2021 First Half-year Report

Exor

Board Report

This Report, in particular the section "Review of Performance of the main companies", contains forward-looking statements. These statements are not guarantees of future performance. Rather, they are based on the Group's subsidiaries and associates current state of knowledge, future expectations and projections about future events and are, by their nature, subject to inherent risks and uncertainties. They relate to events and depend on circumstances that may or may not occur or exist in the future and, as such, undue reliance should not be placed on them. Actual results may differ materially from those expressed in such statements as a result of a variety of factors, including: the impact of the Covid-19 pandemic on the Groups' production and distribution channels, demand in the Group's end markets, and the broader impact on financial markets and the global economy; change in the global financial markets, the general economic environment, changes in local economic and political conditions, changes in trade policy, the enactment of tax reforms or other changes in tax laws and regulations, volatility and deterioration of capital and financial markets, including possible effects of Brexit, terror attacks, weather, floods, earthquakes or other natural disasters, changes in government regulation, production difficulties, including capacity and supply constraints and many other risks and uncertainties, most of which are outside of the control of the Group's subsidiaries and associates.

The 2021 First Half-Year Report is available on the corporate website at: www.exor.com

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Board of Directors

Chairman and Chief Executive Officer	John Elkann
Vice Chairman	Alessandro Nasi
Non-independent Directors	Andrea Agnelli
	Ginevra Elkann
Independent	
Senior non-executive Director	Marc Bolland
Non-executive Directors	Joseph Bae
	Ajay Banga
	Melissa Bethell
	Laurence Debroux

Compensation and Nominating Committee

Marc Bolland (*Chair*), Joseph Bae and Melissa Bethell

Audit Committee

Laurence Debroux (*Chair*), Joseph Bae and Melissa Bethell

ESG Committee

Ajay Banga *(Chair)*, Marc Bolland and Laurence Debroux

Independent Auditors

Ernst & Young Accountants LLP

Expiry of term of office

The Board of Directors was appointed on 20 May 2020 and Mr. Ajay Banga on 27 May 2021. The Board's appointment term will expire concurrently with the shareholders' meeting that will approve the 2022 annual financial statements, hence in 2023.

KEY DATA

Exor Group – Consolidated Data		
€ million	I Half 2021	I Half 2020[a]
Net Revenues	**19,121**	14,680
Profit (loss) before tax	**2,645**	(1,324)
Net profit (loss) from continuing operations	**2,238**	(1,245)
Net profit (loss)	**1,742**	(3,987)
of which attributable to owners of the parent	**838**	(1,318)

(a) Adjusted following the classification of FCA Group as a discontinued operation. For further detail see Note 3 in the Half-year Condensed Consolidated Financial Statements.

APM[a] and other information		
€ million	I Half 2021	I Half 2020
Share of earnings of investments and dividends	**1,375**	(1,261)
	30/06/2021	31/12/2020
Consolidated net financial position of Exor's Holdings System	**(3,129)**	(3,251)
Net Asset Value[b]	**27,059**	24,041
Per share[c] – €	***114.89***	*102.08*
Market Capitalization	**16,282**	15,959
Per share[d] – €	***67.56***	66.22
Issued capital and reserves attributable to owners of the parent	**15,022**	13,090
Per share[e] – €	***64.89***	56.67

(a) The Alternative Performance Measures are defined on page 18. The basis of preparation is presented in the section "Review of the Consolidated Results of the Exor Group - Shortened".
(b) Equal to $32,158 million at 30 June 2021, equal to $29,501 million at 31 December 2020.
(c) NAV per share at 30 June 2021 and 31 December 2020 are based on 235,516,639 shares. Shares bought back in the context of the buyback program launched on 14 November 2018 are deducted from total issued shares.
(d) Market capitalization per share based on 241,000,000 total issued shares.
(e) Issued capital and reserves attributable to owners of the parent based on 231,494,738 total outstanding shares (231,006,756 in 2020).

Earnings per share (€)[a]	I Half 2021	I Half 2020
Profit (loss) attributable to owners of the parent – basic	**3.65**	(5.69)
Profit (loss) attributable to owners of the parent – diluted	**3.65**	(5.69)
Earnings per share (€) from continuing operation		
Profit (loss) attributable to owners of the parent – basic	**5.81**	(2.32)
Profit (loss) attributable to owners of the parent – diluted	**5.81**	(2.32)

(a) Additional details on the calculation of basic and diluted earnings per share are provided in Note 9 to the Half-year Condensed Consolidated Financial Statements.

Dividend per share (€)	Paid in 2021	Paid in 2020
Dividend paid – Total € million	***99.60***	99.60
Per share	***0.43***	*0.43*

EXOR PROFILE

EXOR N.V. (“Exor” or the “Company”) is listed on the *Mercato Telematico Azionario* managed by Borsa Italiana S.p.A. (MTA) and headquartered in Amsterdam, the Netherlands.

Exor is registered in the Dutch companies’ register of the Chamber of Commerce (*Kamer van Koophandel*) under registration number 64236277. The registered office is Gustav Mahlerplein 25, 1082 MS, Amsterdam, the Netherlands, telephone number +31 (0) 202402220.

PROFILE

Exor is one of Europe's largest diversified holding companies, with a Net Asset Value (NAV)[1] of around $32 billion (equal to €27 billion) at 30 June 2021.

