

Iveco Group 2022 First Quarter Results

Iveco Group consolidated revenues of €3.0 billion (up 2% year on year).

Adjusted net income of €42 million and adjusted EBIT of €102 million.

Free cash flow of Industrial Activities negative €166 million, €137 million better than Q1 2021.



«In the first quarter of our first year as an independent Company, I am pleased to report solid performance – mainly in light commercial vehicles and buses – despite the continuous supply chain issues and raw material price increases. In particular, I would like to praise the entire Iveco Group team for the highly conscientious management of our cash: the seasonal free cash flow absorption from industrial activities was €166 million, €137 million better than the first quarter of last year, and our available liquidity remains healthy at €3.4 billion. As we approach the second quarter, when we foresee the most severe impacts from component shortages for the entire year, we will continue to maintain tight control on working capital and cash flow. The current challenging environment is further firing up our resilience and determination to deliver throughout 2022 and beyond.»

Gerrit Marx, Chief Executive Officer

2022 First Quarter Results⁽¹⁾⁽²⁾

(all amounts € million, unless otherwise stated – comparison vs Q1 2021)

| EU-IFRS FINANCIAL MEASURES | | | NON IFRS FINANCIAL MEASURES ⁽³⁾ | | |
|--|--------|----------|---|-------|------------|
| Consolidated revenues | 3,048 | +1.7% | Adjusted EBIT | 102 | -32 |
| of which Net revenues of Industrial Activities | 3,010 | +1.5% | of which Adjusted EBIT of Industrial Activities | 82 | -34 |
| Net loss | (15) | -82 | Adjusted net income | 42 | -27 |
| Diluted EPS € | (0.06) | -0.26 | Adjusted diluted EPS € | 0.15 | -0.06 |
| Cash flow from operating activities | (101) | +93 | Free cash flow of Industrial Activities | (166) | +137 |
| Cash and cash equivalents | 1,738 | +841 (*) | Available liquidity | 3,390 | +1,954 (*) |

(*) comparison vs 31st December 2021

Consolidated revenues of **€3,048 million**, up 1.7%. **Net revenues of Industrial Activities** of **€3,010 million**, up 1.5%, mainly due to positive price realization and better mix.

Adjusted EBIT of **€102 million** (€134 million in Q1 2021), with a **3.3% margin**. **Adjusted EBIT of Industrial Activities** of **€82 million** (€116 million in Q1 2021), with €34 million increase in Commercial and Specialty Vehicles. Powertrain adjusted EBIT of €45 million (€89 million in Q1 2021).

Adjusted net income of **€42 million** (adjusted net profit of €69 million in Q1 2021), which excludes a negative after-tax impact of €51 million in connection with our operations in Russia and in Ukraine, primarily due to the impairment of certain assets. **Adjusted diluted earnings per share** of **€0.15** (adjusted diluted earnings per share of €0.21 in Q1 2021).

Reported income tax expense of €22 million, with **adjusted effective tax rate** (adjusted ETR⁽³⁾) of **38%** in Q1 2022. The adjusted ETR reflects the different tax rates applied in the jurisdictions where the Group operates, the unbenefited losses in certain jurisdictions and other discrete items.

Free cash flow of Industrial Activities was **negative €166 million**, a €137 million improvement compared to Q1 2021 due to lower seasonal working capital absorption, notwithstanding the impact of component shortages on inventory level. **Net cash of Industrial Activities⁽³⁾** at **€765 million** (€1,063 million at 31st December 2021).

Available liquidity at **€3,390 million** as of 31st March 2022, up €1,954 million from 31st December 2021, including €1,400 million undrawn syndicated committed revolving credit facility (€500 million syndicated term facility was executed and fully utilized in Q1 2022) and €200 million undrawn committed revolving credit facilities signed in Q1 2022.

On 4th March 2022, Iveco Group and Hyundai Motor Company signed a Memorandum of Understanding (MoU) to explore possible collaborations on shared vehicle technology, joint sourcing, and mutual supply. The MoU is a preliminary step in assessing the potential for the two groups to cooperate in the domains of technology and platforms, encompassing components and systems. Areas of possible mutual interest pertain to electric powertrains and platforms including fuel-cell systems, vehicle automation and connectivity for commercial vehicles.

2022 Outlook^(*)

The Company expects global supply chain to continue to represent the main challenge for the year, including raw material price increases and components availability, with second quarter to be the quarter most severely impacted.

Based on current visibility, the Company is providing the following 2022 preliminary financial outlook:

- **Consolidated Adjusted EBIT** between €350 million and €370 million
- **Net revenues of Industrial Activities^(**)** flat to up 3% versus full year 2021
- **SG&A costs of Industrial Activities** lower than 6.5% of net revenues
- **Net cash of Industrial Activities** slightly up versus 31st December 2021.

(*) A significant escalation or expansion of economic disruption due to COVID-19 pandemic, Russia / Ukraine war and supply chain issues could have a material adverse effect on Iveco Group financial results.

(**) Including currency translation effects.

Notes, see page 3

2022 Q1 Performance and Results by Segments

Iveco Group recorded solid quarterly performance despite continuous challenging environment.

Global **supply chain** continues to represent the main challenge for our operations, including raw material price increases and components availability (particularly semiconductors).

Worldwide Trucks' order intake was down 30% year over year, with light duty trucks down 40%, and medium & heavy duty trucks down 30%, as a consequence of the managerial decision to restrict the order slotting, to counter large order books and delivery times, and to foster pricing discipline throughout the entire distribution chain, to preempt mid-term material cost volatility. Currently, for light and medium & heavy duty trucks, more than 30 and 40 weeks of production, respectively, are already sold. Truck **book-to-bill** in Europe at 1.17.

The geopolitical situation and the **Russia-Ukraine** conflict escalated since the end of February 2022. Iveco Group has operations in both Russia and Ukraine, which have been suspended during the first quarter of 2022. Russia and Ukraine do not constitute a material portion of the Group business. The Group is closely monitoring the impact of the Russia-Ukraine conflict on its employees and all aspects of its business, the Group's results of operations, financial condition and cash flows. Iveco Group immediately focused on the safety and well-being of its employees, in order to support them and their families and understand how helping its dealers, suppliers, and other stakeholders in the areas of the conflict.

