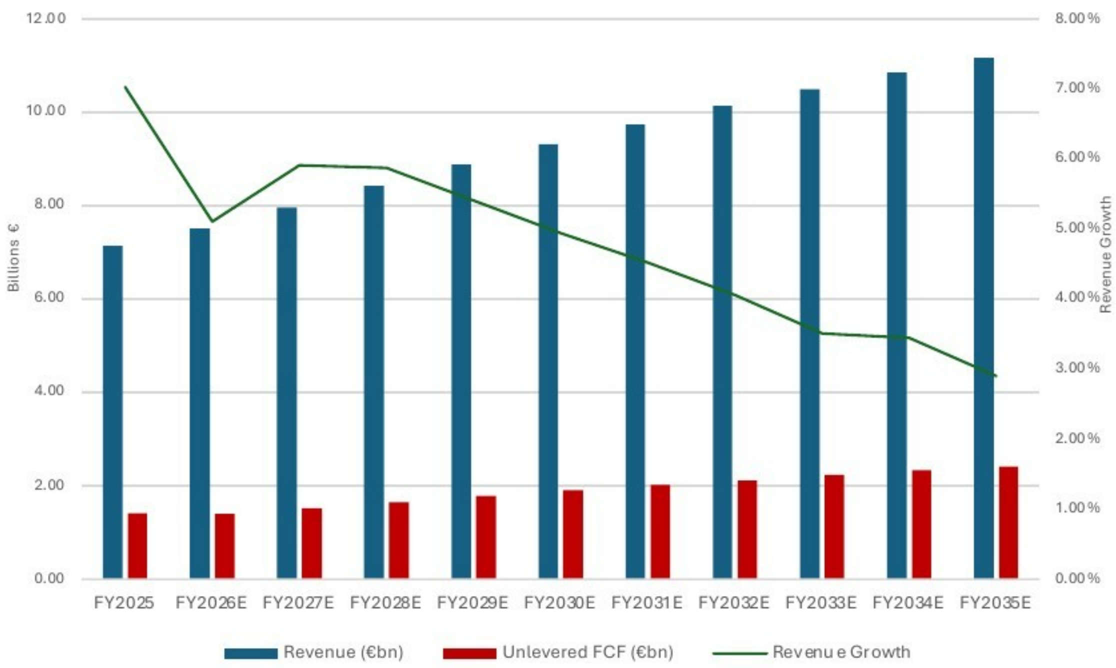

Figure 7 –Ferrari forecasted financials

Cost of sales improves from 48.0% to 47.6% of revenue through mix and operating leverage, although electrification prevents a more aggressive margin assumption. Expensed R&D grows by 5% annually. Capital expenditure falls from 14% to 12% of revenue after the current investment cycle, while FY2025 working-capital ratios remain unchanged.

The Base, Best and Worst cases change operating assumptions, while the schedules remain the calculation sources. The Debt Schedule uses a 3% debt cost, a 1.5% return on opening cash and €10 million of other expenses. Stronger cases build cash sooner and lower net financing costs, affecting profit before tax, net income and EPS but not unlevered FCF.

D&A comes from the Capex & D&A Schedule rather than a separate growth assumption. CAPEX amortisation is 4.6% of revenue, while other D&A rises from 4.7% to 5.8%. Total D&A increases from about €699 million in FY2026 to €1.16 billion in FY2035.

In the Base case, FY2026 revenue reaches €7.51 billion, with EBITDA of €2.94 billion and EBIT of €2.24 billion. These outputs broadly match management's adjusted guidance. By FY2035, revenue reaches €11.16 billion and unlevered FCF rises from approximately €1.40 billion to €2.41 billion.

Table 2 – FY2026E vs FY2035E growths

Driver	FY2026E	FY2035E
Shipment growth	0.50%	0.50%
Cars and spare-parts growth	4.50%	2.50%
Sponsorship and brand growth	10.00%	5.00%
Cost of sales/revenue	48.00%	47.60%
Capex/revenue	14.00%	12.00%
Forecast sources	Debt and Capex/D&A schedules	

WACC and DCF Valuation

Using mid-year discounting and a 2.5% perpetual-growth rate, the base-case DCF produces an estimated value of €327.33 per share, compared with a market price of €318.85. However, approximately 75% of enterprise value arises from the terminal value, making the result particularly sensitive to WACC and long-term growth assumptions.

The DCF is the main valuation method and uses FCFF from FY2026 to FY2035. Mid-year discounting is applied because Ferrari generates cash throughout the year rather than only at year-end.

Table 8 – Forecasted FCFs

(€ thousand)

	FY2026E	FY2027E	FY2028E	FY2029E	FY2030E	FY2031E	FY2032E	FY2033E	FY2034E	FY2035E
Core operating EBIT	2,224,268	2,369,438	2,522,597	2,670,576	2,811,357	2,934,815	3,046,481	3,140,819	3,235,443	3,310,016
NOPAT	1,723,808	1,836,315	1,955,012	2,069,697	2,178,802	2,274,482	2,361,023	2,434,135	2,507,469	2,565,262
Unlevered free cash flow	1,399,598	1,522,493	1,647,807	1,787,347	1,907,345	2,016,241	2,119,241	2,231,977	2,330,403	2,411,957

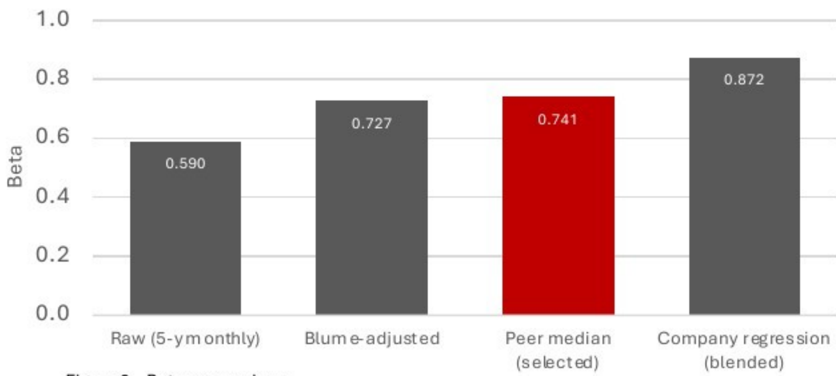

Figure 8 – Beta comparison

Beta is difficult to estimate because Ferrari has both automotive and luxury characteristics. Its five-year monthly raw beta is 0.590 and its Blume-adjusted beta is 0.727. Regressing 261 weekly observations against the S&P 500 and STOXX Europe 600 produces betas of 0.743 and 1.104; weighting the listings gives 0.872. Low R^2 values of 16.1% and 28.7% indicate substantial company-specific movement The model uses a peer beta of 0.741, based on the median unlevered beta of seven automotive companies before relevering and blending the US and European benchmarks. The median limits outliers and leverage differences; Hermès and LVMH remain luxury-sector checks.

Table 9 – WACC Decomposition

WACC build	Value
Risk-free rate (10Y Bund)	2.82%
Equity risk premium	4.17%
Beta (peer blended, relevered)	0.74
Cost of equity (Ke)	5.91%
Pre-tax cost of debt	4.00%
Marginal tax rate (IRES)	22.5%
After-tax cost of debt (Kd)	3.10%
Weight of equity, E/(D+E)	97.4%
Weight of debt, D/(D+E)	2.6%
WACC	**5.84%**

Table 10 – DCF summary

DCF summary	Value (€m)
WACC	5.84%
Terminal growth rate (g)	2.50%
PV of FCF, FY2026–35F	14,375
PV of terminal value	43,225
Terminal value % of EV	75.0%
Enterprise value	**57,600**
Less: net debt (31-Dec-25)	(10)
Less: non-controlling interests	(8)
Equity value	**57,583**
Shares outstanding (m)	175.9
Implied value per share (€)	**327.33**
Current price (€)	318.85

The German ten-year government bond yield provides a cleaner euro risk-free benchmark than an Italian bond. A mature-market equity-risk premium reflects Ferrari's global developed-market exposure without overstating risk through an additional Italian sovereign premium.

Together, these assumptions give a 5.91% cost of equity. The 4.00% pre-tax debt cost and 22.5% tax rate produce a 3.10% after-tax cost of debt and a WACC of 5.84%. Using a 2.5% perpetual-growth rate, the Base DCF gives a value of €327.33 per share, 2.7% above the €318.85 market price. The Best and Worst cases produce €373.63 and €249.19.

Stock Rating	12-m Target Price	Price (30-Jun-26)
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Around 75% of enterprise value comes from the terminal value, equivalent to an implied terminal EV/EBITDA multiple of 16.5x. The sensitivity analysis ranges from €236 to €566 per share as WACC and perpetual growth change. The DCF is therefore better viewed as a range than as an exact estimate.

Table 11 – DCF Sensitivity Analysis

WACC \ G	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%
5.09%	345.58	367.42	393.10	423.75	460.96	507.09	565.78
5.34%	320.95	339.37	360.77	385.94	415.97	452.44	497.64
5.59%	299.54	315.24	333.28	354.25	378.92	408.36	444.10
5.84%	280.76	294.26	309.64	**327.33**	347.88	372.06	400.91
6.09%	264.16	275.86	289.09	304.17	321.51	341.65	365.35
6.34%	249.37	259.59	271.06	284.03	298.81	315.80	335.55
6.59%	236.12	245.10	255.12	266.37	279.08	293.57	310.23

Multiples

Multiples valuation provides a market-based cross-check to the intrinsic valuation. Ferrari has no perfect listed peer, so the multiples comparison combines automotive manufacturers, which reflect production complexity and capital requirements, with luxury companies that better capture brand strength, scarcity and margins. The selected TSR group includes Porsche and Aston Martin alongside leading luxury houses, making it more relevant than mass-market manufacturers alone

Table 12 – Forward multiples

	Forward multiples			
	EV/Sales	EV/EBITDA	EV/EBIT	P/E
Peer mean (All)	95.9	122.28	152.36	176.63
Peer median (All)	79.33	110.27	176.97	199.1
Mean (Autos)	6.26	29.34	56.97	78.8
Median (Autos)	-1.79	13.16	26.89	61.31
Mean (Luxury)	163.13	191.98	223.91	250.01
Median (Luxury)	148.12	167.14	227.71	257.31
Mean (TSR peer group)	**149.98**	**181.97**	**221.78**	**245.09**
Median (TSR peer group)	**128.63**	**163.55**	**215.42**	**242.46**

Forward EV/Sales, EV/EBITDA, EV/EBIT and P/E multiples are applied to Ferrari's forecasts. Profit-based measures receive more weight because a sales multiple fails to recognise Ferrari's unusually high margins. Even then, the result remains below the market price. This suggests that investors already pay a large premium for the brand and explains why multiples receive only a small weight in the final valuation.

Table 13 – Multiple valuation

Multiple	Weight	Implied Price	Contribution
EV/Sales (fwd)	10%	149.98	15.00
EV/EBITDA (fwd)	20%	181.97	36.39
EV/EBIT (fwd)	30%	215.42	64.63
P/E (fwd)	40%	242.46	96.98
Weighted implied Price (€)			**213.00**

Dividend Discount Model

The DDM offers a second check, although its two methods produce very different outcomes. Historical dividend-growth extrapolation receives a 70% weight, while the payout-based method receives 30% and links dividends to the 40% forecast payout ratio. The payout approach provides some restraint, but the combined result still depends heavily on rapid dividend growth continuing. It should not carry the same influence as the DCF.