For over a century, Exor has made successful investments and built great companies worldwide with a culture that combines entrepreneurial spirit and financial discipline. Exor's portfolio is principally made up of companies in which Exor is the largest shareholder.

Exor is majority owned and controlled by Giovanni Agnelli B.V., the company grouping the descendants of Senator Giovanni Agnelli, the founder of FIAT, which holds approximately 52% of its share capital.

PURPOSE

Exor's purpose is to *Build Great Companies*, while providing opportunities for its people to grow, make a positive contribution to society and deliver superior returns to its investors.

TO BUILD:

- Foster a culture with clarity of purpose and shared values
- Appoint leaders who walk the talk
- Create governance that ensures alignment of culture and actions

BUILD GREAT COMPANIES

GREAT COMPANIES:

- Perform to the highest standards
- Seek renewal and change
- Are distinctive in what they do
- Act in a responsible way

VALUES

In order to achieve this purpose, Exor remains true to its values:

AMBITION & HUMILITY	CURIOSITY & FOCUS
We set high aspirations but remain grounded	We seek new ideas while prioritising what matters
COURAGE & RESPONSIBILITY	**PATIENCE & DRIVE**
We take bold actions while being mindful of their consequences	We take a long-term perspective but are relentless in getting things done

FINANCIAL PRIORITIES

- NAV per share to outperform the MSCI World index
- Financial strength and discipline, keeping LTV[2] ratio below 20%
- Generate Free Cash Flow in excess of dividends paid
- Cash Holding Cost as a percentage of Gross Asset Value below 10bps

(1) An Alternative Performance Measure as defined on page 18.
(2) Reference is made to the Loan-to-Value (LTV) ratio as defined by Standard and Poor's, which uses the LTV ratio to assess the financial risk profile of an Investment Holding Company, namely Adjusted Debt (or Gross Debt minus Cash and Equivalents) divided by Portfolio Value (or Gross Asset Value minus Cash and Equivalents), expressed as a percentage.

EXOR PORTFOLIO: COMPANIES, PARTNERSHIPS AND SEEDS

The Exor portfolio is made up of companies, partnerships and seeds, depending on Exor's stake and role in the value creation process, as well as on the investment level of maturity:

Companies: it constitutes the largest part of Exor's portfolio and includes investments where Exor is the largest shareholder. All companies are or have the potential to become *Great* and Exor aims to *Build Great Companies* by fostering a culture with a clarity of purpose and shared values, by playing an active role in the appointment of leaders who demonstrate this purpose and by creating governance that aligns culture and actions.

Partnerships: a smaller part of Exor's portfolio, including investments where Exor partners with outstanding operators, aligned with Exor's interests and culture, to accelerate the path to greatness of their companies.

Seeds: Seeds connect Exor back to its entrepreneurial roots and long history of innovation. This section represents the smallest part of Exor's portfolio constituted by investments in early-stage companies where Exor backs talented founders who have the ambition to build great companies.

COMPANIES

Investment	Description	Economic rights and voting rights[1]	% on GAV[2]
Ferrari	• Ferrari is among the world's leading luxury brands focused on the design, engineering, production and sale of the world's most recognizable luxury performance sports cars. Ferrari's brand symbolizes exclusivity, innovation, state-of-the-art sporting performance and Italian design and engineering heritage. • Ferrari is listed on the New York Stock Exchange (NYSE) and the Mercato Telematico Azionario managed by Borsa Italiana (MTA) and is included in the FTSE MIB Index.	22.9% 35.9%	24.8%
STELLANTIS	• Stellantis is one of the world's leading automakers and a mobility provider, guided by a clear vision: to offer freedom of movement with distinctive, affordable and reliable mobility solutions. • Stellantis is listed on the New York Stock Exchange (NYSE), the Mercato Telematico Azionario managed by Borsa Italiana (MTA) and the Euronext Paris.	14.4% 14.4%	23.8%
PartnerRe	• PartnerRe is a leading global pure-play reinsurer, with a broadly diversified and balanced portfolio of traditional reinsurance risks and capital markets risks. • PartnerRe commenced operations in 1993 and provides Non-life (Property & Casualty (P&C) and Specialty) and Life and Health reinsurance on a worldwide basis.	100.0% 99.8%	22.2%
CNH INDUSTRIAL	• CNHI is a leading global capital goods company engaged in the design, production, marketing, sale and financing of agricultural and construction equipment, trucks, commercial vehicles, buses and specialty vehicles as well as engines for different applications. • CNHI is listed on the New York Stock Exchange (NYSE) and the Mercato Telematico Azionario managed by Borsa Italiana (MTA) and is included in the FTSE MIB Index.	26.9% 42.5%	16.4%
JUVENTUS	• Juventus was founded in 1897 and it is one of the most prominent professional football teams in the world. • Juventus is listed on the Mercato Telematico Azionario managed by Borsa Italiana (MTA).	63.8% 63.8%	2.0%
The Economist	• The Economist Group is a leading source of analysis on international business and world affairs. Based in London and serving a global readership and client base, it delivers its information through a range of formats, from newspapers and magazines to conferences and electronic services.	43.4% 20.0%[3]	0.9%
GEDI GRUPPO EDITORIALE	• GEDI Gruppo Editoriale is a leading Italian media group, operating through a set of first tier media brands including newspapers and magazines, radio, digital and advertising. It owns two of the leading Italian newspapers La Repubblica and La Stampa, Il Secolo XIX and other local newspapers, several magazines and three national radio stations including Radio Deejay.	89.6% 89.6%	0.7%
SHANG XIA	• SHANG XIA is a luxury company whose brand has been established jointly by the designer Jiang Qiong Er and France's Hermès Group. The brand uses its distinctive combination of contemporary design, hand artisanship and Chinese culture to create an artistic portfolio of furniture, homeware, apparel, leather goods, jewelry and accessories.	77.3% 77.3%	0.3%
Welltec®	• Welltec® services the energy industry with market leading technologies that are used to build and repair oil and gas wells. Its solutions help clients to optimise their production and minimise their environmental footprint. The company was established in 1994 and is based in Denmark.	47.6% 47.6%	0.2%