Commercial and Specialty Vehicles

| | Q1 2022 | Q1 2021 | Change | |
|------------------------------|---------|---------|----------|---|
| Net revenues (€ million) | 2,504 | 2,328 | +7.6% | European truck market was down 13% year over year, with light-duty trucks ("LCV") down 20%, and medium and heavy trucks ("M&H") down 1%. South American truck market was up 4% in LCV and up 3% in M&H. Bus registrations decreased 3% in Europe and increased 2% in South America. Net revenues were up 7.6%, primarily driven by positive price realization, increased volumes in light duty trucks and bus in Europe and in trucks in South America. Adjusted EBIT was €93 million, with a €34 million increase compared to Q1 2021, driven by positive price realization more than offsetting raw material cost increase, and positive volumes in light duty trucks and bus in Europe and in trucks in South America. Adjusted EBIT margin at 3.7%. |
| Adjusted EBIT (€ million) | 93 | 59 | +34 | |
| Adjusted EBIT margin | 3.7% | 2.5% | +120 bps | |

Powertrain

| | Q1 2022 | Q1 2021 | Change | |
|------------------------------|---------|---------|----------|---|
| Net revenues (€ million) | 975 | 1,025 | -4.9% | Net revenues were down 4.9% due to lower volumes towards third parties. Sales to external customer accounted for 55% (64% in Q1 2021). Adjusted EBIT was €45 million, with a decrease of €44 million compared to Q1 2021, mainly due to higher raw material costs, unfavorable volumes and higher freight costs, partially offset by positive price realization and lower quality costs. Adjusted EBIT margin at 4.6%. |
| Adjusted EBIT (€ million) | 45 | 89 | -44 | |
| Adjusted EBIT margin | 4.6% | 8.7% | -410 bps | |

Financial Services

| | Q1 2022 | Q1 2021 | Change | |
|--|---------|---------|--------|---|
| Net revenues (€ million) | 49 | 50 | -2.0% | Net revenues were almost in line with Q1 2021. Adjusted EBIT increased €2 million to €20 million, primarily due to higher wholesale and retail portfolio from financing activities. The managed portfolio (including unconsolidated joint ventures) was €5,513 million at the end of the quarter (of which retail was 50% and wholesale 50%), up €374 million compared to 31 st March 2021. The receivable balance greater than 30 days past due as a percentage of portfolio was 3.6% (5.2% as of 31 st March 2021). |
| Adjusted EBIT (€ million) | 20 | 18 | +2 | |
| Equity at quarter-end (€ million) | 723 | 723 | - | |
| Retail loan originations (€ million) | 310 | 356 | -46 | |
| | | | | |

Notes

- 1) Iveco Group reports quarterly and annual consolidated financial results under EU-IFRS. The tables and discussion related to the financial results of the Company and its segments shown in this press release are prepared in accordance with EU-IFRS.
- 2) On 1 January 2022 the demerger of CNH Industrial N.V. took legal effect. The 2021 figures presented in this press release relate to activities transferred to Iveco Group N.V. and are derived from CNH Industrial consolidated financial statements for the first quarter of 2021 and for the year ended 31 December 2021.
- 3) Non-IFRS financial measures: refer to the "Non-IFRS Financial Information" section of this press release for information regarding non-IFRS financial measures. Refer to the specific table in the "Other Supplemental Financial Information" section of this press release for the reconciliation between the non-IFRS financial measure and the most comparable IFRS financial measure.

Non-IFRS Financial Information

Iveco Group monitors its operations through the use of several non-IFRS financial measures. Iveco Group's management believes that these non-IFRS financial measures provide useful and relevant information regarding its operating results and enhance the readers' ability to assess Iveco Group's financial performance and financial position. Management uses these non-IFRS measures to identify operational trends, as well as make decisions regarding future spending, resource allocations and other operational decisions as they provide additional transparency with respect to our core operations. These non-IFRS financial measures have no standardized meaning under EU-IFRS and are unlikely to be comparable to other similarly titled measures used by other companies and are not intended to be substitutes for measures of financial performance and financial position as prepared in accordance with EU-IFRS.

Iveco Group's non-IFRS financial measures are defined as follows:

- Adjusted EBIT: is defined as EBIT before restructuring costs and non-recurring items. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events that are infrequent in nature and not reflective of on-going operational activities.
- Adjusted Net Profit/ (Loss): is defined as net profit/ (loss), less restructuring costs and non-recurring items, after tax.
- Adjusted Diluted EPS: is computed by dividing Adjusted Net Income (loss) attributable to Iveco Group N.V. by a weighted-average number of common shares outstanding during the period that takes into consideration potential common shares outstanding deriving from the Iveco Group share-based payment awards, when inclusion is not anti-dilutive. When we provide guidance for adjusted diluted EPS, we do not provide guidance on an earnings per share basis because the IFRS measure will include potentially significant items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end.
- Adjusted Income Taxes: is defined as income taxes less the tax effect of restructuring expenses and non-recurring items, and non-recurring tax charges or benefits.
- Adjusted Effective Tax Rate (Adjusted ETR): is computed by dividing a) adjusted income taxes by b) income (loss) before income taxes, less restructuring expenses and non-recurring items.
- Net Cash (Debt) and Net Cash (Debt) of Industrial Activities: Net Cash (Debt) is defined as total Debt plus Derivative liabilities, net of Cash and cash equivalents, Derivative assets and other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties) and financial receivables from CNH Industrial deriving from financing activities and sale of trade receivables. Iveco Group provides the reconciliation of Net Cash (Debt) to Total (Debt), which is the most directly comparable EU-IFRS financial measure included in the Group's consolidated statement of financial position. Due to different sources of cash flows used for the repayment of the debt between Industrial Activities and Financial Services (by cash from operations for Industrial Activities and by collection of financing receivables for Financial Services), management separately evaluates the cash flow performance of Industrial Activities using Net Cash (Debt) of Industrial Activities.
- Free Cash Flow of Industrial Activities (or Industrial Free Cash Flow): refers to Industrial Activities, only, and is computed as consolidated cash flow from operating activities less: cash flow from operating activities of Financial Services; investments of Industrial Activities in property, plant and equipment and intangible assets; as well as other changes and intersegment eliminations.
- Available Liquidity: is defined as cash and cash equivalents, including restricted cash, undrawn medium-term unsecured committed facilities, other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties), and financial receivables from CNH Industrial deriving from financing activities and sale of trade receivables.