Stock Rating	12-m Target Price	Price (30-Jun-26)
HOLD	**€325.32**	**€318.85**

Table 13 – DDM

Dividend discount	Method 1: Growth	Method 2: Payout	Blended
DPS growth (FY26-35F avg)	18.92%	6.08%	
Terminal growth	2.50%	2.50%	
PV of DPS, FY26-35F (€)	72.32	38.09	
PV of terminal value (€)	346.74	110.51	
Intrinsic value per share (€)	**419.07**	**148.59**	**337.92**
Method weight	70.0%	30.0%	
vs current price	31.43%	-53.40%	5.98%

The final valuation assigns 60% to the DCF, 35% to the DDM and 5% to trading multiples. The blended target price is €325.32, only 2.0% above the current price. Ferrari remains a high-quality business, but most of that quality appears to be reflected in the valuation. On this basis, the risk–reward balance supports a HOLD recommendation.

Valuation	Weighting	Implied Price	Current Upside/downside
Discounted Cash Flows	60.0%	327.33	2.66%
Multiples	5.0%	213.00	-33.20%
Dividend Discount Model	35.0%	337.92	5.98%
Weighted Average Intrinsic Value		**325.32**	2.03%

Table 14 – Weighted Valuation

Investment Catalysts and Risks

Key catalysts include continued pricing and personalisation gains, successful new-model launches and increased shareholder distributions. Ferrari plans approximately four launches annually through 2030, with Ferrari Luce deliveries beginning in late 2026, while higher dividends and share repurchases should provide further support to shareholder returns

The main risk is Ferrari's dependence on pricing and product mix because deliberately restricted volumes provide limited protection if demand weakens. Unfavourable currency movements, tariffs, regulation and electrification-related costs could also pressure margins. Valuation risk remains significant because approximately 75% of DCF enterprise value comes from the terminal value, making the target price highly sensitive to long-term growth and WACC assumptions.

APPENDIX A: ASSUMPTIONS EXPLANATIONS

<table>
<tr><th>Assumption (driver)</th><th>Base case</th><th>Best case</th><th>Worst case</th><th>Rationale and source</th></tr>
<tr><td>Cars & spare parts revenue growth (YoY)</td><td>4.5% (FY26), peaking at 5.5% (FY27–28), fading to 2.5% by FY35</td><td>6.0% (FY26), peaking at 6.5%, fading to 3.0% by FY35</td><td>3.0% (FY26–29), fading to 2.0% by FY35</td><td>The segment grew +21.6%, +18.5%, +11.9% and +4.9% over FY2022–25, and almost all of that came from price, mix and personalisation.
FY2025 growth actually came on slightly fewer cars. The FY2025 exit rate was taken as our starting point and let growth fade toward what mature luxury houses achieve long term.
Source: Ferrari Annual Reports & Form 20-F, FY2021–2025, net revenues by segment.</td></tr>
<tr><td>Sponsorship, commercial & brand revenue growth (YoY)</td><td>10.0% fading to 5.0% by FY35</td><td>12.0% fading to 6.0% by FY35</td><td>8.0% fading to 5.0% by FY35</td><td>Ferrari's fastest-growing line, accelerating every single year (+10.6%, +14.6%, +17.1%, +22.4% over FY2022–25) on the back of F1 money, sponsorship and the lifestyle push. kept double-digit growth near term in every case but let it converge as the brand strategy matures, that pace can't last forever.
Source: Ferrari 20-F FY2021–2025 segment disclosures.</td></tr>
<tr><td>Other revenue growth (YoY, incl. financial services)</td><td>4.0% fading to 3.0%</td><td>5.0% fading to 3.5%</td><td>3.0% fading to 2.0%</td><td>A messy line historically: roughly flat over FY2022–24 because the Maserati engine contract ran off in Dec-2023, then +15.0% in FY2025 as financial-services interest income grew. Since it is small and hard to read, we kept growth modest in every case.
Source: Ferrari 20-F FY2021–2025 (segment revenues; engine revenue and FS interest income notes).</td></tr>
<tr><td>Car shipments growth (YoY)</td><td>+0.5% p.a. throughout</td><td>+0.5% p.a. throughout</td><td>0.0% p.a. (flat volumes)</td><td>Ferrari sells fewer cars than people want to buy, on purpose, that scarcity is the moat. Shipments went from 11,155 to 13,640 over FY2021–25 but were basically flat from FY2023 (FY2025: −0.8%). So in our model, growth comes from price and mix, not volume, in every scenario; the worst case just freezes volumes entirely.
Source: Ferrari 20-F FY2021–2025 shipment disclosures</td></tr>
<tr><td>Cost of sales (% of net revenues)</td><td>48.0% improving to 47.6% by FY30, then held</td><td>47.5% improving to 47.1% by FY30, then held</td><td>48.5% improving to 48.1% by FY30, then held</td><td>Cost of sales ran at 48.7%, 52.0%, 50.2%, 49.9% and 48.3% of revenues over FY2021-25 . FY2025 was the best year on record as richer mix and personalisation did their work. base extends that level with a small improvement.
Source: Ferrari 20-F income statements, FY2021–2025.</td></tr>
<tr><td>Selling costs (% of net revenues)</td><td colspan="2">5.0% flat</td><td>5.3% flat</td><td>Selling costs were about 4.9% of revenues in FY2025 (€349m) and have been creeping up with brand activities, the 2026 guidance itself flags higher brand investments, as well as racing and digital transformation expenses. Rounded to 5.0% and held, the worst case adds 30bp on the logic that softer demand would need more commercial spend, not less.
Sources: Ferrari FY2025 20-F, Note 5 (SG&A split); FY2025 Annual Report, 2026 Outlook (p. 122).</td></tr>
<tr><td>General & administrative costs (% of net revenues)</td><td colspan="3">4.1% flat</td><td>G&A sat at 4.1% of revenues in FY2025 (€293m) and has been stable for years. It is not what separates a good outcome from a bad one, so it is kept identical across all three cases.
Source: Ferrari FY2025 20-F, Note 5.</td></tr>
<tr><td>R&D costs expensed, growth (YoY)</td><td>5.0% p.a.</td><td>5.0% p.a.</td><td>6.0% p.a.</td><td>Total R&D grew at roughly a 4.6% CAGR over FY2021–25 (€768m to €919m) as Ferrari funds electrification and its first EV. Base and best hold ~5%, the worst case takes 6% , the electrification bill still has to be paid even if revenues disappoint.
Source: Ferrari 20-F FY2021–2025 income statements and R&D disclosures.</td></tr>
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Assumption (driver)	Base case	Best case	Worst case	Rationale and source
Amortisation of capitalised development costs, growth (YoY)		7.0% p.a.		Follows the roll-off of development spend Ferrari has already capitalised, so it is driven by past investment decisions, not by how demand turns out, hence the same 7% in all three cases. Source: Ferrari 20-F Note 7
Other expenses/(income), net (% of net revenues)	0.4%		0.5%	A small residual line, €34m in FY2025 and lower before that. Held at the historical average, with the worst case at the FY2025 level. Source: Ferrari 20-F income statements, FY2021–2025.
Result from investments, growth (YoY)	5.0% p.a.	7.0% p.a.	3.0% p.a.	Equity-accounted investees contributed €12.6m in FY2025, up steadily from €6.9m in FY2021. Immaterial to the valuation, so its growth is simply scaled with the general activity level of each scenario. Source: Ferrari 20-F FY2021–2025.
Depreciation & other amortisation (excl. cap. dev.), growth (YoY)		8% stepping down to 5% from FY30		The heavy capex of FY2023–25 (14.6%, 14.8% and 13.2% of revenues) has to flow through as depreciation first and the 2026 guidance confirms it, flagging increasing D&A in line with start of production of new models. D&A therefore grows quickly early on, then settles as capex intensity fades toward 12% by FY2035 and D&A converges toward capex . Sources: Ferrari 20-F cash flow statements; FY2025 Annual Report, 2026 Outlook
Effective tax rate	22.5%	22.0%	23.0%	Ferrari's FY2025 effective rate was 22.5% (€464m of tax on €2,064m pre-tax) below the 24% Italian IRES statutory rate thanks to the patent-box regime. Source: Ferrari FY2025 20-F, income tax note.
Net financial expenses (€m p.a.)	35 declining to 20 by FY35	30 declining to 15 by FY35	40 declining to 27 by FY35	Ferrari reported €46.1m of net financial expense in FY2025, every case assumes it falls over time as debt stays flat while cash builds up. Source: Ferrari FY2025 20-F Note 9

Component	Weight	Implied value (€/share)	Rationale
Discounted cash flow (Base case)	60%	327.33	Primary method: the only one that prices Ferrari's own forecast. Not weighted higher because 75% of value sits in the terminal value.
Dividend discount model (blended)	35%	337.92	Strong cross-check: Ferrari pays reliable, growing dividends, and the DDM is independent of the DCF's EV-to-equity bridge.
Peer multiples (forward, TSR peer group)	5%	213.00	Minimal weight: no peer matches Ferrari's economics, so it is kept only as a market-based sanity check.
Weighted fair value	100%	325.32	

Method	Weight	Value (€/share)	What it assumes	Why this weight
Method 1 Growth extrapolation	70%	419.07	DPS grows 18.92% a year (Ferrari's recent dividend growth) to FY2035, then 2.5% forever.	Best reflects management's track record of raising the dividend every year alongside buybacks.
Method 2 payout-based	30%	148.59	DPS = 40% of forecast net profit (the FY2025 payout) divided by a declining share count.	Tied to forecast earnings, but freezes the payout ratio, so it understates the likely dividend path. Kept as the conservative anchor.
Blended DDM value	100%	337.92		+5.98% vs the current price consistent with the DCF's +2.7%.

Multiple	Weight	Implied price (€)	Rationale
P/E (fwd)	40%	242.46	Highest weight: captures Ferrari's full profitability in one equity-holder measure.
EV/EBIT (fwd)	30%	215.42	Profit-based and capital-structure-neutral.
EV/EBITDA (fwd)	20%	181.97	Standard cash-profit multiple, but ignores capex differences vs peers.
EV/Sales (fwd)	10%	149.98	Lowest weight: ignores margins - exactly where Ferrari differs most.
Weighted implied price	100%	213.00	

Beta	Value	What it is	Why we did / didn't use it
Raw (regression) beta	0.59	Ferrari's published 5-year monthly beta vs the S&P 500 (Yahoo Finance).	Not used as primary. Sixty monthly observations is a thin sample, it is measured against a USD index while our cash flows are in euros, and a raw beta from a short window is a noisy estimate of forward risk. We kept it in the model as the lower bound of the sensitivity table. Source: Yahoo Finance
Adjusted (Blume) beta	0.73	The raw beta shrunk one-third of the way toward 1.0 $(\beta_{adj} = ⅔ \times raw + ⅓)$ on the evidence that betas drift toward the market average over time.	Not used as primary. The adjustment is sensible but theoretical, it has every weakness of the raw beta it starts from and just drags it toward 1. Kept as a sensitivity case.
Peer blended beta - our choice	0.79	Bottom-up beta: each peer's levered beta is unlevered at its own tax rate and D/E, then the median of the automotive peer group was taken, relevered at Ferrari's tax rate and capital structure, and blend the S&P 500 and STOXX Europe 600 versions by where Ferrari's liquidity actually sits (64% NYSE / 36% Milan, by average daily volume).	Used in the cost of equity and the DCF discount rate. A bottom-up beta averages away the estimation error that plagues any single-stock regression, and the median stops one unusual peer from setting Ferrari's risk. Source: Bloomberg raw betas per peer, model Beta tab (unlevering, relevering and volume weights).
Calculated (own regression) beta	0.87	Own OLS regression of Ferrari's weekly returns over five years (261 observations) against the S&P 500 (EUR-converted) and the STOXX Europe 600, blended by the same volume weights.	Not used as primary , but it was worth running. The fit is weak (R^2 of just 0.16 vs the S&P 500 and 0.29 vs the STOXX 600) the market explains under a third of Ferrari's weekly moves, so a beta estimated from that regression is unreliable on its own. What the low R^2 does tell us is that Ferrari trades on its own story, like a luxury asset. Source: Bloomberg BDH price history; model Beta Regression tab.