PARTNERSHIP

Investment	Description	Economic rights[1]	% on GAV[2]
Christian Louboutin	• Christian Louboutin was founded in 1991 and has grown to become one of the leading names in global luxury, world famous for its signature red sole women's shoes. The company is also recognised for having successfully diversified its business into men's footwear, leather goods & accessories and beauty. Christian Louboutin operates about 150 boutiques around the world.	24.0%	1.7%
via	• Via is a technology company specialising in the dynamic, data-driven optimisation of public mobility systems in cities all around the world. First launched in New York City in 2013, Via's technology is now deployed globally, including in Europe as ViaVan.	16.9%	0.9%

(1) At 31 August 2021.
(2) At 30 June 2021.
(3) Voting rights are limited to 20%.

SIGNIFICANT EVENTS IN THE FIRST HALF OF 2021

SIGNIFICANT EVENTS IN THE FIRST HALF OF 2021

Significant events below refer to EXOR N.V. and the Holdings System[1].

Creation of Stellantis

On 17 December 2019, Fiat Chrysler Automobiles N.V. (FCA) and Peugeot S.A. (PSA) entered into a combination agreement providing for the combination of FCA and PSA through a cross-border merger, with FCA as the surviving legal entity in the merger.

On 14 September 2020, FCA and PSA agreed to amend the combination agreement. According to the combination agreement amendment, the FCA extraordinary dividend, to be paid to former FCA shareholders was reduced to €2.9 billion, with PSA's 46% stake in Faurecia planned to be distributed to all Stellantis shareholders promptly after closing following approval of the Stellantis board and shareholders.

On 4 January 2021, PSA and FCA extraordinary general shareholders meetings approved the merger.

On 16 January 2021, PSA merged with and into FCA. By virtue of the merger, FCA issued 1.742 FCA common shares for each outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination.

Following the merger, Exor continues to hold 449,410,092 common shares of Stellantis, corresponding to 14.4% of the outstanding capital.

On 29 January 2021, the extraordinary dividend of approximately €2.9 billion (Exor's share €827 million) was paid to holders of FCA common shares of record as of the close of business on Friday, 15 January 2021.

As part of the merger, Stellantis distributed to its shareholders its 39.34% stake in Faurecia and the proceeds generated by the sales of ordinary shares of Faurecia carried out in 2020. On 22 March 2021 Exor received 7,653,004 Faurecia ordinary shares (measured at €363 million) and €43 million cash dividend.

Issue of non-convertible bond due on 19 January 2031

On 19 January 2021 Exor issued bonds for a nominal amount of €500 million, maturing on 19 January 2031 with a fixed annual coupon of 0.875%. The purpose of the issue was to raise new funds for Exor's general corporate purposes, including the refinancing of existing debt. The bonds are listed on the Luxembourg Stock Exchange for trading on the Euro MTF Market, with a BBB+ credit rating assigned by Standard & Poor's.

Tender offers on 2022 and 2024 Exor Bonds

On 12 January 2021 Exor launched an invitation to eligible noteholders of the Exor outstanding €750,000,000 2.125% Notes due 2022 and the Exor outstanding €650,000,000 2.50% Notes due 2024, listed on the Luxembourg Stock Exchange, to tender their notes for purchase by Exor for cash.

On 20 January 2021 Exor announced that it accepted all validly tendered notes for an aggregate nominal amount of €297,713,000. Therefore the nominal amounts outstanding after the repurchase settlement date are €601,891,000 of Notes due 2022 and €500,396,000 of Notes due 2024.

Investment in Christian Louboutin

On 8 March 2021 Exor and Christian Louboutin signed an agreement whereby Exor would invest €541 million to become a 24% shareholder in Christian Louboutin, alongside the founders and to nominate 2 of the 7 members of its board of directors. The transaction closed on 13 April 2021.

[1] An Alternative Performance Measure as defined on page 18.

Increase in the investment in Via Transportation

In March 2021 Exor invested a total amount of $150 million (€126 million) to acquire a further 8% stake on a fully - diluted basis in Via Transportation. At 30 June 2021 Exor held 16.9% of the share capital of Via Transportation for a total amount of €294 million.

Increase in the investment in Exor Seeds

During the first half of 2021 Exor increased its investment in Exor Seeds by $147 million (€122 million).

Increase in the investment in Welltec

During the first half of 2021 Exor acquired a further 25.5% of Welltec for a total consideration of $48 million (€39 million). At 30 June 2021 Exor held 47.6% of the share capital of Welltec.