Forward-looking statements

All statements other than statements of historical fact contained in this earning release, including competitive strengths; business strategy; future financial position or operating results; budgets; projections with respect to revenue, income, earnings (or loss) per share, capital expenditures, dividends, liquidity, capital structure or other financial items; costs; and plans and objectives of management regarding operations and products, are forward-looking statements. Forward looking statements also include statements regarding the future performance of Iveco Group and its subsidiaries on a standalone basis. These statements may include terminology such as "may", "will", "expect", "could", "should", "intend", "estimate", "anticipate", "believe", "outlook", "continue", "remain", "on track", "design", "target", "objective", "goal", "forecast", "projection", "prospects", "plan", or similar terminology. Forward-looking statements, including those related to the COVID-19 pandemic and Russia-Ukraine war, are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside our control and are difficult to predict. If any of these risks and uncertainties materialize (or they occur with a degree of severity that the Company is unable to predict) or other assumptions underlying any of the forward-looking statements prove to be incorrect, including any assumptions regarding strategic plans, the actual results or developments may differ materially from any future results or developments expressed or implied by the forward-looking statements. Factors, risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others: the continued uncertainties related to the unknown duration and economic, operational and financial impacts of the global COVID-19 pandemic and the actions taken or contemplated by governmental authorities or others in connection with the pandemic on our business, our employees, customers and suppliers; supply chain disruptions, including delays caused by mandated shutdowns, industry capacity constraints, material availability, and global logistics delays and constraints; disruption caused by business responses to COVID-19, including remote working arrangements, which may create increased vulnerability to cybersecurity or data privacy incidents; our ability to execute business continuity plans as a result of COVID-19; the many interrelated factors that affect consumer confidence and worldwide demand for capital goods and capital goods-related products, including demand uncertainty caused by COVID-19; general economic conditions in each of our markets, including the significant economic uncertainty and volatility caused by COVID-19; travel bans, border closures, other free movement restrictions, and the introduction of social distancing measures in our facilities may affect in the future our ability to operate as well as the ability of our suppliers and distributors to operate; changes in government policies regarding banking, monetary and fiscal policy; legislation, particularly pertaining to capital goods-related issues such as agriculture, the environment, debt relief and subsidy program policies, trade and commerce and infrastructure development; government policies on international

trade and investment, including sanctions, import quotas, capital controls and tariffs; volatility in international trade caused by the imposition of tariffs, sanctions, embargoes, and trade wars; actions of competitors in the various industries in which we compete; development and use of new technologies and technological difficulties; the interpretation of, or adoption of new, compliance requirements with respect to engine emissions, safety or other aspects of our products; production difficulties, including capacity and supply constraints and excess inventory levels; labor relations; interest rates and currency exchange rates; inflation and deflation; energy prices; prices for agricultural commodities; housing starts and other construction activity; our ability to obtain financing or to refinance existing debt; price pressure on new and used vehicles; the resolution of pending litigation and investigations on a wide range of topics, including dealer and supplier litigation, follow-on private litigation in various jurisdictions after the settlement of the EU antitrust investigation of the Iveco Group announced on 19th July 2016, intellectual property rights disputes, product warranty and defective product claims, and emissions and/or fuel economy regulatory and contractual issues; security breaches, cybersecurity attacks, technology failures, and other disruptions to the information technology infrastructure of Iveco Group and its suppliers and dealers; security breaches with respect to our products; our pension plans and other post-employment obligations; further developments of the COVID-19 pandemic on our operations, supply chains, distribution network, as well as negative evolutions of the economic and financial conditions at global and regional levels; political and civil unrest; volatility and deterioration of capital and financial markets, including other pandemics, terrorist attacks in Europe and elsewhere; our ability to realize the anticipated benefits from our business initiatives as part of our strategic plan; our failure to realize, or a delay in realizing, all of the anticipated benefits of our acquisitions, joint ventures, strategic alliances or divestitures and other similar risks and uncertainties, and our success in managing the risks involved in the foregoing.

Forward-looking statements are based upon assumptions relating to the factors described in this earnings release, which are sometimes based upon estimates and data received from third parties. Such estimates and data are often revised. Actual results may differ materially from the forward-looking statements as a result of a number of risks and uncertainties, many of which are outside Iveco Group's control. Iveco Group expressly disclaims any intention or obligation to provide, update or revise any forward-looking statements in this announcement to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Further information concerning Iveco Group, including factors that potentially could materially affect Iveco Group's financial results, is included in Iveco Group's reports and filings with the Autoriteit Financiële Markten ("AFM") and Commissione Nazionale per le Società e la Borsa ("CONSOB").

About Iveco Group

Iveco Group N.V. (MI: IVG) is a global automotive leader active in the Commercial & Specialty Vehicles, Powertrain, and related Financial Services arenas. Each of its eight brands is a major force in its specific business: IVECO, a pioneering commercial vehicles brand that designs, manufactures, and markets heavy, medium, and light-duty trucks; FPT Industrial, a global leader in a vast array of advanced powertrain technologies in the agriculture, construction, marine, power generation, and commercial vehicles sectors; IVECO BUS and HEULIEZ, mass-transit and premium bus and coach brands; Iveco Defence Vehicles, for highly-specialised defence and civil protection equipment; ASTRA, a leader in large-scale heavy-duty quarry and construction vehicles; Magirus, the industry-reputed firefighting vehicle and equipment manufacturer; and IVECO CAPITAL, the financing arm which supports them all. Iveco Group employs approximately 34,000 people around the world and has 28 manufacturing plants and 29 R&D centres. Further information is available on the Company's website www.ivecogroup.com

Conference Call and Webcast

Today, at 3:30 pm CEST / 2:30 pm BST/ 9:30 am EDT, management will hold a conference call to present the first quarter 2022 results to financial analysts and institutional investors. The call can be followed live online at https://bit.ly/Iveco_Group_Q1_2022 and a recording will be available later on the Company's website www.ivecogroup.com. A presentation will be made available on the Company's website prior to the call.