Peer-beta variant	Value	Why it was / wasn't chosen
Auto only - median (chosen)	0.79	It uses the full automotive peer group, so there is no bias of who counts as a peer, while the median stops unusual names like Aston Martin (D/E of 4.8×) or Stellantis from single-handedly setting Ferrari's beta. It reflects what Ferrari does while staying robust to differences in peer size, leverage and mix.
Auto only - mean	1.00	Rejected. With only seven automotive peers, the mean is dragged up by the high-beta names (Volvo, Stellantis); each single company moves the average too much. Useful only as a sensitivity showing what the aggressive end of the auto group implies.
Auto excl. Stellantis, Aston Martin & Volvo median / mean	0.78 / 0.89	Rejected. Dropping three companies from an already small group is subjective, and it cuts the wrong name. Aston Martin is the one peer with luxury-scarcity economics genuinely close to Ferrari's, so excluding it just because it looks different invites selection bias.
Auto & luxury - median / mean	1.17 / 1.12	Rejected Hermès and LVMH share Ferrari's brand power and clientele, but they don't share its operating. Mixing them in confuses business-model similarity with systematic risk. Kept as the upper bound of what "Ferrari as a luxury house" would imply.

Input	Value	Rationale and source
Risk-free rate	2.82%	The 10-year German Bund yield at the 30-Jun-2026 valuation date. Why Germany and not Italy, the cash flows are forecast in euros, so the risk-free asset must be the highest-quality euro sovereign. The Bund is Aaa and effectively default-free. The Italian BTP is not, its yield embeds Italian sovereign credit risk, so using it would sneak a country risk premium into the risk-free rate and double-count it against any CRP decision made elsewhere. A US Treasury fails for a different reason, it is a dollar rate and pairing it with euro cash flows mixes currencies. Source: Blomberg
Equity risk premium	4.17%	Damodaran's implied ERP for mature markets, computed on 30-Jun-2026 market data. Why mature-market and not Italy, Ferrari is legally Dutch (Aaa), listed in New York and Milan, and sells almost everything outside Italy. An Italy ERP would price the company as if its fortunes rode on the Italian economy, which they simply do not. Source: Damodaran, Equity Risk Premiums by Country, June 2026 update
Cost of equity (Ke)	≈6.11%	$Ke = rf + \beta \times ERP = 2.82\% + 0.79 \times 4.17\%.$

Input	Value	Rationale and source
YTM at issuance, 2030 Bond	3.686%	The €500m 3.625% senior notes due May-2030, issued 21-May-2024 at 99.677, the most recent time the bond market priced Ferrari's credit at benchmark size. Source: FY2025 20-F, p. 266 (Note 24).
German Bund on the issuance date	2.51%	The 10Y Bund on 21-May-2024 deliberately the same day as the bond pricing, so both legs of the spread are struck together. Source: countryeconomy.com, May-2024 daily Bund yields.
Implied credit spread	1.18%	3.686% - 2.51%: the premium real lenders actually charged Ferrari over the default-free euro rate. Observed, not assumed.
Pre-tax cost of debt	≈4.0%	Ferrari's cost of debt uses the 2.82% risk-free rate plus its credit spread because WACC should reflect what the company would pay to borrow today, rather than rates on older debt. The estimate is slightly conservative, but debt represents only 2.6% of capital, so the effect on WACC is minimal. Source: FY2025 20-F Notes
Tax rate on the shield	22.5%	The model applies its forecast effective rate (22.5%, in line with the FY2025 actual). The statutory Italian IRES rate is 24.0%. Ferrari's effective rate sits below it because of the patent-box super-deduction. IRAP is excluded on principle: interest is not deductible against it, so it provides no shield. Source: FY2025 20-F;- model Forecasts tab.
After-tax cost of debt	3.10%	$K_d \times (1 - t) = 4.0\% \times (1 - 22.5\%).$

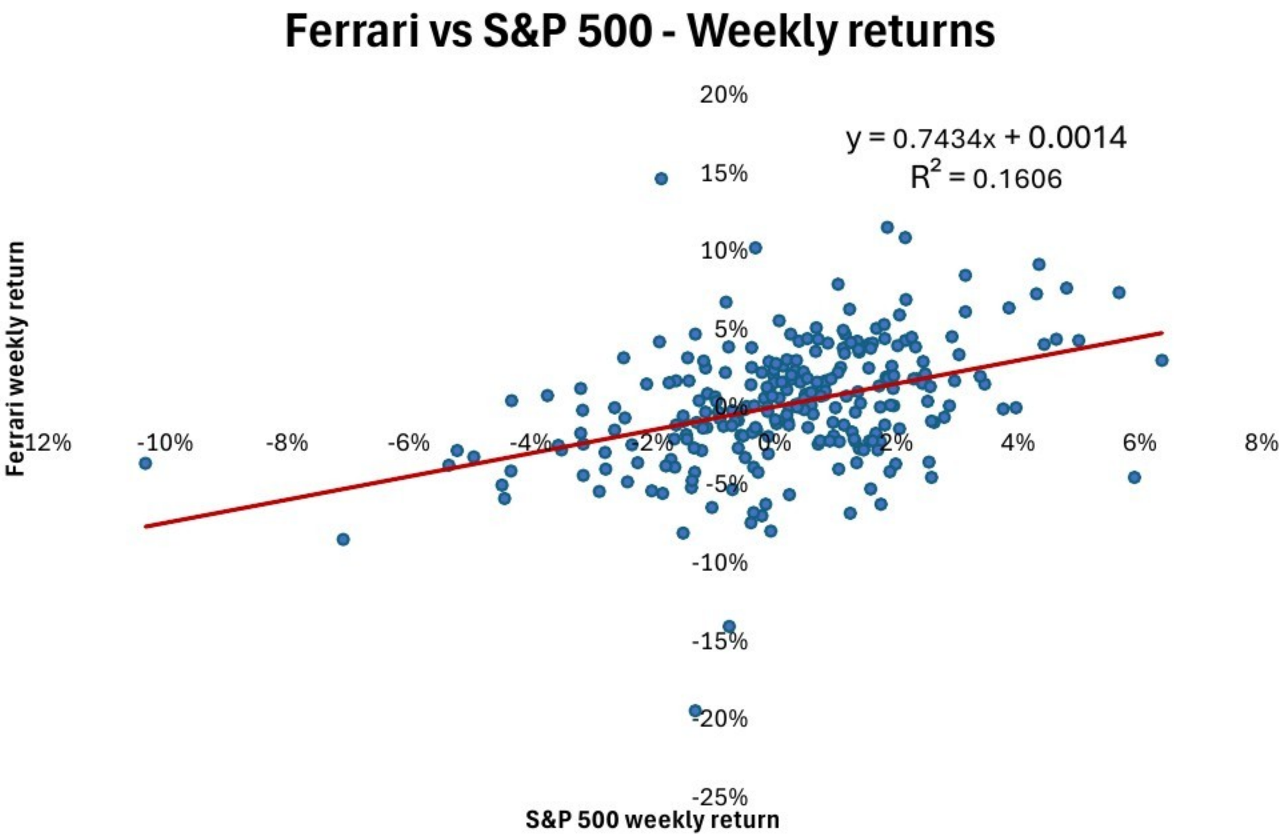
Beta Regression

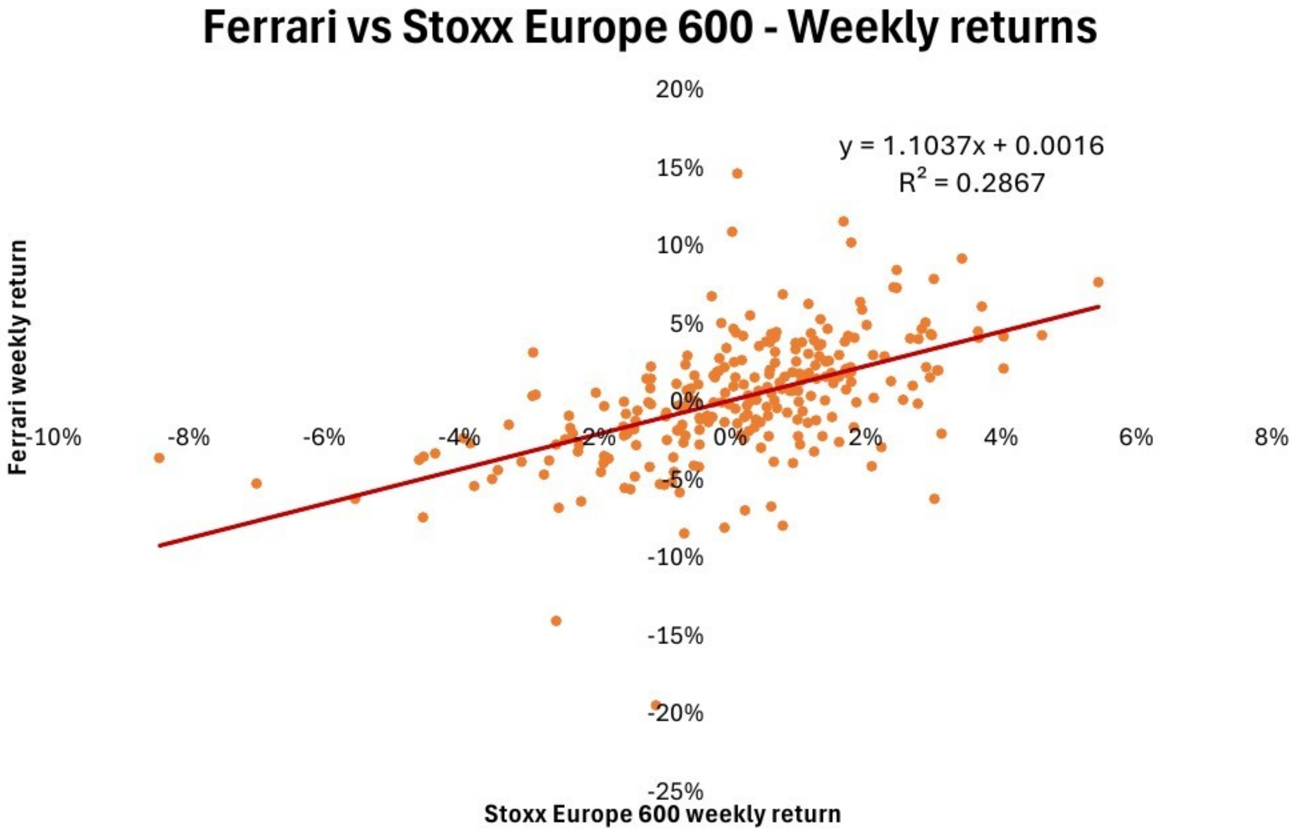
- Method: Ferrari's weekly returns (RACE IM) were regressed against the S&P 500 (EUR-converted) and the STOXX Europe 600 over five years (Jun-2021 – Jun-2026; 261 weekly observations), using Bloomberg price data and OLS (Excel SLOPE/INTERCEPT/RSQ). Reflecting Ferrari's dual listing, the two betas were blended by average daily trading volume: 64% NYSE / 36% Milan.

- Rationale: a regression on Ferrari's own returns provides a market-based, company-specific estimate of systematic risk for the CAPM cost of equity, serving as a cross-check on the bottom-up peer beta, which is exposed to peer-selection risk given Ferrari has no clean pure-play comparable.

- Results: raw beta of 0.74 vs the S&P 500 (R^2 = 0.16) and 1.10 vs the STOXX 600 (R^2 = 0.29), giving a volume-weighted blend of 0.87. The positive weekly alpha (7-8% annualized) and low R^2 indicate Ferrari trades largely idiosyncratically, more like a luxury asset than a carmaker.