Approved resolutions at the Annual General Meeting of Shareholders held on 27 May 2021

The Exor Annual General Meeting held on 27 May 2021 adopted the 2020 Annual Report and approved the dividend distribution of €0.43 per outstanding share, for a maximum distribution of approximately €100 million.

Mr. Ajay Banga was appointed as non-executive director for a term of two years. Mr. António Horta-Osório stepped down from the Exor Board and as Chair of the Compensation and Nominating Committee and joined the PartnerRe board.

The Annual General Meeting also approved the extension of the authorization for the purchase of Exor shares on the market for 18 months from the date of the Shareholders' resolution, for a maximum number of shares such as not to exceed the limit set by law, with a maximum disbursement of €500 million.

New appointments in Exor's committees

The Exor Board of Directors' Meeting of 27 May 2021 deliberated a series of new appointments in the Company’s committees. Marc Bolland joins as Chair of the Compensation and Nominating Committee, which also consists of Joseph Bae and Melissa Bethell. Mr. Bae and Mrs. Bethell are also part of the Audit Committee, chaired by Laurence Debroux. The newly created ESG Committee is composed of Ajay Banga (Chair), Marc Bolland and Laurence Debroux.

Creation of the new partnership between EXOR and The Word-Wide Investment Company Limited (WWICL) in NUO S.p.A.

On 16 June 2021 Exor and The World-Wide Investment Company Limited (“WWICL”), Hong Kong’s oldest family office, created a partnership between two multi-generational entrepreneurial families to invest in and support the global development of medium-sized Italian companies specialising in consumer goods excellence.

The new company, called NUO S.p.A., contributed equally by its founders, will be endowed with initial permanent capital of €300 million.

REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP

Exor (and the subsidiaries constituting the Holdings System) together with its operating subsidiaries, constitute the “Exor Group” or the “Group”.

This section includes a selection of the most relevant financial data from the consolidated financial statements of the Exor Group.

In order to ensure that data is coherent and uniform, it is presented based on Exor consolidation rules and IFRS accounting standards and therefore may differ from the data published by subsidiaries in their financial reports.

REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP

Accounting of Stellantis and deconsolidation of FCA

On 16 January 2021 PSA merged with and into FCA, with FCA as the surviving company in the merger. On 17 January 2021 the combined company was renamed Stellantis N.V.

Exor's Half-year Condensed Consolidated Financial Statements at 30 June 2021 include the financial data of FCA for the period 1 January - 16 January 2021 before the merger with PSA applying the line by line consolidation method.

Following the merger, Exor lost control over FCA and therefore derecognized the former FCA Group net assets at 16 January 2021 and accounted for the investment in Stellantis applying the equity method, having a significant influence over Stellantis in accordance with IAS 28.

The economic data of FCA have been excluded from continuing operations and are presented in a single line item within the consolidated income statement for the first half of 2021 and 2020, as a discontinued operation. The assets and liabilities of FCA Group at 31 December 2020 have not been reclassified for the comparative consolidated statement of financial position. For further detail see Note 3 in the Half-year Condensed Consolidated Financial Statements.

Significant economic data(a)

€ million	STELLANTIS(b)	CNH INDUSTRIAL	FERRARI	PARTNERRE	JUVENTUS	GEDI(c)	OTHER AND ADJUSTMENTS(d)	CONSOLIDATED
I Half 2021								
Revenues from continuing operations(e)	—	13,592	2,046	2,988	222	248	25	19,121
Net profit (loss) from continuing operations	842	812	412	226	(79)	(11)	878	2,238
Profit (loss) attributable to owners of the parent(f)	842	214	99	219	(49)	(10)	(477)	838
I Half 2020								
Revenues from continuing operations(e)	—	9,993	1,503	2,979	248	82	(125)	**14,680**
Net profit (loss) from continuing operations	—	(1,174)	175	(185)	(19)	(12)	(30)	**(1,245)**
Profit (loss) attributable to owners of the parent(f)	—	(324)	42	(185)	(12)	(11)	(828)	**(1,318)**

(a) Data prepared by each subsidiary for Exor consolidation purposes, which may differ from data published by each subsidiary in its own financial report.
(b) Consolidated with the equity method starting from 17 January 2021.
(c) In the first half of 2020 data referred to the period 1 May - 30 June 2020.
(d) Includes the net result of Exor and subsidiaries of the Holdings System, excluding the share of the profit of the operating companies consolidated line by line, presented in their respective columns.
(e) PartnerRe: net premiums for €2,763 million (€2,862 million in the first half of 2020) and the portfolio result and other revenues for €225 million (€117 million in the first half of 2020).
(f) Exor share of the results attributable to the owners of the parent of each segment entity. The share of the result of FCA, equal to €8 million and -€781 million for the period 1 January - 16 January 2021 and first half 2020 respectively, are included in the column other and adjustments.

Net revenues

Net revenues of CNH Industrial for the first half of 2021 were €13,592 million, with an increase of €3,599 million compared to the first half of 2020 (€9,993 million), due to higher volumes driven by strong industry demand together with favorable price realization.