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Iveco Group N.V.

Condensed Consolidated Income Statement for the three months ended 31st March 2022 and 2021

(Unaudited)

| (€ million) | Three months ended 31 st March | |
|---|---|------------|
| | 2022 | 2021 |
| Net revenues | 3,048 | 2,998 |
| Cost of sales | 2,651 | 2,548 |
| Selling, general and administrative costs | 222 | 180 |
| Research and development costs | 108 | 118 |
| Result from investments: | 1 | 2 |
| Share of the profit/(loss) of investees accounted for using the equity method | 1 | 2 |
| Gains/(losses) on the disposal of investments | 5 | - |
| Restructuring costs | 1 | 1 |
| Other income/(expenses) | (31) | (20) |
| EBIT | 41 | 133 |
| Financial income/(expenses) | (34) | (34) |
| PROFIT/(LOSS) BEFORE TAXES | 7 | 99 |
| Income tax (expense) benefit | (22) | (32) |
| PROFIT/(LOSS) FOR THE PERIOD | (15) | 67 |
| PROFIT/(LOSS) FOR THE PERIOD ATTRIBUTABLE TO: | | |
| Owners of the parent | (17) | 55 |
| Non-controlling interests | 2 | 12 |
| (in €) | | |
| Earning (loss) per share attributable to common shareholders | | |
| Basic | (0.06) | 0.20 |
| Diluted | (0.06) | 0.20 |

Iveco Group N.V.

Condensed Consolidated Statement of Financial Position as of 31st March 2022 and 31st December 2021

(Unaudited)

| (€ million) | 31 st March 2022 | 31 st December 2021 |
|--|-----------------------------|--------------------------------|
| ASSETS | | |
| Intangible assets | 1,321 | 1,314 |
| Property, plant and equipment | 3,029 | 3,055 |
| Investments and other non-current financial assets: | 622 | 582 |
| Investments accounted for using the equity method | 318 | 310 |
| Equity investments measured at fair value through other comprehensive income | 248 | 224 |
| Other investments and non-current financial assets | 56 | 48 |
| Leased assets | 58 | 58 |
| Defined benefit plan assets | 15 | 15 |
| Deferred tax assets | 708 | 646 |
| Total Non-current assets | 5,753 | 5,670 |
| Inventories | 3,177 | 2,651 |
| Trade receivables | 293 | 318 |
| Receivables from financing activities | 2,973 | 2,909 |
| Current tax receivables | 97 | 110 |
| Other current receivables and financial assets | 432 | 3,902 |
| Prepaid expenses and other assets | 51 | 47 |
| Derivative assets | 59 | 50 |
| Cash and cash equivalents | 1,738 | 897 |
| Total Current assets | 8,820 | 10,884 |
| Assets held for sale | 1 | 6 |
| TOTAL ASSETS | 14,574 | 16,560 |
| EQUITY AND LIABILITIES | | |
| Issued capital and reserves attributable to owners of the parent | 2,335 | 2,289 |
| Non-controlling interests | 26 | 22 |
| Total Equity | 2,361 | 2,311 |
| Provisions: | 1,887 | 1,931 |
| Employee benefits | 533 | 621 |
| Other provisions | 1,354 | 1,310 |
| Debt: | 3,518 | 5,785 |
| Asset-backed financing | 1,960 | 1,926 |
| Other debt | 1,558 | 3,859 |
| Derivative liabilities | 75 | 43 |
| Trade payables | 3,418 | 3,133 |
| Tax liabilities | 51 | 49 |
| Deferred tax liabilities | 37 | 11 |
| Other current liabilities | 3,227 | 3,297 |
| Total Liabilities | 12,213 | 14,249 |
| TOTAL EQUITY AND LIABILITIES | 14,574 | 16,560 |

Iveco Group N.V.

Condensed Consolidated Statement of Cash Flows for the three months ended 31st March 2022 and 2021

(Unaudited)

| (€ million) | Three months ended 31 st March | |
|--|---|--------------|
| | 2022 | 2021 |
| A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 897 | 463 |
| B) CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES: | | |
| Profit/(loss) for the period | (15) | 67 |
| Amortization and depreciation (net of vehicles sold under buy-back commitments and operating leases) | 139 | 134 |
| (Gains)/losses on disposal of property plant and equipment and intangible assets (net of vehicles sold under buy-back commitments) | (5) | - |
| Other non-cash items | 23 | 1 |
| Dividends received | - | - |
| Change in provisions | (53) | - |
| Change in deferred income taxes | (36) | 15 |
| Change in items due to buy-back commitments (a) | 3 | (12) |
| Change in operating lease items (b) | (7) | 1 |
| Change in working capital | (150) | (400) |
| TOTAL | (101) | (194) |
| C) CASH FLOWS FROM/(USED IN) INVESTMENT ACTIVITIES: | | |
| Investments in: | | |
| Property, plant and equipment and intangible assets (net of vehicles sold under buy-back commitments and operating leases) | (96) | (73) |
| Consolidated subsidiaries and other equity investments | (6) | 2 |
| Proceeds from the sale of non-current assets (net of vehicles sold under buy-back commitments) | 14 | - |
| Net change in receivables from financing activities | (92) | 200 |
| Change in other current financial assets | 30 | (89) |
| Other changes | 564 | 361 |
| TOTAL | 414 | 401 |
| D) CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES: | | |
| Net change in debt and derivatives assets/liabilities | 518 | (305) |
| TOTAL | 518 | (305) |
| Translation exchange differences | 10 | 14 |
| E) TOTAL CHANGE IN CASH AND CASH EQUIVALENTS | 841 | (84) |
| F) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 1,738 | 379 |

(a) Cash generated from the sale of vehicles under buy-back commitments, net of amounts included in Profit/(loss), is recognized under operating activities in a single line item, which includes changes in working capital, capital expenditure, depreciation and impairment losses. The item also includes gains and losses arising from the sale of vehicles subject to buy-back commitments.