- Use in valuation: given the weak statistical fit, the regression beta was retained as an upper sensitivity case only; the primary WACC input is the peer-based blended beta of 0.79 (auto-only median, unlevered and releveled at Ferrari's capital structure).





Own Beta Regression - Ferrari weekly returns vs S&P 500 and Stoxx Europe 600			
Regression output	**vs S&P 500**	**vs Stoxx Europe 600**	**Weighted Blend**
Beta	**0.743**	**1.104**	**0.8724**
Alpha (weekly)	0.0014	0.0016	0.0015
Correlation	0.401	0.535	0.4489
R^2	0.161	0.287	0.2057
Observations	261	261	

APPENDIX D: HISTORICAL INCOME STATEMENT

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025
Net Revenue	**4,270,894**	**5,095,254**	**5,970,146**	**6,676,668**	**7,145,768**
Cost of sales	2,080,613	2,648,953	2,995,877	3,329,483	3,452,971
Selling, general and administrative costs	348,024	427,974	462,580	561,144	642,490
Research and development costs	768,104	775,572	881,559	894,092	918,861
Other expenses/(income), net	5,561	21,548	18,898	12,443	34,302
Result from investments	6,896	6,175	6,137	8,245	12,572
Operating profit (EBIT)	**1,075,488**	**1,227,382**	**1,617,369**	**1,887,751**	**2,109,716**
D&A (per cash flow statement)	455,989	546,225	662,305	666,777	661,937
EBITDA	**1,531,477**	**1,773,607**	**2,279,674**	**2,554,528**	**2,771,653**
Net financial expenses	33,257	49,616	15,015	-1,205	46,081
Profit before taxes	**1,042,231**	**1,177,766**	**1,602,354**	**1,888,956**	**2,063,635**
Income tax expense	209,095	238,472	344,897	363,043	464,119
Net profit	**833,136**	**939,294**	**1,257,457**	**1,525,913**	**1,599,516**

A P P E N D I X D : S T A T E M E N T O F F I N A N A C I A L P O S I T I O N

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025
Assets					
Goodwill	785,182	785,182	785,182	785,182	785,182
Intangible assets	1,138,173	1,307,388	1,419,699	1,545,664	1,638,457
Property, plant and equipment	1,353,165	1,457,825	1,575,200	1,828,784	2,057,891
Investments and other financial assets	54,509	59,534	67,671	80,822	96,444
Deferred tax assets	168,757	203,382	217,553	236,791	226,005
Total non-current assets	**3,499,786**	**3,813,311**	**4,065,305**	**4,477,243**	**4,803,979**
Inventories	540,575	674,662	948,514	1,088,194	1,113,904
Trade receivables	185,000	232,414	261,380	349,176	360,339
Receivables from financing activities	1,143,968	1,399,997	1,451,158	1,661,632	1,613,396
Tax receivables	14,306	16,054	11,616	15,918	31,715
Other current assets	122,224	153,183	130,228	137,763	159,223
Current financial assets	13,500	87,301	61,130	25,006	78,085
Cash and cash equivalents	1,344,146	1,388,901	1,121,981	1,742,214	1,467,711
Total current assets	**3,363,719**	**3,952,512**	**3,986,007**	**5,019,903**	**4,824,373**
Total assets	**6,863,505**	**7,765,823**	**8,051,312**	**9,497,146**	**9,628,352**
Equity and liabilities					
Equity attributable to owners of the parent	2,205,898	2,592,857	3,060,888	3,533,946	3,906,893
Non-controlling interests	5,518	9,630	9,734	9,292	7,849
Total equity	**2,211,416**	**2,602,487**	**3,070,622**	**3,543,238**	**3,914,742**
Employee benefits	101,200	110,807	123,045	134,147	145,294
Provisions	150,868	180,694	187,276	206,212	184,481
Deferred tax liabilities	95,973	126,507	136,846	110,016	254,387
Debt	2,630,011	2,811,779	2,477,186	3,351,888	2,884,220
Other liabilities	726,775	952,025	1,022,967	1,106,221	1,391,616
Other financial liabilities	36,520	19,993	13,539	61,894	7,405
Trade payables	797,832	902,968	930,560	945,657	841,256
Tax payables	112,910	58,563	89,271	37,873	4,951
Total equity and liabilities	**6,863,505**	**7,765,823**	**8,051,312**	**9,497,146**	**9,628,352**

APPENDIX D: CASH FLOW STATEMENT

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025
Cash and cash equivalents at beginning of year	1,362,406	1,344,146	1,388,901	1,121,981	1,742,214
Cash flows from operating activities					
Net profit	833,136	939,294	1,257,457	1,525,913	1,599,516
Income tax expense	209,095	238,472	344,897	363,043	464,119
Amortization and depreciation	455,989	546,225	662,305	666,777	661,937
Provision accruals	30,284	72,331	64,834	81,546	54,466
Result from investments	(6,896)	(6,175)	(6,137)	(8,245)	(12,572)
Financial income	(42,999)	(83,858)	(132,319)	(147,100)	(168,145)
Financial expenses	76,256	133,474	147,334	145,895	214,226
Other non-cash expenses, net	23,941	46,653	79,813	91,909	98,169
Change in inventories	(81,309)	(153,890)	(309,564)	(157,526)	(76,684)
Change in trade receivables	1,771	(48,400)	(33,381)	(94,029)	(20,617)
Change in trade payables	72,568	103,981	43,277	7,672	(59,130)
Change in receivables from financing activities	(122,746)	(187,890)	(107,247)	(118,687)	(154,580)
Change in other operating assets and liabilities	(29,840)	140,008	48,642	(20,045)	222,377
Finance income received	1,679	5,158	32,432	49,673	38,035
Finance costs paid	(29,202)	(37,351)	(83,243)	(50,354)	(126,257)
Income tax paid	(109,001)	(304,692)	(292,463)	(409,786)	(385,554)
Total cash flows from operating activities	**1,282,726**	**1,403,340**	**1,716,637**	**1,926,656**	**2,349,306**
Cash flows used in investing activities					
Investments in intangible assets	(384,827)	(456,894)	(487,148)	(506,874)	(457,976)
Investments in property, plant and equipment	(352,316)	(347,725)	(381,762)	(482,277)	(485,210)
Acquisitions of subsidiaries, JVs and other investments	0	(1,367)	0	0	(1,352)
Proceeds from sale of PP&E and intangible assets	4,405	578	2,458	2,041	400
Total cash flows used in investing activities	**(732,738)**	**(805,408)**	**(866,452)**	**(987,110)**	**(944,138)**
Cash flows used in financing activities					
Proceeds from bonds and notes	149,495	0	0	496,145	0
Repayments of bonds and notes	(500,000)	0	(575,702)	0	(450,963)
Proceeds from securitizations	248,714	218,924	151,217	340,499	142,375
Repayments of securitizations	(177,270)	(72,824)	(49,611)	(243,649)	(33,294)
Proceeds from borrowings from banks and other fin. inst.	142,344	8,909	250,000	225,000	400,000
Repayments of borrowings from banks and other fin. inst.	(20,959)	(55,000)	(72,500)	(104,690)	(378,332)
Proceeds from other debt	17,265	34,456	34,596	51,022	42,527
Repayments of other debt	(25,302)	(23,215)	(35,566)	(41,297)	(46,161)
Repayments of lease liabilities	(21,605)	(16,500)	(17,691)	(22,001)	(23,825)
Dividends paid to owners of the parent	(160,101)	(249,522)	(328,631)	(439,918)	(529,707)
Dividends paid to non-controlling interests	(1,354)	(2,266)	(4,890)	(4,788)	(4,448)
Share repurchases	(230,899)	(396,522)	(460,629)	(581,084)	(785,329)
Total cash flows used in financing activities	**(579,672)**	**(553,560)**	**(1,109,407)**	**(324,761)**	**(1,667,157)**
Translation exchange differences	11,424	383	(7,698)	5,448	(12,514)
Total change in cash and cash equivalents	**(18,260)**	**44,755**	**(266,920)**	**620,233**	**(274,503)**
Cash and cash equivalents at end of year	**1,344,146**	**1,388,901**	**1,121,981**	**1,742,214**	**1,467,711**

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025
Net revenues by segment					
Cars and spare parts	3,552,838	4,321,120	5,119,181	5,727,688	6,005,243
Sponsorship, commercial and brand	450,860	498,861	571,759	669,776	819,551
Other (incl. engines until FY2023)	267,196	275,273	279,206	279,204	320,974
Total net revenues	**4,270,894**	**5,095,254**	**5,970,146**	**6,676,668**	**7,145,768**
As % of total net revenues					
Cars and spare parts	83.2%	84.8%	85.7%	85.8%	84.0%
Sponsorship, commercial and brand	10.6%	9.8%	9.6%	10.0%	11.5%
Other	6.3%	5.4%	4.7%	4.2%	4.5%
Total net revenue growth		**19.3%**	**17.2%**	**11.8%**	**7.0%**
Memo items (included within net revenues)					
Interest & other financial income from FS activities	55,043	69,389	99,661	130,406	141,939
as % of net revenues	1.3%	1.4%	1.7%	2.0%	2.0%
Engine revenues (Maserati contract expired Dec 2023)	189,432	155,342	126,748		
Operating cost detail (20-F Notes 5 & 6)					
Cost of sales (per income statement)	2,080,613	2,648,953	2,995,877	3,329,483	3,452,971
as % of net revenues	48.7%	52.0%	50.2%	49.9%	48.3%
Selling costs	168,466	226,988	236,443	288,538	349,392
General and administrative costs	179,558	200,986	226,137	272,606	293,098
Total SG&A	**348,024**	**427,974**	**462,580**	**561,144**	**642,490**
SG&A as % of net revenues	8.1%	8.4%	7.7%	8.4%	9.0%
Financial services carve-out memo					
FS interest income (within net revenues, Note 4)	55,043	69,389	99,661	130,406	141,939
FS interest expense (within cost of sales, Note 5)	16,639	27,145	60,808	88,308	99,206
Net FS interest result	**38,404**	**42,244**	**38,853**	**42,098**	**42,733**
Research & development detail (20-F Note 7)					
R&D costs expensed during the year	573,632	517,842	538,903	563,311	592,690
Amortization of capitalized development costs	194,472	257,730	342,656	330,781	326,171
Total R&D costs	**768,104**	**775,572**	**881,559**	**894,092**	**918,861**
Total R&D as % of net revenues	18.0%	15.2%	14.8%	13.4%	12.9%
Other expenses/(income), net detail (20-F Note 8)					
Other income (rental, PP&E disposal gains, provision releases)	8,105	12,446	10,958	21,818	21,188
Other expenses (indirect taxes, provisions, misc.)	13,666	33,994	29,856	34,261	55,490
Other expenses, net	**5,561**	**21,548**	**18,898**	**12,443**	**34,302**
Net other expenses as % of EBITDA	0.4%	1.2%	0.8%	0.5%	1.2%
Net financial expenses detail (20-F Note 9)					
Foreign exchange gains	37,860	78,674	91,019	92,051	129,070
Interest income	1,579	4,150	25,813	31,486	20,416
Other financial income	3,560	1,034	15,487	23,563	18,659
Total financial income	**42,999**	**83,858**	**132,319**	**147,100**	**168,145**
Foreign exchange losses	49,267	104,597	111,216	99,087	167,230
Interest expenses	23,669	25,489	29,258	40,054	41,168
Other financial expenses	3,320	3,388	6,860	6,754	5,828
Total financial expenses	**76,256**	**133,474**	**147,334**	**145,895**	**214,226**
Net financial expenses/(income)	**33,257**	**49,616**	**15,015**	**-1,205**	**46,081**
one-off gain on partial bond cash tender (in FY2023 financial income)			7,940		