Net revenues of Ferrari for the first half of 2021 were €2,046 million, with an increase of €543 million or 36.1% (an increase of 39.4% on a constant currency basis), compared to €1,503 million in the first half of 2020, mainly attributable to the combination of €498 million increase in cars and spare parts, €37 million increase in engines, a €10 million increase in sponsorship, commercial and brand, partially offset by a €2 million decrease in other net revenues.

Net revenues of PartnerRe for the first half of 2021 were €2,988 million, an increase of €9 million compared to the first half of 2020 (€2,979 million), principally due to the increase in net result of the portfolio and in net premiums earned.

Net Profit (loss) from continuing operations

Net profit from continuing operations of CNH Industrial was €812 million in the first half of 2021 as a result of the strong performance from all segments, while in the first half of 2020 the result was a net loss of €1,174 million and included the before and after-tax goodwill impairment loss of €523 million, other assets impairment charges of €288 million (€237 million after-tax), as well as asset optimization charges of €256 million (€206 million after-tax).

In the first half of 2021 the net profit from continuing operations of Ferrari was €412 million, significantly up versus the first half 2020 (€175 million). The increase of €237 million was mainly attributable to the increase in net revenues. In the first half 2020 costs as a percentage of net revenues were negatively impacted by the COVID-19 pandemic, which caused a seven-week production and delivery suspension in the first half of 2020 as well as changes to the calendar and format of the 2020 Formula 1 World Championship.

Net profit from continuing operations of PartnerRe in the first half of 2021 was €226 million, with an increase of €41 million compared to the net loss of the first half of 2020 (€185 million). Non-life premiums written were up 20% compared to the first half of 2020, and was driven by favorable premiums adjustments from prior underwriting years, compared to the first half 2020, which included adverse premium exposure adjustments related to the economic downturn.

Significant financial data[a]

€ million	STELLANTIS[b]	FCA	CNH INDUSTRIAL	FERRARI	PARTNERRE	JUVENTUS	GEDI	OTHER AND ADJUSTMENTS[c]	CONSOLIDATED
30 June 2021									
Cash and cash equivalents	—	—	7,223	922	777	11	46	637	**9,616**
Total assets	7,255	—	42,928	6,130	24,414	919	655	3,154	**85,455**
Gross debt[d]	—	—	21,213	2,375	2,727	400	163	3,521	**30,399**
Total equity	7,255	—	6,501	1,913	6,708	49	217	(1,062)	**21,581**
Issued capital and reserves attributable to owners of the parent[e]	7,255	—	1,694	460	6,540	31	194	(1,152)	**15,022**
31 December 2020									
Cash and cash equivalents	—	23,846	7,847	1,363	1,916	38	36	515	**35,561**
Total assets	—	100,053	41,199	6,262	22,537	967	660	1,267	**172,945**
Gross debt[d]	—	21,750	21,805	2,727	1,915	396	143	4,196	**52,932**
Total equity	—	25,861	5,489	1,789	6,583	125	231	(2,418)	**37,660**
Issued capital and reserves attributable to owners of the parent[e]	—	7,337	1,431	452	6,025	80	207	(2,442)	**13,090**

(a) Data prepared by each subsidiary for Exor consolidation purposes which may differ from data published by each subsidiary in its own financial report.
(b) Consolidated with the equity method starting from 17 January 2021.
(c) Includes the data of Exor and subsidiaries of the Holdings System, excluding the data of the operating companies consolidated line by line, presented in their respective columns.
(d) Gross debt referred to CNH Industrial includes industrial activities and financial services debt.
(e) Exor share of the equity attributable to the owners of the parent of each segment entity.

Gross debt

€ million	30/06/2021	31/12/2020
Bonds	**14,646**	23,517
Borrowings from banks	**2,940**	13,108
Asset-backed financing	**10,072**	10,518
Payables represented by securities	**1,454**	1,696
Lease liabilities	**587**	2,253
Other financial debt and liabilities	**700**	1,840
Gross debt[a]	**30,399**	52,932

(a) Data at 31 December 2020 included gross debt related to FCA for €21,750 million.

Financial debt is constituted mainly of bond issues and bank borrowings. As is usual practice, the major part of such debt agreements contains covenants which *inter alia* limit the capacity of Group companies to contract further debt, make certain types of investment, put into effect certain types of transaction with Group companies, dispose of certain assets or merge with or into other companies and use assets as security for other transactions. Further, certain bond issues and bank borrowings require the issuer to remain in compliance with financial ratio covenants.

In the first half of 2020, Exor and its subsidiaries took several key actions to secure their financial position, including drawing credit lines and facilities and securing additional incremental instruments to strengthen the available liquidity.

Cash flow

€ million	I Half 2021	I Half 2020[a]
Cash flow from (used in) operating activities:	1,102	(6,071)
- continuing operations	*1,858*	*(39)*
- discontinued operations	*(756)*	*(6,032)*
Cash flow from (used in) investing activities	(2,801)	(3,550)
- continuing operations	*(2,989)*	*(663)*
- discontinued operations	*188*	*(2,887)*
Cash flow from (used in) financing activities	(2,075)	9,652
- continuing operations	*(1,929)*	*1,604*
- discontinued operations	*(146)*	*8,048*
Translation exchange differences	334	(376)
Net change in cash and cash equivalents	(3,440)	(345)
Cash and cash equivalents at the beginning of the period	**35,561**	22,935
Cash and cash equivalents at the beginning of the period included in Assets held for sale	27	17
Deconsolidation of FCA at 16 January 2021	(22,532)	—
Cash and cash equivalents at the end of the period included in Assets held for sale	—	(13)
Cash and cash equivalents at the end of the period	**9,616**	22,594

(a) Adjusted following the presentation of FCA as a discontinued operation.