(b) Cash from operating lease is recognized under operating activities in a single line item, which includes capital expenditure, depreciation, write-downs and changes in inventory.

Iveco Group N.V.

Supplemental Consolidated Statements of Operations for the three months ended 31st March 2022 and 2021

(Unaudited)

| (€ million) | Three months ended 31 st March 2022 | | | | Three months ended 31 st March 2021 | | | |
|---|--|--------------------|--------------|--------------|--|--------------------|--------------|--------------|
| | Industrial Activities ⁽¹⁾ | Financial Services | Eliminations | Consolidated | Industrial Activities ⁽¹⁾ | Financial Services | Eliminations | Consolidated |
| Net revenues | 3,010 | 49 | (11) (2) | 3,048 | 2,965 | 50 | (17) (2) | 2,998 |
| Cost of sales | 2,622 | 40 | (11) (3) | 2,651 | 2,544 | 21 | (17) (3) | 2,548 |
| Selling, general and administrative costs | 207 | 15 | - | 222 | 165 | 15 | - | 180 |
| Research and development costs | 108 | - | - | 108 | 118 | - | - | 118 |
| Result from investments: | (3) | 4 | - | 1 | (1) | 3 | - | 2 |
| Share of the profit/(loss) of investees accounted for using the equity method | (3) | 4 | - | 1 | (1) | 3 | - | 2 |
| Gains/(losses) on the disposal of investments | 5 | - | - | 5 | - | - | - | - |
| Restructuring costs | 1 | - | - | 1 | 1 | - | - | 1 |
| Other income/(expenses) | (31) | - | - | (31) | (21) | 1 | - | (20) |
| EBIT | 43 | (2) | - | 41 | 115 | 18 | - | 133 |
| Financial income/(expenses) | (34) | - | - | (34) | (34) | - | - | (34) |
| PROFIT/(LOSS) BEFORE TAXES | 9 | (2) | - | 7 | 81 | 18 | - | 99 |
| Income tax (expense) benefit | (23) | 1 | - | (22) | (26) | (6) | - | (32) |
| PROFIT/(LOSS) FOR THE PERIOD | (14) | (1) | - | (15) | 55 | 12 | - | 67 |

Notes:

- (1) Industrial Activities represents the enterprise without Financial Services. Industrial Activities includes Commercial and Specialty Vehicles and Powertrain segments, as well as the holding company Iveco Group N.V.
(2) Elimination of Financial Services' interest income earned from Industrial Activities.
(3) Elimination of Industrial Activities' interest expense to Financial Services.

Iveco Group N.V.

Supplemental Consolidated Statement of Financial Position as of 31st March 2022 and 31st December 2021

(Unaudited)

| (€ million) | 31 st March 2022 | | | | 31 st December 2021 | | | |
|--|--------------------------------------|--------------------|------------------------|---------------|--------------------------------------|--------------------|----------------------|---------------|
| | Industrial Activities ⁽¹⁾ | Financial Services | Eliminations | Consolidated | Industrial Activities ⁽¹⁾ | Financial Services | Eliminations | Consolidated |
| ASSETS | | | | | | | | |
| Intangible assets | 1,307 | 14 | - | 1,321 | 1,301 | 13 | - | 1,314 |
| Property, plant and equipment | 3,028 | 1 | - | 3,029 | 3,053 | 2 | - | 3,055 |
| Investments and other non-current financial assets: | 478 | 144 | - | 622 | 442 | 140 | - | 582 |
| Investments accounted for using the equity method | 186 | 132 | - | 318 | 182 | 128 | - | 310 |
| Equity investments measured at fair value through other comprehensive income | 248 | - | - | 248 | 224 | - | - | 224 |
| Other investments and non-current financial assets | 44 | 12 | - | 56 | 36 | 12 | - | 48 |
| Leased assets | 23 | 35 | - | 58 | 24 | 34 | - | 58 |
| Defined benefit plan assets | 15 | - | - | 15 | 15 | - | - | 15 |
| Deferred tax assets | 627 | 82 | (1) ⁽⁵⁾ | 708 | 569 | 78 | (1) ⁽⁵⁾ | 646 |
| Total Non-current assets | 5,478 | 276 | (1) | 5,753 | 5,404 | 267 | (1) | 5,670 |
| Inventories | 3,176 | 1 | - | 3,177 | 2,650 | 1 | - | 2,651 |
| Trade receivables | 283 | 21 | (11) ⁽³⁾ | 293 | 313 | 21 | (16) ⁽³⁾ | 318 |
| Receivables from financing activities | 535 | 3,546 | (1,108) ⁽³⁾ | 2,973 | 67 | 2,954 | (112) ⁽³⁾ | 2,909 |
| Current tax receivables | 106 | 1 | (10) ⁽⁴⁾ | 97 | 119 | 2 | (11) ⁽⁴⁾ | 110 |
| Other current receivables and financial assets | 300 | 157 | (25) ⁽²⁾ | 432 | 3,210 | 722 | (30) ⁽²⁾ | 3,902 |
| Prepaid expenses and other assets | 46 | 5 | - | 51 | 42 | 5 | - | 47 |
| Derivative assets | 61 | 1 | (3) ⁽⁶⁾ | 59 | 49 | 1 | - | 50 |
| Cash and cash equivalents | 1,572 | 166 | - | 1,738 | 726 | 171 | - | 897 |
| Total Current assets | 6,079 | 3,898 | (1,157) | 8,820 | 7,176 | 3,877 | (169) | 10,884 |
| Assets held for sale | 1 | - | - | 1 | 6 | - | - | 6 |
| TOTAL ASSETS | 11,558 | 4,174 | (1,158) | 14,574 | 12,586 | 4,144 | (170) | 16,560 |
| EQUITY AND LIABILITIES | | | | | | | | |
| Total Equity | 1,638 | 723 | - | 2,361 | 1,571 | 740 | - | 2,311 |
| Provisions: | 1,796 | 91 | - | 1,887 | 1,834 | 97 | - | 1,931 |
| Employee benefits | 520 | 13 | - | 533 | 603 | 18 | - | 621 |
| Other provisions | 1,276 | 78 | - | 1,354 | 1,231 | 79 | - | 1,310 |
| Debt: | 1,346 | 3,280 | (1,108) ⁽³⁾ | 3,518 | 2,661 | 3,236 | (112) ⁽³⁾ | 5,785 |
| Asset-backed financing | - | 1,960 | - | 1,960 | - | 1,926 | - | 1,926 |
| Other debt | 1,346 | 1,320 | (1,108) ⁽³⁾ | 1,558 | 2,661 | 1,310 | (112) ⁽³⁾ | 3,859 |
| Derivative liabilities | 75 | 3 | (3) ⁽⁶⁾ | 75 | 42 | 1 | - | 43 |
| Trade payables | 3,410 | 18 | (10) ⁽³⁾ | 3,418 | 3,130 | 22 | (19) ⁽³⁾ | 3,133 |
| Tax liabilities | 39 | 24 | (12) ⁽⁴⁾ | 51 | 38 | 22 | (11) ⁽⁴⁾ | 49 |
| Deferred tax liabilities | 37 | 1 | (1) ⁽⁵⁾ | 37 | 11 | 1 | (1) ⁽⁵⁾ | 11 |
| Other current liabilities | 3,217 | 34 | (24) ⁽²⁾ | 3,227 | 3,299 | 25 | (27) ⁽²⁾ | 3,297 |
| Total Liabilities | 9,920 | 3,451 | (1,158) | 12,213 | 11,015 | 3,404 | (170) | 14,249 |
| TOTAL EQUITY AND LIABILITIES | 11,558 | 4,174 | (1,158) | 14,574 | 12,586 | 4,144 | (170) | 16,560 |