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025
Reported EBITDA	**1,531,477**	**1,773,607**	**2,279,674**	**2,554,528**	**2,771,653**
Result from investments	(6,896)	(6,175)	(6,137)	(8,245)	(12,572)
Total Adjustments	(6,896)	(6,175)	(6,137)	(8,245)	(12,572)
Normalised EBITDA	**1,524,581**	**1,767,432**	**2,273,537**	**2,546,283**	**2,759,081**
Reported EBIT	**1,075,488**	**1,227,382**	**1,617,369**	**1,887,751**	**2,109,716**
Adjustments	(6,896)	(6,175)	(6,137)	(8,245)	(12,572)
Normalised EBIT	**1,068,592**	**1,221,207**	**1,611,232**	**1,879,506**	**2,097,144**
Reported Net Profit	**833,136**	**939,294**	**1,257,457**	**1,525,913**	**1,599,516**
Result from investments (recognised net of tax)	(6,896)	(6,175)	(6,137)	(8,245)	(12,572)
One-off bond tender gain, after tax (FY2023)			(6,231)		
Total Adjustments	(6,896)	(6,175)	(12,368)	(8,245)	(12,572)
Normalised Net Profit	**826,240**	**933,119**	**1,245,089**	**1,517,668**	**1,586,944**

APPENDIX D: ECONOMIC BALANCE SHEET

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025
Invested capital					
Trade receivables	185,000	232,414	261,380	349,176	360,339
Inventories	540,575	674,662	948,514	1,088,194	1,113,904
Tax receivables	14,306	16,054	11,616	15,918	31,715
Other current assets	122,224	153,183	130,228	137,763	159,223
Less: trade payables	(797,832)	(902,968)	(930,560)	(945,657)	(841,256)
Less: customer advances and security deposits (20-F Note 25)	(240,696)	(451,166)	(516,096)	(553,771)	(774,535)
Less: other operating liabilities (Note 25 other liabilities excl. advances)	(486,079)	(500,859)	(506,871)	(552,450)	(617,081)
Less: tax payables	(112,910)	(58,563)	(89,271)	(37,873)	(4,951)
Operating net working capital	**(775,412)**	**(837,243)**	**(691,060)**	**(498,700)**	**(572,642)**
Goodwill	785,182	785,182	785,182	785,182	785,182
Intangible assets	1,138,173	1,307,388	1,419,699	1,545,664	1,638,457
Property, plant and equipment	1,353,165	1,457,825	1,575,200	1,828,784	2,057,891
Fixed operating assets, net	**3,276,520**	**3,550,395**	**3,780,081**	**4,159,630**	**4,481,530**
Deferred tax assets	168,757	203,382	217,553	236,791	226,005
Less: deferred tax liabilities	(95,973)	(126,507)	(136,846)	(110,016)	(254,387)
Less: provisions	(150,868)	(180,694)	(187,276)	(206,212)	(184,481)
Other operating assets/(liabilities), net	**(78,084)**	**(103,819)**	**(106,569)**	**(79,437)**	**(212,863)**
Receivables from financing activities	1,143,968	1,399,997	1,451,158	1,661,632	1,613,396
Less: financial services funding (third-party FS debt, 20-F)	(994,191)	(1,222,000)	(1,281,000)	(1,456,000)	(1,385,000)
Net investment in financial services (FFS Inc., U.S.)	**149,777**	**177,997**	**170,158**	**205,632**	**228,396**
Net invested capital	**2,572,801**	**2,787,330**	**3,152,610**	**3,787,125**	**3,924,421**
Financed by					
Debt	2,630,011	2,811,779	2,477,186	3,351,888	2,884,220
Less: financial services funding (allocated above)	(994,191)	(1,222,000)	(1,281,000)	(1,456,000)	(1,385,000)
Industrial gross debt (incl. leases)	**1,635,820**	**1,589,779**	**1,196,186**	**1,895,888**	**1,499,220**
Employee benefits (post-employment obligations, debt-like)	101,200	110,807	123,045	134,147	145,294
Other financial liabilities	36,520	19,993	13,539	61,894	7,405
Less: cash and cash equivalents	(1,344,146)	(1,388,901)	(1,121,981)	(1,742,214)	(1,467,711)
Less: current financial assets	(13,500)	(87,301)	(61,130)	(25,006)	(78,085)
Less: investments and other financial assets (incl. equity-method investees)	(54,509)	(59,534)	(67,671)	(80,822)	(96,444)
Net financial liabilities/(assets) - net debt/(net cash)	**361,385**	**184,843**	**81,988**	**243,887**	**9,679**
Equity attributable to owners of the parent	2,205,898	2,592,857	3,060,888	3,533,946	3,906,893
Non-controlling interests	5,518	9,630	9,734	9,292	7,849
Total equity	**2,211,416**	**2,602,487**	**3,070,622**	**3,543,238**	**3,914,742**
Total sources of financing (net debt + equity)	**2,572,801**	**2,787,330**	**3,152,610**	**3,787,125**	**3,924,421**

APPENDIX D: CCC ANALYSIS

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025
Inputs					
Net revenue	4,270,894	5,095,254	5,970,146	6,676,668	7,145,768
Cost of sales	2,080,613	2,648,953	2,995,877	3,329,483	3,452,971
Trade receivables (year-end)	185,000	232,414	261,380	349,176	360,339
Inventories (year-end)	540,575	674,662	948,514	1,088,194	1,113,904
Trade payables (year-end)	797,832	902,968	930,560	945,657	841,256
Average balances					
Average trade receivables	185,000	208,707	246,897	305,278	354,758
Average inventories	540,575	607,619	811,588	1,018,354	1,101,049
Average trade payables	797,832	850,400	916,764	938,109	893,457
Cash conversion cycle (days, 365-day year)					
Days sales outstanding	15.8	15.0	15.1	16.7	18.1
Days inventory outstanding	94.8	83.7	98.9	111.6	116.4
Days payables outstanding	140.0	117.2	111.7	102.8	94.4
Cash conversion cycle (DSO + DIO − DPO)	**-29.3**	**-18.5**	**2.3**	**25.5**	**40.1**
Ferrari-specific driver: customer advances					
Advances and security deposits (year-end, 20-F Note 25)	240,696	451,166	516,096	553,771	774,535
Advances as days of revenue	20.6	32.3	31.6	30.3	39.6
CCC after customer advances	**-49.9**	**-50.8**	**-29.3**	**-4.8**	**0.5**
Net working capital					
Trade net working capital (receivables + inventories - payables)	-72,257	4,108	279,334	491,713	632,987
Operating net working capital (per Economic Balance Sheet)	-775,412	-837,243	-691,060	-498,700	-572,642
Trade NWC as % of net revenue	-1.7%	0.1%	4.7%	7.4%	8.9%
Operating NWC as % of net revenue	-18.2%	-16.4%	-11.6%	-7.5%	-8.0%
Increase/(decrease) in operating NWC year-on-year		-61,831	146,183	192,360	-73,942

APPENDIX D: BASE SCENARIO

(€ thousand)

Base	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Revenue growth assumptions (YoY)															
Cars and spare parts		21.62%	18.47%	11.89%	4.85%	4.5%	5.5%	5.5%	5.0%	4.5%	4.0%	3.5%	3.0%	3.0%	2.5%
Sponsorship, commercial and brand		10.65%	14.61%	17.14%	22.36%	10.0%	9.5%	9.0%	8.5%	8.0%	8.0%	7.5%	6.5%	6.0%	5.0%
Other		3.02%	1.43%	0.00%	14.96%	4.0%	4.0%	4.0%	4.0%	4.0%	3.5%	3.5%	3.0%	3.0%	3.0%
Shipments growth		18.5%	3.3%	0.7%	-0.8%	0.5%	0.5%	0.5%	0.5%	0.5%	0.50%	0.50%	0.50%	0.50%	0.50%
Operating costs as % of net revenues															
Cost of sales	48.72%	51.99%	50.18%	49.87%	48.32%	48.0%	47.9%	47.8%	47.7%	47.6%	47.6%	47.6%	47.6%	47.6%	47.6%
Selling costs	3.94%	4.45%	3.96%	4.32%	4.89%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
General and administrative costs	4.20%	3.94%	3.79%	4.08%	4.10%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Research & development															
R&D costs expensed growth		-9.7%	4.1%	4.5%	5.2%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Amortization of capitalized development costs growth		32.5%	33.0%	-3.5%	-1.4%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Other operating items															
Other expenses/(income) net, as % of net revenues	0.13%	0.42%	0.32%	0.19%	0.48%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%
Result from investments growth		-10.5%	-0.6%	34.3%	52.5%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Forecast income statement															
Operating profit (EBIT)															
Depreciation & other amortization (excl. cap. dev.) growth		10.32%	10.80%	5.11%	-0.07%	8.0%	8.0%	7.0%	6.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
EBITDA															
Effective tax rate	20.1%	20.2%	21.5%	19.2%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
Net profit															
Net financial expenses	33,257	49,616	15,015	-1,205	46,081	35,000	32,000	30,000	28,000	25,000	24,000	23,000	22,000	21,000	20,000

(€ thousand)

Best	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Revenue growth assumptions (YoY)										
Cars and spare parts	6.0%	6.5%	6.5%	6.0%	5.5%	5.0%	4.5%	4.0%	3.5%	3.0%
Sponsorship, commercial and brand	12.0%	11.0%	10.0%	10.0%	9.0%	8.5%	8.0%	7.0%	6.0%	6.0%
Other	5.0%	5.0%	5.0%	5.0%	5.0%	4.5%	4.0%	4.0%	3.5%	3.5%
Shipments growth	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Operating costs as % of net revenues										
Cost of sales	47.5%	47.4%	47.3%	47.2%	47.1%	47.1%	47.1%	47.1%	47.1%	47.1%
Selling costs	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
General and administrative costs	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Research & development										
R&D costs expensed growth	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Amortization of capitalized development costs growth	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Other operating items										
Other expenses/(income) net, as % of net revenues	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%	0.40%
Result from investments growth	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Forecast income statement										
Operating profit (EBIT)										
Depreciation & other amortization (excl. cap. dev.) growth	8.0%	8.0%	7.0%	6.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
EBITDA										
Effective tax rate	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%
Net profit										
Net financial expenses	30,000	27,000	25,000	23,000	20,000	19,000	18,000	17,000	16,000	15,000

APPENDIX D: WORST SCENARIO

(€ thousand)

Worst	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Revenue growth assumptions (YoY)										
Cars and spare parts	3.0%	3.0%	3.0%	3.0%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%
Sponsorship, commercial and brand	8.0%	7.5%	7.0%	6.0%	6.0%	5.5%	5.0%	5.0%	5.0%	5.0%
Other	3.0%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.0%	2.0%	2.0%
Shipments growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating costs as % of net revenues										
Cost of sales	48.5%	48.4%	48.3%	48.2%	48.1%	48.1%	48.1%	48.1%	48.1%	48.1%
Selling costs	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
General and administrative costs	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%	4.1%
Research & development										
R&D costs expensed growth	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Amortization of capitalized development costs growth	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Other operating items										
Other expenses/(income) net, as % of net revenues	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Result from investments growth	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Forecast income statement										
Operating profit (EBIT)										
Depreciation & other amortization (excl. cap. dev.) growth	8.0%	8.0%	7.0%	6.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
EBITDA										
Effective tax rate	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%	23.0%
Net profit										
Net financial expenses	40,000	38,000	36,000	34,000	32,000	31,000	30,000	29,000	28,000	27,000