In the first half of 2021 group companies generated positive cash flows from operating activities for €1,102 million, while the cash flow in investing activities is a negative €2,801 million mainly related to the investments in property, plant and equipment and intangible assets for €665 million, investment in subsidiaries and associates for €698 million and other net investments of reinsurance companies for €1,189 million.

In the first half of 2021 net cash used in financing activities was €2,075 million, primarily related to the repayment of notes and other long-term debt for a total of €2,467 million, partially offset by issues of new notes (€993 million).

In the first half of 2020 the group companies generated negative cash flows from the operating activities for €6,071 million (of which €6,032 million from discontinued operations) and negative flows from investing activities for €3,550 million.

Cash flows from investing activities mainly refer to the investments in property, plant and equipment and intangible assets for €4,584 million (of which €3,992 million from discontinued operations), investment in subsidiaries and associates for €500 million, other net investments of reinsurance companies for €470 million, partially offset by a net change in financial receivables for €1,628 million and in securities for €298 million.

In the first half of 2020 cash flow from financing activities was €9,652 million resulting primarily from the drawdown of credit lines for €10,102 million (of which €10,083 million from discontinued operations), net of repayment of notes as well as other long-term debt.

ALTERNATIVE PERFORMANCE MEASURES (APM)

This section presents the Alternative Performance Measures (APM) identified by Exor's management to facilitate the understanding of the economic and financial performance of Exor and the Group:

- Net Asset Value (NAV)
- Net Financial Position (NFP)
- Share of the profit (loss) of investments accounted for using the equity method

ALTERNATIVE PERFORMANCE MEASURES (APM)

To facilitate the understanding of the economic and financial performance of Exor and of the Group, the Management of Exor has identified a number of Alternative Performance Measures (APM), which are used to identify operational trends and to make investment and resource allocation decisions. To ensure that the APM are correctly interpreted, it is emphasized that these measures are not indicative of the future performance of the Group. The APM are not part of international reporting standards (IFRS) and are unaudited. They should not be taken as replacements of the measures required under the reference financial reporting standards.

The APM should be read together with the consolidated financial information prepared using the shortened consolidation criterion. Since they are not based on the reference financial reporting standards, the APM used by Exor may not be consistent and comparable with those used by other companies or groups. The APM used by Exor have been consistently calculated and presented for all the reporting periods for which financial information is presented in this Report.

It should also be noted that the principal subsidiaries and associates make use of alternative performance measures to illustrate their performance to the market. Such indicators are commonly used by analysts and investors in the sectors to which the subsidiaries belong to evaluate business performance. A description of how such indicators are calculated is provided by the individual subsidiary companies and these are included in the section Review of performance of the Operating Subsidiaries in the Board Report, as extracted from their respective published documents. Such information is prepared autonomously by the companies and is not homogeneous. Set out below are the main APM's identified by Exor:

- Net Asset Value
- Net Financial Position
- Share of the (loss) profit of investments accounted for using the equity method.

Net Asset Value (NAV)

Definition and Methodology

Net Asset Value (NAV) corresponds to the total value of assets net of the Gross Debt of the Holdings System as defined below.

To determine the value of an asset:

- Listed equity investments and other securities are valued at official market prices.
- Unlisted equity investments are valued at fair value, determined annually by independent experts at the end of the year. Unlisted other investments are valued at the most recently available fair value.
- Bonds held to maturity are valued at amortized cost.
- Treasury stock includes the shares held in treasury valued at the official market price, except for the part designated to service stock option plans (measured at the option exercise price under the plan if this is less than the market price). Treasury stock does not include the shares bought back under the share buyback program launched in November 2018 and completed in November 2020.

The sum of the aforesaid values constitutes the total value of assets (Gross Asset Value or GAV). Gross Debt corresponds to the total amount of the financial debt of the Holdings System.