Notes:

(1) Industrial Activities represents the enterprise without Financial Services. Industrial Activities includes Commercial and Specialty Vehicles and Powertrain segments, as well as the holding company Iveco Group N.V.

(2) This item includes the elimination of intercompany activity between Industrial Activities and Financial Services.

(3) This item includes the elimination of receivables/payables between Industrial Activities and Financial Services.

(4) This item includes the elimination of tax receivables/payables between Industrial Activities and Financial Services and reclassifications needed for appropriate consolidated presentation.

(5) This item includes the reclassification of deferred tax assets/liabilities in the same jurisdiction and reclassifications needed for appropriate consolidated presentation.

(6) This item includes the elimination of derivative assets/liabilities between Industrial Activities and Financial Services.

Iveco Group N.V.

Supplemental Consolidated Statement of Cash Flows for the three months ended 31st March 2022 and 2021

(Unaudited)

| (€ million) | Three months ended 31 st March 2022 | | | | Three months ended 31 st March 2021 | | | |
|--|--|--------------------|---------------------|--------------|--|--------------------|--------------------|--------------|
| | Industrial Activities ⁽¹⁾ | Financial Services | Eliminations | Consolidated | Industrial Activities ⁽¹⁾ | Financial Services | Eliminations | Consolidated |
| A) CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 726 | 171 | - | 897 | 366 | 97 | - | 463 |
| B) CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES: | | | | | | | | |
| Profit/(loss) for the period | (14) | (1) | - | (15) | 55 | 12 | - | 67 |
| Amortization and depreciation (net of vehicles sold under buy-back commitments and operating leases) | 139 | - | - | 139 | 134 | - | - | 134 |
| (Gains)/losses on disposal of property plant and equipment and intangible assets (net of vehicles sold under buy-back commitments) | (5) | - | - | (5) | - | - | - | - |
| Other non-cash items | 3 | 20 | - | 23 | 1 | - | - | 1 |
| Dividends received | 21 | - | (21) ⁽²⁾ | - | 2 | - | (2) ⁽²⁾ | - |
| Change in provisions | (48) | (5) | - | (53) | 2 | (2) | - | - |
| Change in deferred income taxes | (32) | (4) | - | (36) | 11 | 4 | - | 15 |
| Change in items due to buy-back commitments (a) | (1) | 4 | - | 3 | (14) | 2 | - | (12) |
| Change in operating lease items (b) | - | (7) | - | (7) | (2) | 3 | - | 1 |
| Change in working capital | (127) | (23) | - | (150) | (403) | 3 | - | (400) |
| TOTAL | (64) | (16) | (21) | (101) | (214) | 22 | (2) | (194) |
| C) CASH FLOWS FROM/(USED IN) INVESTMENT ACTIVITIES: | | | | | | | | |
| Investments in: | | | | | | | | |
| Property, plant and equipment and intangible assets (net of vehicles sold under buy-back commitments and operating leases) | (96) | - | - | (96) | (73) | - | - | (73) |
| Consolidated subsidiaries and other equity investments | (6) | - | - | (6) | (3) | - | 5 ⁽³⁾ | 2 |
| Proceeds from the sale of non-current assets (net of vehicles sold under buy-back commitments) | 14 | - | - | 14 | - | - | - | - |
| Net change in receivables from financing activities | 2 | (94) | - | (92) | (4) | 204 | - | 200 |
| Change in other current financial assets | 30 | - | - | 30 | (89) | - | - | (89) |
| Other changes | 459 | 105 | - | 564 | 294 | 67 | - | 361 |
| TOTAL | 403 | 11 | - | 414 | 125 | 271 | 5 | 401 |
| D) CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES: | | | | | | | | |
| Net change in debt and derivative assets/liabilities | 497 | 21 | - | 518 | (26) | (279) | - | (305) |
| Capital increase | - | - | - | - | - | 5 | (5) ⁽³⁾ | - |
| Dividends paid | - | (21) | 21 ⁽²⁾ | - | - | (2) | 2 ⁽²⁾ | - |
| TOTAL | 497 | - | 21 | 518 | (26) | (276) | (3) | (305) |
| Translation exchange differences | 10 | - | - | 10 | 15 | (1) | - | 14 |
| E) TOTAL CHANGE IN CASH AND CASH EQUIVALENTS | 846 | (5) | - | 841 | (100) | 16 | - | (84) |
| F) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | 1,572 | 166 | - | 1,738 | 266 | 113 | - | 379 |