APPENDIX D: FORECASTS

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Net revenues by segment															
Cars and spare parts	3,552,838	4,321,120	5,119,181	5,727,688	6,005,243	6,275,479	6,620,630	6,984,765	7,334,003	7,664,033	7,970,595	8,249,565	8,497,052	8,751,964	8,970,763
Sponsorship, commercial and brand	450,860	498,861	571,759	669,776	819,551	901,506	987,149	1,075,993	1,167,452	1,260,848	1,361,716	1,463,845	1,558,995	1,652,534	1,735,161
Other (incl. financial services)	267,196	275,273	279,206	279,204	320,974	333,813	347,165	361,052	375,494	390,514	404,182	418,328	430,878	443,804	457,119
Total net revenues	**4,270,894**	**5,095,254**	**5,970,146**	**6,676,668**	**7,145,768**	**7,510,798**	**7,954,945**	**8,421,810**	**8,876,949**	**9,315,395**	**9,736,493**	**10,131,738**	**10,486,925**	**10,848,303**	**11,163,043**
Car shipments and revenue per car															
Car shipments (units)	11,155	13,221	13,663	13,752	13,640	13,708	13,777	13,846	13,915	13,984	14,054	14,125	14,195	14,266	14,338
Cars & spare parts net revenue per car (thousand €)	318	327	375	416	440	458	481	504	527	548	567	584	599	613	626
Operating costs															
Cost of sales	2,080,613	2,648,953	2,995,877	3,329,483	3,452,971	3,605,183	3,810,419	4,025,625	4,234,305	4,434,128	4,634,570	4,822,708	4,991,776	5,163,792	5,313,608
Selling costs	168,466	226,988	236,443	288,538	349,392	375,540	397,747	421,090	443,847	465,770	486,825	506,587	524,346	542,415	558,152
General and administrative costs	179,558	200,986	226,137	272,606	293,098	307,943	326,153	345,294	363,955	381,931	399,196	415,401	429,964	444,780	457,685
Total SG&A	**348,024**	**427,974**	**462,580**	**561,144**	**642,490**	**683,483**	**723,900**	**766,385**	**807,802**	**847,701**	**886,021**	**921,988**	**954,310**	**987,196**	**1,015,837**
Research & development															
R&D costs expensed	573,632	517,842	538,903	563,311	592,690	622,325	653,441	686,113	720,418	756,439	794,261	833,974	875,673	919,457	965,430
Amortization of capitalized development costs	194,472	257,730	342,656	330,781	326,171	345,497	365,927	387,403	408,340	428,508	447,879	466,060	482,399	499,022	513,500
Total R&D costs	**768,104**	**775,572**	**881,559**	**894,092**	**918,861**	**967,821**	**1,019,368**	**1,073,516**	**1,128,758**	**1,184,948**	**1,242,140**	**1,300,034**	**1,358,072**	**1,418,479**	**1,478,930**
Other operating items															
Other expenses/(income), net	5,561	21,548	18,898	12,443	34,302	30,043	31,820	33,687	35,508	37,262	38,946	40,527	41,948	43,393	44,652
Result from investments	6,896	6,175	6,137	8,245	12,572	13,201	13,861	14,554	15,281	16,045	16,848	17,690	18,575	19,503	20,478
Forecast income statement															
Operating profit (EBIT)	**1,075,488**	**1,227,382**	**1,617,369**	**1,887,751**	**2,109,716**	**2,237,469**	**2,383,299**	**2,537,150**	**2,685,858**	**2,827,403**	**2,951,663**	**3,064,172**	**3,159,394**	**3,254,947**	**3,330,494**
Depreciation & other amortization (excl. cap. dev.)	261,517	288,495	319,649	335,996	335,766	353,008	381,837	412,669	452,724	484,401	516,034	547,114	587,268	618,353	647,456
EBITDA	**1,531,477**	**1,773,607**	**2,279,674**	**2,554,528**	**2,771,653**	**2,935,973**	**3,131,064**	**3,337,222**	**3,546,922**	**3,740,311**	**3,915,576**	**4,077,345**	**4,229,060**	**4,372,322**	**4,491,451**
Net financial expenses	33,257	49,616	15,015	-1,205	46,081	32,961	32,294	30,422	27,321	22,807	17,138	10,439	2,712	-6,253	-16,330
Profit before taxes	**1,042,231**	**1,177,766**	**1,602,354**	**1,888,956**	**2,063,635**	**2,204,508**	**2,351,005**	**2,506,729**	**2,658,536**	**2,804,595**	**2,934,525**	**3,053,733**	**3,156,682**	**3,261,199**	**3,346,824**
Income tax expense	209,095	238,472	344,897	363,043	464,119	496,014	528,976	564,014	598,171	631,034	660,268	687,090	710,254	733,770	753,035
Net profit	**833,136**	**939,294**	**1,257,457**	**1,525,913**	**1,599,516**	**1,708,493**	**1,822,029**	**1,942,715**	**2,060,366**	**2,173,561**	**2,274,257**	**2,366,643**	**2,446,429**	**2,527,429**	**2,593,788**

APPENDIX D: WORKING CAPITAL SCHEDULE

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Balances (FY2021-25 actual; FY2026-35 forecast)															
Net revenues	4,270,894	5,095,254	5,970,146	6,676,668	7,145,768	7,510,798	7,954,945	8,421,810	8,876,949	9,315,395	9,736,493	10,131,738	10,486,925	10,848,303	11,163,043
Cost of sales	2,080,613	2,648,953	2,995,877	3,329,483	3,452,971	3,605,183	3,810,419	4,025,625	4,234,305	4,434,128	4,634,570	4,822,708	4,991,776	5,163,792	5,313,608
Trade receivables	185,000	232,414	261,380	349,176	360,339	378,627	401,016	424,551	447,496	469,598	490,826	510,751	528,656	546,873	562,740
Inventories	540,575	674,662	948,514	1,088,194	1,113,904	1,163,536	1,229,773	1,299,229	1,366,578	1,431,069	1,495,760	1,556,479	1,611,045	1,666,561	1,714,912
Other financial liabilities	797,832	902,968	930,560	945,657	841,256	878,084	928,072	980,488	1,031,314	1,079,984	1,128,804	1,174,627	1,215,805	1,257,702	1,294,191
Customer advances and security deposits	240,696	451,166	516,096	553,771	774,535	814,870	863,057	913,709	963,088	1,010,657	1,056,343	1,099,224	1,137,760	1,176,967	1,211,114
Other operating working capital, net	(462,459)	(390,185)	(454,298)	(436,642)	(431,094)	(450,648)	(477,297)	(505,309)	(532,617)	(558,924)	(584,190)	(607,904)	(629,216)	(650,898)	(669,783)
Operating net working capital	(775,412)	(837,243)	(691,060)	(498,700)	(572,642)	(601,440)	(637,636)	(675,724)	(712,945)	(748,897)	(782,750)	(814,525)	(843,080)	(872,132)	(897,435)
Drivers															
Receivable days (DSO, year-end)	15.81	16.65	15.98	19.09	18.41	18.40	18.40	18.40	18.40	18.40	18.40	18.40	18.40	18.40	18.40
Inventory days (DIO, year-end)	94.83	92.96	115.56	119.30	117.75	117.80	117.80	117.80	117.80	117.80	117.80	117.80	117.80	117.80	117.80
Payable days (DPO, year-end)	139.96	124.42	113.37	103.67	88.93	88.90	88.90	88.90	88.90	88.90	88.90	88.90	88.90	88.90	88.90
Customer advances, days of revenue	20.57	32.32	31.55	30.27	39.56	39.60	39.60	39.60	39.60	39.60	39.60	39.60	39.60	39.60	39.60
Other operating WC, % of net revenues	-10.83%	-7.66%	-7.61%	-6.54%	-6.03%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%
Outputs															
Operating NWC, % of net revenues	-18.16%	-16.43%	-11.58%	-7.47%	-8.01%	-8.01%	-8.02%	-8.02%	-8.03%	-8.04%	-8.04%	-8.04%	-8.04%	-8.04%	-8.04%
Increase/(decrease) in operating NWC		(61,831)	146,183	192,360	(73,942)	(28,798)	(36,196)	(38,089)	(37,221)	(35,951)	(33,853)	(31,775)	(28,555)	(29,052)	(25,303)

F E R R A R I
E Q U I T Y R E S E A R C H
A P P E N D I X D : D E B T S C H E D U L E

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Balances (FY2021-25 actual; FY2026-35 forecast)															
Net revenues	4,270,894	5,095,254	5,970,146	6,676,668	7,145,768	7,510,798	7,954,945	8,421,810	8,876,949	9,315,395	9,736,493	10,131,738	10,486,925	10,848,303	11,163,043
Cost of sales	2,080,613	2,648,953	2,995,877	3,329,483	3,452,971	3,605,183	3,810,419	4,025,625	4,234,305	4,434,128	4,634,570	4,822,708	4,991,776	5,163,792	5,313,608
Trade receivables	185,000	232,414	261,380	349,176	360,339	378,627	401,016	424,551	447,496	469,598	490,826	510,751	528,656	546,873	562,740
Inventories	540,575	674,662	948,514	1,088,194	1,113,904	1,163,536	1,229,773	1,299,229	1,366,578	1,431,069	1,495,760	1,556,479	1,611,045	1,666,561	1,714,912
Other financial liabilities	797,832	902,968	930,560	945,657	841,256	878,084	928,072	980,488	1,031,314	1,079,984	1,128,804	1,174,627	1,215,805	1,257,702	1,294,191
Customer advances and security deposits	240,696	451,166	516,096	553,771	774,535	814,870	863,057	913,709	963,088	1,010,657	1,056,343	1,099,224	1,137,760	1,176,967	1,211,114
Other operating working capital, net	(462,459)	(390,185)	(454,298)	(436,642)	(431,094)	(450,648)	(477,297)	(505,309)	(532,617)	(558,924)	(584,190)	(607,904)	(629,216)	(650,898)	(669,783)
Operating net working capital	(775,412)	(837,243)	(691,060)	(498,700)	(572,642)	(601,440)	(637,636)	(675,724)	(712,945)	(748,897)	(782,750)	(814,525)	(843,080)	(872,132)	(897,435)
Drivers															
Receivable days (DSO, year-end)	15.81	16.65	15.98	19.09	18.41	18.40	18.40	18.40	18.40	18.40	18.40	18.40	18.40	18.40	18.40
Inventory days (DIO, year-end)	94.83	92.96	115.56	119.30	117.75	117.80	117.80	117.80	117.80	117.80	117.80	117.80	117.80	117.80	117.80
Payable days (DPO, year-end)	139.96	124.42	113.37	103.67	88.93	88.90	88.90	88.90	88.90	88.90	88.90	88.90	88.90	88.90	88.90
Customer advances, days of revenue	20.57	32.32	31.55	30.27	39.56	39.60	39.60	39.60	39.60	39.60	39.60	39.60	39.60	39.60	39.60
Other operating WC, % of net revenues	-10.83%	-7.66%	-7.61%	-6.54%	-6.03%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%	-6.00%
Outputs															
Operating NWC, % of net revenues	-18.16%	-16.43%	-11.58%	-7.47%	-8.01%	-8.01%	-8.02%	-8.02%	-8.03%	-8.04%	-8.04%	-8.04%	-8.04%	-8.04%	-8.04%
Increase/(decrease) in operating NWC		(61,831)	146,183	192,360	(73,942)	(28,798)	(36,196)	(38,089)	(37,221)	(35,951)	(33,853)	(31,775)	(28,555)	(29,052)	(25,303)