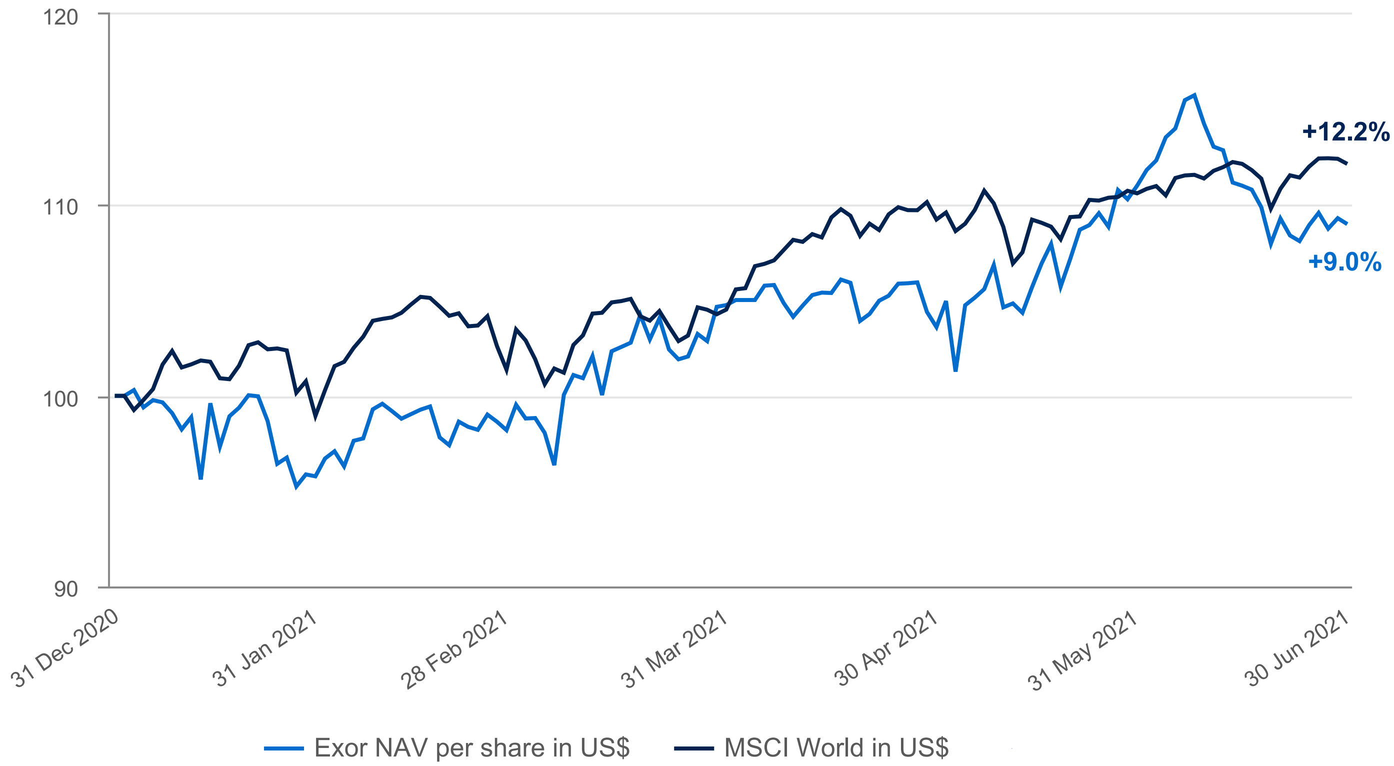
Items included in the calculation of Gross Asset Value and Gross Debt which are denominated in foreign currencies are converted at the official exchange rates at the corresponding reporting date.

Highlights

- At 30 June 2021 Exor's NAV is $32,158 million (€27,059 million) compared to $29,501 million (€24,041 million) at 31 December 2020.
- At 30 June 2021 Exor's NAV per share amounts to $136.54 (€114.89) compared to $125.26 (€102.08) at 31 December 2020, an increase of $11.28/share or 9.0%. This compares to an increase of 12.2% for the MSCI World Index in US Dollar.

NAV per share at 30 June 2021 and at 31 December 2020 are based on 235,516,639 shares. This is calculated based on 241,000,000 issued shares net of the 5,483,361 shares bought back in the context of the share buyback program launched in November 2018 and completed in November 2020.

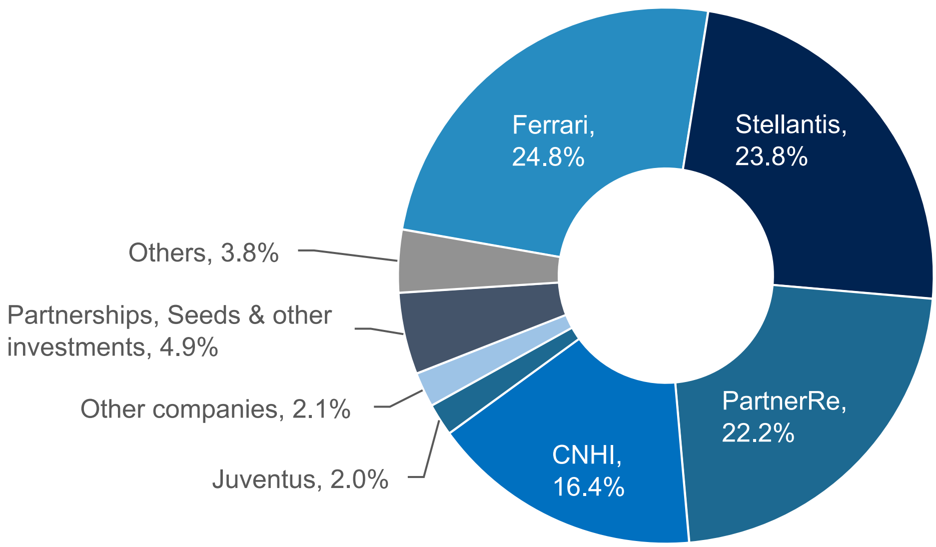
Change in NAV per share compared to the MSCI World Index in U.S. Dollar