Notes:

- (1) Industrial Activities represents the enterprise without Financial Services. Industrial Activities includes Commercial and Specialty Vehicles and Powertrain segments, as well as the holding company Iveco Group N.V.
- (2) This item includes the elimination of dividend from Financial Services to Industrial Activities.
- (3) This item includes the elimination of paid capital from Industrial Activities to Financial Services.

Other Supplemental Financial Information

(Unaudited)

Reconciliation of EBIT to Adjusted EBIT by segment (€ million)

| Three months ended 31 st March 2022 | | | | | | | |
|--|---|------------|---|-----------------------------------|-----------------------|--------------|------------|
| | Commercial and Specialty Vehicles | Powertrain | Unallocated items, eliminations and other | Total Industrial Activities | Financial Services | Eliminations | Total |
| EBIT | 61 | 45 | (63) | 43 | (2) | - | 41 |
| <i>Adjustments:</i> | | | | | | | |
| Restructuring costs | 1 | - | - | 1 | - | - | 1 |
| Other discrete items ⁽¹⁾ | 31 | - | 7 | 38 | 22 | - | 60 |
| Adjusted EBIT | 93 | 45 | (56) | 82 | 20 | - | 102 |

| Three months ended 31 st March 2021 | | | | | | | |
|--|---|------------|---|-----------------------------------|-----------------------|--------------|------------|
| | Commercial and Specialty Vehicles | Powertrain | Unallocated items, eliminations and other | Total Industrial Activities | Financial Services | Eliminations | Total |
| EBIT | 58 | 89 | (32) | 115 | 18 | - | 133 |
| <i>Adjustments:</i> | | | | | | | |
| Restructuring costs | 1 | - | - | 1 | - | - | 1 |
| Adjusted EBIT | 59 | 89 | (32) | 116 | 18 | - | 134 |

(1) In the three months ended 31st March 2022, this item includes €53 million in connection with our Russian and Ukrainian operations, primarily due to the impairment of certain assets, €4 million separation costs related to the spin-off of the Iveco Group business, and €3 million related to the impairment of certain assets held for sale.

Other Supplemental Financial Information

(Unaudited)

Reconciliation of Total (Debt) to Net Cash (Debt) (€ million)

| | Consolidated | | Industrial Activities | | Financial Services | |
|--|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|-----------------------------------|
| | 31 st March 2022 | 31 st December 2021 | 31 st March 2022 | 31 st December 2021 | 31 st March 2022 | 31 st December 2021 |
| Third party (debt) | (3,262) | (2,709) | (750) | (220) | (2,512) | (2,489) |
| Intersegment notes payable ⁽¹⁾ | - | - | (594) | (71) | (514) | (41) |
| (Debt) payables to CNH Industrial ⁽²⁾ | (256) | (3,076) | (2) | (2,370) | (254) | (706) |
| Total (Debt) | (3,518) | (5,785) | (1,346) | (2,661) | (3,280) | (3,236) |
| Cash and cash equivalents | 1,738 | 897 | 1,572 | 726 | 166 | 171 |
| Intersegment financial receivables ⁽¹⁾ | - | - | 514 | 41 | 594 | 71 |
| Financial receivables from CNH Industrial ⁽³⁾ | 44 | 3,520 | 14 | 2,896 | 30 | 624 |
| Other current financial assets ⁽⁴⁾ | 25 | 54 | 25 | 54 | - | - |
| Derivatives assets ⁽⁵⁾ | 59 | 50 | 61 | 49 | 1 | 1 |
| Derivatives liabilities ⁽⁵⁾ | (75) | (43) | (75) | (42) | (3) | (1) |
| Net Cash (Debt)⁽⁶⁾ | (1,727) | (1,307) | 765 | 1,063 | (2,492) | (2,370) |

- (1) As a result of the role played by the central treasury, debt for Industrial Activities also includes funding raised by the central treasury on behalf of Financial Services (included under Intersegment financial receivables). Intersegment financial receivables for Financial Services, on the other hand, represent loans or advances to Industrial Activities – for receivables sold to Financial Services that do not meet the derecognition requirements – as well as cash deposited temporarily with the central treasury. Total Debt of Industrial Activities includes Intersegment notes payable to Financial Services of €594 million and €71 million as of 31st March 2022 and 31st December 2021, respectively. Total Debt of Financial Services includes Intersegment notes payable to Industrial Activities of €514 million and €41 million as of 31st March 2022 and 31st December 2021, respectively.
- (2) At 31st March 2022, it includes payables related to purchases of receivables or collections with settlement in the following days; at 31st December 2021, it mainly included overdraft and advances/utilizations under cash management and/or cash pooling arrangements and loans granted by the CNH Industrial central treasury.
- (3) At 31st March 2022, it includes receivables related to sales of receivables or collections with settlement in the following days; at 31st December 2021, it mainly referred to cash balances deposited with the CNH Industrial central treasury, including cash management and/or cash pooling arrangements.
- (4) This item includes short-term deposits and investments towards high-credit rating counterparties.
- (5) Derivative assets and Derivative liabilities include, respectively, the positive and negative fair values of derivative financial instruments.
- (6) The net intersegment receivable/(payable) balance recorded by Financial Services relating to Industrial Activities was €80 million and €30 million as of 31st March 2022 and 31st December 2021, respectively.