APPENDIX D: CAPEX & D&A SCHEDULE

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Capex (driver: % of net revenues)															
Net revenues (Forecasts, active case)	4,270,894	5,095,254	5,970,146	6,676,668	7,145,768	7,510,798	7,954,945	8,421,810	8,876,949	9,315,395	9,736,493	10,131,738	10,486,925	10,848,303	11,163,043
Investments in intangible assets	384,827	456,894	487,148	506,874	457,976										
Investments in property, plant and equipment	352,316	347,725	381,762	482,277	485,210										
Total capex	737,143	804,619	868,910	989,151	943,186	1,051,512	1,097,782	1,145,366	1,180,634	1,220,317	1,256,008	1,286,731	1,300,379	1,323,493	1,339,565
Capex, % of net revenues	17.26%	15.79%	14.55%	14.82%	13.20%	14.00%	13.80%	13.60%	13.30%	13.10%	12.90%	12.70%	12.40%	12.20%	12.00%
D&A (% of net revenues;)															
Amortization of capitalized development costs	194,472	257,730	342,656	330,781	326,171	345,497	365,927	387,403	408,340	428,508	447,879	466,060	482,399	499,022	513,500
% of net revenues	4.55%	5.06%	5.74%	4.95%	4.56%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%	4.60%
Depreciation & other amortization (excl. cap. dev.)	261,517	288,495	319,649	335,996	335,766	353,008	381,837	412,669	452,724	484,401	516,034	547,114	587,268	618,353	647,456
% of net revenues	6.12%	5.66%	5.35%	5.03%	4.70%	4.70%	4.80%	4.90%	5.10%	5.20%	5.30%	5.40%	5.60%	5.70%	5.80%
Total D&A	455,989	546,225	662,305	666,777	661,937	698,504	747,765	800,072	861,064	912,909	963,913	1,013,174	1,069,666	1,117,375	1,160,956
Sanity check															
Capex less total D&A (positive = asset base growing)	281,154	258,394	206,605	322,374	281,249	353,008	350,018	345,294	319,570	307,408	292,095	273,557	230,712	206,118	178,609

APPENDIX D: BUYBACK AND SHARE COUNT

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Multi-year buyback program (€3.5bn by 2030)										
Annual buyback spend	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000	700,000
Cumulative spend	700,000	1,400,000	2,100,000	2,800,000	3,500,000	4,200,000	4,900,000	5,600,000	6,300,000	7,000,000
Assumed average purchase price (€ per share)	310.00	325.50	341.78	358.86	376.81	395.65	415.43	436.20	458.01	480.91
Shares repurchased (number)	2,258,065	2,150,538	2,048,131	1,950,601	1,857,715	1,769,253	1,685,003	1,604,764	1,528,347	1,455,569
Share count rollforward (number of shares)										
Opening shares outstanding (31-Dec-2025: 193,923,499 issued - 16,644,606 treasury; 20-F p. 253)	177,278,893	175,020,828	172,870,291	170,822,160	168,871,559	167,013,843	165,244,591	163,559,588	161,954,824	160,426,477
Less: shares repurchased	-2,258,065	-2,150,538	-2,048,131	-1,950,601	-1,857,715	-1,769,253	-1,685,003	-1,604,764	-1,528,347	-1,455,569
Closing shares outstanding	**175,020,828**	**172,870,291**	**170,822,160**	**168,871,559**	**167,013,843**	**165,244,591**	**163,559,588**	**161,954,824**	**160,426,477**	**158,970,909**
Average shares outstanding	176,149,861	173,945,560	171,846,225	169,846,859	167,942,701	166,129,217	164,402,090	162,757,206	161,190,651	159,698,693
Per-share impact (active scenario)										
Net profit (Forecasts)	1,708,493	1,822,029	1,942,715	2,060,366	2,173,561	2,274,257	2,366,643	2,446,429	2,527,429	2,593,788
EPS on average shares outstanding (€)	**9.70**	**10.47**	**11.30**	**12.13**	**12.94**	**13.69**	**14.40**	**15.03**	**15.68**	**16.24**
EPS growth	8.1%	8.0%	7.9%	7.3%	6.7%	5.8%	5.2%	4.4%	4.3%	3.6%
Memo: net profit growth	6.8%	6.6%	6.6%	6.1%	5.5%	4.6%	4.1%	3.4%	3.3%	2.6%

	Value
Cost of equity	
Risk-free rate	2.82%
Raw beta	0.59
Adjusted beta	0.73
Peer Blended Beta	0.74
Calculated Beta	0.87
Equity risk premium	4.17%
Cost of equity (Ke = rf + β × (ERP + CRP))	5.91%
Cost of debt	
YTM at issuance	3.69%
Average rate on outstanding term loans	2.51%
Ferrari credit spread implied at issuance	1.18%
Selected pre-tax cost of debt	4.00%
Marginal tax rate	22.50%
After-tax cost of debt (Kd × (1 − t))	**3.10%**
Capital structure	
Share price (€)	318.85
Shares outstanding	175,916,530
Market value of equity, E (€ thousand)	56,090,986
Market value of debt, D - industrial debt incl. leases (€ thousand)	1,499,220
Weight of equity, E/(D+E)	97.40%
Weight of debt, D/(D+E)	2.60%
WACC = E/(D+E) × Ke + D/(D+E) × Kd × (1 − t)	**5.836%**

Sensitivity: WACC by beta and equity risk premium

β \ ERP	**4.17%**	**6.89%**
0.59 (Raw)	5.22%	6.79%
0.73 (Adjusted)	5.78%	7.70%
0.79 (Peer)	5.84%	7.80%
0.91 (Calculated)	6.37%	8.68%

Peer Beta							
Company	**Bloomberg Ticker**	**Levered RAW Beta SP500 Weekly**	**Levered RAW Beta 5Y Weekly stoxx Europe 600**	**Tax Rate**	**D/E**	**Unlevered Beta SP500 weekly**	**Unlevered Beta stoxx Europe 600**
BMW	BMW GY Equity	0.578	1.185	27.21%	1.0964	0.321	0.659
Mercedes-Benz	MBG GY Equity	0.646	1.293	15.17%	1.0747	0.338	0.676
Porsche	P911 GY Equity	0.999	1.193	30.34%	0.4968	0.742	0.886
Volkwagen	VOW3 GY Equity	0.703	1.312	25.82%	1.3036	0.357	0.667
stellantis	STLAM IM Equity	1.016	1.728	25.80%	0.8509	0.623	1.059
aston martin	AML LN Equity	1.391	1.799	25.00%	4.8360	0.301	0.389
Volvo	VOLCARB	0.948	1.611	20.60%	0.2542	0.789	1.340
Hermès	RMS FP Equity	0.982	1.415	33.17%	0.1245	0.907	1.306
LVMH	MC FP Equity	0.88	1.429	32.79%	0.5274	0.650	1.055
Ferrari	RACE IM (US) Equity			22.50%	0.7368	0.000	

Weightings		
Weighting of Exchanges	NYSE	Milan
AVDG	256.9	143.2
Estimated Weighting	64.2%	35.8%

Unlevered Averages			
Auto only (Excldiuing STLAM, AML & Volvo)	Median	0.348	0.672
	Mean	0.440	0.722
Auto only	Median	0.357	0.676
	Mean	0.496	0.811
Auto & Luxury	Median	0.623	0.886
	Mean	0.559	0.893

Relevered				Weighted Blend beta
Auto only (Excldiuing STLAM, AML & Volvo)	Median	0.546	1.055	0.72838
	Mean	0.691	1.135	0.84964
Auto only	Median	0.561	1.063	**0.74083**
	Mean	0.779	1.274	0.95624
Auto & Luxury	Median	0.978	1.392	1.12657
	Mean	0.878	1.403	1.06570

Own Beta Regression - Ferrari weekly returns vs S&P 500 and Stoxx Europe 600			
Regression output	**vs S&P 500**	**vs Stoxx Europe 600**	**Weighted Blend**
Beta	**0.743**	**1.104**	**0.8724**
Alpha (weekly)	0.0014	0.0016	0.0015
Correlation	0.401	0.535	0.4489
R^2	0.161	0.287	0.2057
Observations	261	261	

A P P E N D I X D : F R E E C A S H F L O W S

(€ thousand)

	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Unlevered free cash flow															
EBIT	1,075,488	1,227,382	1,617,369	1,887,751	2,109,716	2,237,469	2,383,299	2,537,150	2,685,858	2,827,403	2,951,663	3,064,172	3,159,394	3,254,947	3,330,494
Less: result from investments	(6,896)	(6,175)	(6,137)	(8,245)	(12,572)	(13,201)	(13,861)	(14,554)	(15,281)	(16,045)	(16,848)	(17,690)	(18,575)	(19,503)	(20,478)
Core operating EBIT	**1,068,592**	**1,221,207**	**1,611,232**	**1,879,506**	**2,097,144**	**2,224,268**	**2,369,438**	**2,522,597**	**2,670,576**	**2,811,357**	**2,934,815**	**3,046,481**	**3,140,819**	**3,235,443**	**3,310,016**
Effective tax rate	20.06%	20.25%	21.52%	19.22%	22.49%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%
NOPAT	**854,208**	**973,939**	**1,264,424**	**1,518,279**	**1,625,489**	**1,723,808**	**1,836,315**	**1,955,012**	**2,069,697**	**2,178,802**	**2,274,482**	**2,361,023**	**2,434,135**	**2,507,469**	**2,565,262**
Add: D&A	455,989	546,225	662,305	666,777	661,937	698,504	747,765	800,072	861,064	912,909	963,913	1,013,174	1,069,666	1,117,375	1,160,956
Less: capex	(737,143)	(804,619)	(868,910)	(989,151)	(943,186)	(1,051,512)	(1,097,782)	(1,145,366)	(1,180,634)	(1,220,317)	(1,256,008)	(1,286,731)	(1,300,379)	(1,323,493)	(1,339,565)
Less: increase / add: decrease in operating NWC	-	61,831	(146,183)	(192,360)	73,942	28,798	36,196	38,089	37,221	35,951	33,853	31,775	28,555	29,052	25,303
Unlevered free cash flow	**573,054**	**777,376**	**911,636**	**1,003,545**	**1,418,182**	**1,399,598**	**1,522,493**	**1,647,807**	**1,787,347**	**1,907,345**	**2,016,241**	**2,119,241**	**2,231,977**	**2,330,403**	**2,411,957**
FCF margin (% of net revenues)	13.42%	15.26%	15.27%	15.03%	19.85%	18.63%	19.14%	19.57%	20.13%	20.48%	20.71%	20.92%	21.28%	21.48%	21.61%
FCF conversion (FCF ÷ NOPAT)	67.09%	79.82%	72.10%	66.10%	87.25%	81.19%	82.91%	84.29%	86.36%	87.54%	88.65%	89.76%	91.69%	92.94%	94.02%

APPENDIX D: DISCOUNTED CASH FLOW VALUATION

	Value
Inputs	
WACC	5.84%
Terminal growth rate (g)	**2.5%**
Valuation date roll-forward	0.496

(€ thousand)

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Forecast free cash flows										
Unlevered FCF	1,399,598	1,522,493	1,647,807	1,787,347	1,907,345	2,016,241	2,119,241	2,231,977	2,330,403	2,411,957
Discount factor	0.972	0.918	0.868	0.820	0.775	0.732	0.691	0.653	0.617	0.583
PV of FCF	1,360,145	1,397,988	1,429,621	1,465,177	1,477,327	1,475,557	1,465,415	1,458,264	1,438,613	1,406,853
Sum of PV, FY2026-35										**14,374,962**

	Value
Terminal value (Gordon growth)	
FCF FY2036 = FY2035 FCF × (1 + g)	2,472,256
Terminal value at end-FY2035	74,107,212
PV of terminal value	**43,225,470**
Implied exit EV/EBITDA at FY2035	16.5x
Terminal value as % of enterprise value	75.0%
Enterprise Value	**57,600,432**
Net Debt, 31-Dec-2025	-9,679
Non-controlling interests (book value)	-7,849
Equity value	**57,582,904**
Shares outstanding (WACC tab)	175,916,530
Implied value per share (€)	327.33

Inputs

Base WACC	5.84%
Base terminal growth (g)	2.50%
WACC step	0.25%
Growth step	0.25%
Current share price (€)	318.85

