

At its Capital Markets Day, Iveco Group updated its guidance for 2024 and presented the financial targets for the duration of the Plan

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Turin, 15th March 2024. At its Capital Markets Day held yesterday in Turin, Italy, Iveco Group (EXM: IVG) presented its revised guidance for 2024 and, within its new Strategic Business Plan (SBP), financial targets at 2026 and 2028.

Both the updated guidance and the future targets take into account the exclusion of the Fire Fighting Business Unit since, as announced on Wednesday, March 13, Iveco Group signed a definitive agreement for the transfer of its ownership.

Based on conservative assumptions on the evolution of the macro-economic scenario, with the interest base rate flat versus 2023 levels, and considering market evolution in line with industry's expectations and a price policy in line with the markets, Iveco Group's year-end guidance and future financial targets, in comparison to the previous ones, are as follows:

		2024 Previous Guidance ¹	2024 Updated Guidance ²
Industrial Activities	Net Revenues ³	~(5)%	~(4)%
	Adjusted EBIT	€770-820mn	€790-840mn
	Free Cash Flow	€350-400mn	€350-400mn
	Investments	~€1bn	~€1bn
Group	Adjusted EBIT	€900-950mn	€920-970mn

		2022-26 SBP ¹	2024-28 SBP ²	
		2026 targets	2026 targets	2028 targets
Industrial Activities	Net Revenues ³	€16.5-17.5bn	~€17bn	~€19bn
	Adjusted EBIT margin	5.0-6.0%	6-7%	7-8%
	Investments ⁴	~5%	6-7% across the Plan	
	Free Cash Flow	~€0.5bn	~€0.6bn	~€0.9bn
Group	Adjusted Net Income	€0.6-0.8bn	~€0.7bn	~€0.9bn
	Adjusted diluted EPS	N/A	~€2.4 per share	>€3 per share

Notes:

- ¹ Including the Fire Fighting Business Unit.
- ² Excluding the Fire Fighting Business Unit since, as mentioned above, Iveco Group signed a definitive agreement for the transfer of its ownership.
- ³ Including translation effects.
- ⁴ Property, plant and equipment and intangible assets (incl. capitalised R&D); as a percentage of Net Revenues.



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Non-EU-IFRS Financial Information

Iveco Group monitors its operations through the use of several non-EU-IFRS financial measures. Iveco Group's management believes that these non-EU-IFRS financial measures provide useful and relevant information regarding its operating results and targets and enhance the readers' ability to assess Iveco Group's financial performance and financial position. Management uses these non-EU-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-EU-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-EU-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 Income/(Loss)*: is defined as profit/(loss) for the period, 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 Iveco Group provides guidance for adjusted diluted EPS, the Group does not provide guidance on an earnings per share basis because the EU-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) profit (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.



Iveco Group N.V.
Corporate Seat: Amsterdam,
the Netherlands
Chamber of Commerce
Registration no.
83102701

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Cautionary Statement

Statements other than statements of historical fact contained in this press 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 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 difficult to predict and/or are outside the Company's control. If any of these risks and uncertainties materialise (or they occur with a degree of severity beyond the Company's predictions and/or expectations) or other assumptions underlying any of the forward-looking statements prove to be incorrect, the actual results or developments may differ materially from any future results or developments expressed or implied by the forward-looking statements, which are sometimes based upon estimates and data received from third parties (such estimates and data being often revised). Except as otherwise required by applicable rules, Iveco Group expressly disclaims any intention to provide, update or revise any forward-looking statements in this press release to reflect any change in expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. All forward-looking statements by Iveco Group or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained herein. Information in this press release cannot be relied upon as a guide to future performance. To the fullest extent permitted by applicable law, no representation or warranty of the Company, express or implied, is made as to, and no reliance should be placed upon, the fairness, accuracy, completeness or correctness of the information or opinions contained in this press release. None of the Company, its affiliates, directors, advisors, employees and representatives, or anyone acting on their behalf shall bear any responsibility (in negligence or otherwise) for any loss arising from any use of this press release or its contents or otherwise arising in connection with these materials. This press release does not represent investment advice or a solicitation, recommendation, invitation, or offer for the purchase or sale of financial products and/or of any kind of financial services as contemplated by the laws in any country or state. 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 public filings under applicable regulations.

Iveco Group N.V. (EXM: IVG) is the home of unique people and brands that power your business and mission to advance a more sustainable society. The eight brands are each 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; IDV, 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 more than 36,000 people around the world and has 20 industrial sites and 29 R&D centres. Further information is available on the Company's website www.ivecogroup.com



Iveco Group N.V.
Corporate Seat: Amsterdam,
the Netherlands
Chamber of Commerce
Registration no.
83102701

Media Contacts:

Francesco Polsinelli, Tel: +39 335 1776091

Fabio Lepore, Tel: +39 335 7469007

E-mail: mediarelations@ivecogroup.com

Investor Relations:

Federico Donati, Tel: +39 011 0073539

E-mail: investor.relations@ivecogroup.com

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