Reconciliation of Cash and cash equivalents to Available liquidity (€ million)

| | 31 st March 2022 | 31 st December 2021 |
|--|-----------------------------|--------------------------------|
| Cash and cash equivalents | 1,738 | 897 |
| Undrawn committed facilities | 1,613 | 41 |
| Other current financial assets ⁽¹⁾ | 25 | 54 |
| Financial receivables from CNH Industrial ⁽²⁾ | 14 | 444 |
| Available liquidity | 3,390 | 1,436 |

- (1) This item includes short-term deposits and investments towards high-credit rating counterparties.
- (2) This item includes financial receivables from CNH Industrial deriving from financing activities and sale of trade receivables.

Other Supplemental Financial Information

(Unaudited)

Change in Net Cash (Debt) of Industrial Activities (€ million)

| | Three months ended 31 st March | |
|---|---|--------------|
| | 2022 | 2021 |
| Net Cash (Debt) of Industrial Activities at beginning of period | 1,063 | 1,165 |
| Adjusted EBIT of Industrial Activities | 82 | 116 |
| Depreciation and Amortization | 139 | 134 |
| Depreciation of assets under operating leases and assets sold with buy-back commitments | 58 | 56 |
| Cash interest and taxes | (41) | (26) |
| Changes in provisions and similar ⁽¹⁾ | (175) | (91) |
| Change in working capital | (127) | (403) |
| Operating cash flow of Industrial Activities | (64) | (214) |
| Investments in property, plant and equipment, and intangible assets ⁽²⁾ | (96) | (73) |
| Other changes | (6) | (16) |
| Free Cash Flow of Industrial Activities | (166) | (303) |
| Capital increases and dividends | - | - |
| Currency translation differences and other | (132) | 15 |
| Change in Net Cash (Debt) of Industrial Activities | (298) | (288) |
| Net Cash (Debt) of Industrial Activities at end of period | 765 | 877 |

(1) Including other cash flow items related to operating lease and buy-back activities.

(2) Excluding assets sold under buy-back commitments and assets under operating leases.

Reconciliation of Net cash provided by (used in) Operating Activities to Free Cash Flow of Industrial Activities (€ million)

| | Three months ended 31 st March | |
|--|---|--------------|
| | 2022 | 2021 |
| Net cash provided by (used in) Operating Activities | (101) | (194) |
| Less: Cash flows from Operating Activities of Financial Services net of eliminations | 37 | (20) |
| Operating cash flow of Industrial Activities | (64) | (214) |
| Investments in property, plant and equipment, and intangible assets of Industrial Activities | (96) | (73) |
| Other changes ⁽¹⁾ | (6) | (16) |
| Free Cash Flow of Industrial Activities | (166) | (303) |

(1) This item primarily includes change in intersegment financial receivables and capital increases in intersegment investments.

Other Supplemental Financial Information

(Unaudited)

Reconciliation of Adjusted net profit/(loss) and Adjusted income tax (expense) benefit to Consolidated Profit/(loss) and Income tax (expense) benefit and calculation of Adjusted diluted EPS and Adjusted ETR
(€ million, except per share data)

| | Three months ended 31 st March | |
|---|---|-------------|
| | 2022 | 2021 |
| Profit/(loss) | (15) | 67 |
| Adjustments impacting Profit/(loss) before income tax (expense) benefit (a) | 61 | 1 |
| Adjustments impacting Income tax (expense) benefit (b) | (4) | 1 |
| Adjusted net profit/(loss) | 42 | 69 |
| Adjusted net profit/(loss) attributable to Iveco Group N.V. | 40 | 57 |
| Weighted average shares outstanding – diluted (million) | 272 | 271 |
| Adjusted diluted EPS (€) | 0.15 | 0.21 |
| Profit/(loss) before income tax (expense) benefit | 7 | 99 |
| Adjustments impacting Profit/(loss) before income tax (expense) benefit (a) | 61 | 1 |
| Adjusted profit/(loss) before income tax (expense) benefit (A) | 68 | 100 |
| Income tax (expense) benefit | (22) | (32) |
| Adjustments impacting Income tax (expense) benefit (b) | (4) | 1 |
| Adjusted income tax (expense) benefit (B) | (26) | (31) |
| Adjusted Effective Tax Rate (Adjusted ETR) (C=B/A) | 38% | 31% |
| a) Adjustments impacting Profit/(loss) before income tax (expense) benefit | | |
| Restructuring costs | 1 | 1 |
| Spin-off costs | 4 | - |
| Russia and Ukraine – impairment of certain assets | 53 | - |
| Impairment of certain assets held for sale | 3 | - |
| Total | 61 | 1 |
| b) Adjustments impacting Income tax (expense) benefit | | |
| Tax effect of adjustments impacting income tax (expense) benefit | (6) | - |
| Valuation allowance on Russian deferred tax assets | 3 | - |
| Other | (1) | 1 |
| Total | (4) | 1 |

Translation of financial statements denominated in a currency other than the Euro

The principal exchange rates used to translate into Euro the financial statements prepared in currencies other than the Euro were as follows:

| | Three months ended 31 st March 2022 | | At 31 st December 2021 | Three months ended 31 st March 2021 | |
|-------------------------------|--|---------------------------|-----------------------------------|--|---------------------------|
| | Average | At 31 st March | | Average | At 31 st March |
| U.S. dollar | 1.122 | 1.110 | 1.133 | 1.205 | 1.173 |
| Pound sterling | 0.836 | 0.846 | 0.840 | 0.874 | 0.852 |
| Swiss franc | 1.036 | 1.027 | 1.033 | 1.091 | 1.107 |
| Brazilian real | 5.870 | 5.301 | 6.310 | 6.600 | 6.741 |
| Polish Zloty | 4.623 | 4.653 | 4.597 | 4.546 | 4.651 |
| Czech Koruna | 24.653 | 24.375 | 24.858 | 26.070 | 26.143 |
| Argentine peso ⁽¹⁾ | 123.199 | 123.199 | 116.239 | 107.858 | 107.858 |

(1) From 1st July 2018, Argentina's economy was considered to be hyperinflationary. After the same date, transactions for entities with the Argentine peso as the functional currency were translated using the closing spot rate.