WACC \ G	1.75%	2.00%	2.25%	2.50%	2.75%	3.00%	3.25%
5.09%	345.58	367.42	393.10	423.75	460.96	507.09	565.78
5.34%	320.95	339.37	360.77	385.94	415.97	452.44	497.64
5.59%	299.54	315.24	333.28	354.25	378.92	408.36	444.10
5.84%	280.76	294.26	309.64	**327.33**	347.88	372.06	400.91
6.09%	264.16	275.86	289.09	304.17	321.51	341.65	365.35
6.34%	249.37	259.59	271.06	284.03	298.81	315.80	335.55
6.59%	236.12	245.10	255.12	266.37	279.08	293.57	310.23

Legend:

≤1.5%	≤3%	≤4.5%	≤6%	≤8%	≤10%	≤12.5%	≤15%	≤17.5%	≤20%	>20%

APPENDIX D: MULTIPLES VALUATION

Company	Ticker	Market Information Rpt crncy	Price (€)	Mkt cap	EV	LTM — trailing 12M Sales	EBITDA	EBIT	Bloomberg Estimartes NTM (1BF) Except Ferrari Sales	EBITDA	EBIT
Ferrari N.V. (target)	**RACE IM**	**EUR**	**324.35**	**57,573,599**	**59,259,721**	**7,353,308**	**2,846,855**	**2,168,188**	**7,510,798**	**2,935,973**	**2,237,469**
BMW AG	BMW GY	EUR	57.26	32,141,809	21,607,809	128,034,000	16,982,000	7,783,000	132,234,643	16,583,485	7,484,744
Mercedes-Benz Group AG	MBG GY	EUR	43.92	42,290,731	20,362,731	129,500,000	12,649,000	5,392,000	133,936,020	15,721,966	7,595,426
Volkswagen AG (Pref)	VOW3 GY	EUR	70.10	35,772,219	34,438,219	321,648,000	40,646,000	8,093,000	328,368,506	47,341,483	16,228,198
Dr. Ing. h.c. F. Porsche AG	P911 GY	EUR	43.51	39,592,060	44,366,060	35,344,000	6,031,000	754,000	35,511,633	6,706,333	2,646,165
Stellantis N.V.	STLAM IM	EUR	4.98	14,602,533	7,804,533	160,861,000	(15,591,000)	(22,154,000)	162,758,932	11,429,396	4,116,438
General Motors Co.	GM US	USD	67.53	60,890,444	59,111,927	159,066,482	14,198,935	1,556,130	164,224,197	19,780,207	13,014,288
Aston Martin Lagonda	AML LN	GBp	0.44	445,086	n/m	1,647,657	n/m	n/m	1,802,466	380,885	(49,592)
Hermès International	RMS FP	EUR	1,598.00	168,699,920	158,676,920	16,132,000	7,577,000	6,593,000	17,596,555	7,935,629	7,063,843
LVMH Moët Hennessy	MC FP	EUR	484.10	240,022,144	266,164,144	79,641,000	24,597,000	16,740,000	82,858,057	25,815,936	18,358,084
Kering SA	KER FP	EUR	247.30	30,521,958	40,819,958	14,308,000	2,769,000	744,000	15,257,710	4,002,871	2,089,106
Richemont (Cie Fin.)	CFR SW	CHF	202.10	119,510,873	115,818,886	22,420,000	6,101,000	4,492,000	24,641,135	6,915,246	5,378,284
Moncler S.p.A.	MONC IM	EUR	50.78	13,954,646	14,662,010	3,196,375	1,283,275	933,990	3,396,547	1,365,112	999,519
Brunello Cucinelli S.p.A.	BC IM	EUR	82.60	5,616,800	6,681,396	1,473,227	434,323	242,146	1,619,639	481,385	276,482
Prada S.p.A.	1913 HK	HKD	4.44	11,353,785	15,184,386	6,025,500	2,110,976	1,214,745	6,603,657	2,221,488	1,295,581
Burberry Group plc	BRBY LN	GBp	12.33	4,450,953	5,447,042	2,799,109	566,762	133,016	2,999,561	736,004	309,362

Company	Trailing multiples EV/Sales	EV/EBITDA	EV/EBIT	P/E	Forward multiples EV/Sales	EV/EBITDA	EV/EBIT	P/E	TSR
Ferrari N.V. (target)	**8.1x**	**20.8x**	**27.3x**	**35.4x**	**7.9x**	**20.2x**	**26.5x**	**31.8x**	
BMW AG	0.2x	1.3x	2.8x	5.5x	0.2x	1.3x	2.9x	6.8x	
Mercedes-Benz Group AG	0.2x	1.6x	3.8x	8.3x	0.2x	1.3x	2.7x	6.8x	
Volkswagen AG (Pref)	0.1x	0.8x	4.3x	7.1x	0.1x	0.7x	2.1x	3.2x	
Dr. Ing. h.c. F. Porsche AG	1.3x	7.4x	58.8x	24.0x	1.2x	6.6x	16.8x	21.1x	X
Stellantis N.V.	0.0x	-0.5x	-0.4x	n/m	0.0x	0.7x	1.9x	4.8x	
General Motors Co.	0.4x	4.2x	38.0x	5.8x	0.4x	3.0x	4.5x	5.8x	
Aston Martin Lagonda	n/m	n/m	n/m	n/m	n/m	n/m	n/m	n/m	X
Hermès International	9.8x	20.9x	24.1x	37.1x	9.0x	20.0x	22.5x	33.3x	X
LVMH Moët Hennessy	3.3x	10.8x	15.9x	22.1x	3.2x	10.3x	14.5x	20.5x	X
Kering SA	2.9x	14.7x	54.9x	n/m	2.7x	10.2x	19.5x	30.4x	X
Richemont (Cie Fin.)	5.2x	19.0x	25.8x	34.3x	4.7x	16.7x	21.5x	27.9x	X
Moncler S.p.A.	4.6x	11.4x	15.7x	21.6x	4.3x	10.7x	14.7x	20.3x	X
Brunello Cucinelli S.p.A.	4.5x	15.4x	27.6x	40.7x	4.1x	13.9x	24.2x	34.0x	X
Prada S.p.A.	2.5x	7.2x	12.5x	14.3x	2.3x	6.8x	11.7x	13.7x	X
Burberry Group plc	1.9x	9.6x	41.0x	176.6x	1.8x	7.4x	17.6x	24.8x	X
Peer mean (All)	**2.6x**	**8.8x**	**23.2x**	**33.1x**	**2.4x**	**7.8x**	**12.6x**	**18.1x**	
Peer median (All)	**2.2x**	**8.5x**	**20.0x**	**21.8x**	**2.1x**	**7.1x**	**14.6x**	**20.4x**	
Mean (Autos)	**0.4x**	**2.5x**	**17.9x**	**10.1x**	**0.3x**	**2.3x**	**5.1x**	**8.1x**	
Median (Autos)	**0.2x**	**1.4x**	**4.0x**	**7.1x**	**0.2x**	**1.3x**	**2.8x**	**6.3x**	
Mean (Luxury)	**4.3x**	**13.6x**	**27.2x**	**49.5x**	**4.0x**	**12.0x**	**18.3x**	**25.6x**	
Median (Luxury)	**3.9x**	**13.1x**	**24.9x**	**34.3x**	**3.7x**	**10.5x**	**18.6x**	**26.4x**	
Mean (TSR peer group)	**4.0x**	**12.9x**	**30.7x**	**46.3x**	**3.7x**	**11.4x**	**18.1x**	**25.1x**	
Median (TSR peer group)	**3.3x**	**11.4x**	**25.8x**	**29.1x**	**3.2x**	**10.3x**	**17.6x**	**24.8x**	

Actual price (€)	318.85
Shares out (thousand)	175,916,530
Net debt (€ thousand)	1,499,220
LTM Sales	7,353,308
LTM EBITDA	2,846,855
LTM EBIT	2,168,188
LTM EPS (€)	9.17
NTM Sales	7,510,798
NTM EBITDA	2,935,973
NTM EBIT	2,237,469
NTM EPS (€)	10.21

Multiple	Trailing multiples EV/Sales	EV/EBITDA	EV/EBIT	P/E	Forward multiples EV/Sales	EV/EBITDA	EV/EBIT	P/E
Peer mean (All)	101.63	134.64	277.28	303.58	95.90	122.28	152.36	176.63
Peer median (All)	84.82	128.77	237.78	200.05	79.33	110.27	176.97	199.10
Mean (Autos)	6.17	31.26	211.86	93.01	6.26	29.34	56.97	78.80
Median (Autos)	-1.71	14.80	40.97	65.51	-1.79	13.16	26.89	61.31
Mean (Luxury)	173.23	212.18	326.35	453.98	163.13	191.98	223.91	250.01
Median (Luxury)	156.11	203.21	298.69	314.42	148.12	167.14	227.71	257.31
Mean (TSR peer group)	158.87	200.88	369.72	424.69	149.98	181.97	221.78	245.09
Median (TSR peer group)	131.18	176.38	309.26	267.04	128.63	163.55	215.42	242.46

Multiple selection & weighted valuation

Multiple	Weight	Implied Price	Contribution
EV/Sales (fwd)	0.1	149.98	15.00
EV/EBITDA (fwd)	0.2	181.97	36.39
EV/EBIT (fwd)	0.3	215.42	64.63
P/E (fwd)	0.4	242.46	96.98
		Weighted implied Price	213.00

APPENDIX D: DIVIDEND DISCOUNT MODEL

(€ thousand)

	Value	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035
Method 1: Growth																
Dividend per Share (€, declared for fiscal year)		1.36	1.81	2.44	2.99	3.62	4.30	5.12	6.09	7.24	8.61	10.24	12.18	14.48	17.22	20.48
YoY Dividend Growth			33.1%	34.8%	22.5%	21.1%	18.9%	18.9%	18.9%	18.9%	18.9%	18.9%	18.9%	18.9%	18.9%	18.9%
Average Dividend Growth	18.92%															
Discount factor							0.9442	0.8915	0.8418	0.7948	0.7505	0.7086	0.6691	0.6317	0.5965	0.5632
PV of dividends							4.06	4.56	5.12	5.75	6.46	7.26	8.15	9.15	10.27	11.53
Sum of PV	72.32															
Terminal growth rate (g)	2.50%															
Terminal value (Gordon on FY2035 DPS, discounted)	346.74															
Intrinsic Value per Share (DDM)	419.07															
Method 2: Payout Method																
Dividend per Share (€, declared for fiscal year)							3.90	4.22	4.55	4.88	5.21	5.51	5.79	6.04	6.30	6.53
YoY Dividend Growth							7.86%	7.97%	7.90%	7.28%	6.67%	5.75%	5.13%	4.40%	4.30%	3.57%
PV of dividends							3.69	3.76	3.83	3.88	3.91	3.90	3.87	3.82	3.76	3.68
Sum of PV	38.09															
Terminal growth rate (g)	2.50%															
Terminal value (Gordon on FY2035 DPS, discounted)	110.51															
Intrinsic Value per Share (DDM)	148.59															
Weighted Average of Methods																
Weight - Method 1 (Growth extrapolation)	70.0%															
Weight - Method 2 (Payout-based)	30.0%															
Blended Intrinsic Value per Share (DDM)	**337.92**															

APPENDIX E: References and AI disclosure

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AI disclosure

- Data extraction and verification - locating and pulling reported figures from Ferrari's published Annual Reports and Forms 20-F (FY2021–FY2025) and the other public sources cited in this report into the valuation workbook, and cross-checking model inputs against those sources (page references are retained in the workbook's source log).
- Formatting and document production - assembling and formatting slides, tables and appendices, compiling the reference list, table of contents.
- Charts and exhibits - assistance in preparing and formatting the graphs and exhibits shown in this report from the outputs of my valuation model
- Drafting support for explanatory appendices -helping to structure and word the appendix notes that document the model's assumptions, sources and methodology, based on my model, my choices and my instructions.
- Other clerical assistance of a similar nature -checking formulas and citations, flagging internal inconsistencies for my review, and tidying wording.


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