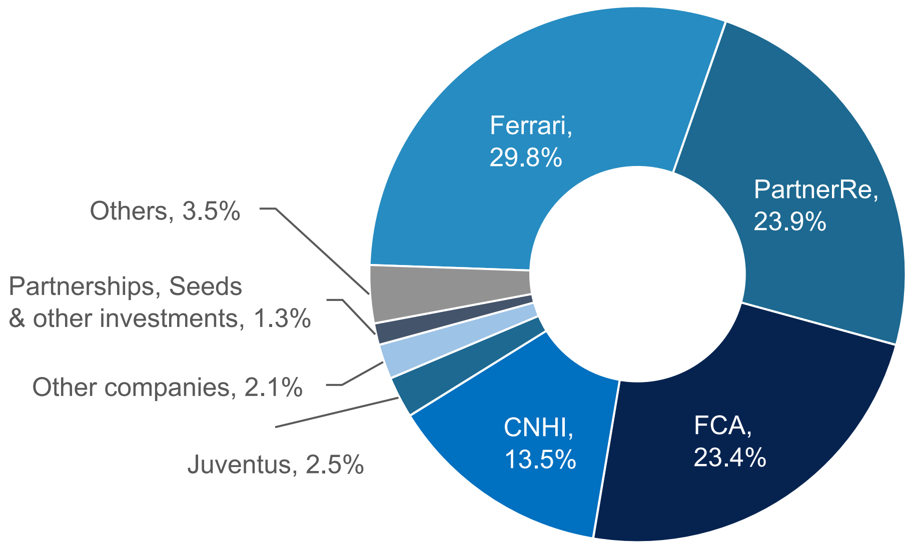
Gross Asset Value composition

The following chart illustrates the GAV composition at 30 June 2021 ($37,099 million or €31,217 million), compared to 31 December 2020 ($34,544 million or €28,151 million).

30 June 2021



31 December 2020



Note: "Others" includes Cash and Cash Equivalents, Financial Assets and Treasury Stock.

Breakdown of Net Asset Value in U.S. Dollar

US$ million	Ownership % at 30 June 2021	Valuation methodology	30/06/2021	31/12/2020	Change vs 31 December 2020	
					Amount	%
INVESTMENTS			35,689	33,288	2,401	7.2 %
Companies			33,859	32,859	1,000	3.0 %
Ferrari	22.9%	Official market price	9,189	10,286	(1,097)	(10.7)%
Stellantis	14.4%	Official market price	8,842	—	8,842	n.a.
FCA	—	—	—	8,085	(8,085)	n.a.
PartnerRe	100.0%	Fair value	8,250	8,250	—	— %
CNH Industrial	26.9%	Official market price	6,072	4,649	1,423	30.6 %
Juventus	63.8%	Official market price	727	848	(121)	(14.3)%
Other companies(a)		Fair value	779	741	38	5.1 %
Partnerships(b)		Fair value	993	200	793	396.5 %
Seeds(c)		Fair value	324	140	184	131.4 %
Other investments(d)		Fair value/ Official market price	513	89	424	476.4 %
OTHERS			1,410	1,256	154	12.3 %
Cash and cash equivalents and Financial assets			1,223	1,054	169	16.0 %
Treasury stock(e)			187	202	(15)	(7.4)%
Gross Asset Value			37,099	34,544	2,555	7.4 %
Gross Debt			(4,941)	(5,043)	102	(2.0)%
Net Asset Value (NAV)			32,158	29,501	2,657	9.0 %
NAV per Share in US$(f)			136.54	125.26	11.28	9.0 %

(a) Other companies at 30 June 2021 include The Economist ($348 million), GEDI ($246 million), SHANG XIA ($95 million) and Welltec ($90 million). Other companies at 31 December 2020 included The Economist ($343 million), GEDI ($254 million), SHANG XIA ($96 million) and Welltec ($48 million).

(b) Partnerships at 30 June 2021 include Christian Louboutin ($643 million) and Via Transportation ($350 million). Partnerships at 31 December 2020 included Via Transportation ($200 million). Welltec has been reclassified from Partnerships to Companies.

(c) Includes the amount directly invested in Exor Seeds by Exor S.A.

(d) Other investments at 30 June 2021 include Faurecia ($376 million) and Perella Weinberg ($15 million), among others. Other investments at 31 December 2020 included Perella Weinberg ($15 million) among others.

(e) Treasury stock includes shares held in treasury, excluding shares bought back in the context of the share buyback program launched in November 2018 and completed in November 2020.

(f) Based on 235,516,639 shares at 30 June 2021 and at 31 December 2020 (netting out the 5,483,361 ordinary shares bought back in the context of the share buyback program).

Note: Investments are included in Companies, Partnerships or Seeds based on their classification at 30 June 2021.

Breakdown of Net Asset Value in Euro

The value of the NAV in the Euro currency, converted at the official exchange rates at the respective dates, is presented below:

€ million	Ownership % at 30 June 2021	Valuation methodology	30/06/2021	31/12/2020	Change vs 31 December 2020	
					Amount	%
INVESTMENTS			30,031	27,128	2,903	10.7 %
Companies			28,491	26,778	1,713	6.4 %
Ferrari	22.9%	Official market price	7,732	8,383	(651)	(7.8)%
Stellantis	14.4%	Official market price	7,440	—	7,440	n.a.
FCA	—	—	—	6,588	(6,588)	n.a.
PartnerRe	100.0%	Fair value	6,942	6,723	219	3.3 %
CNH Industrial	26.9%	Official market price	5,109	3,789	1,320	34.8 %
Juventus	63.8%	Official market price	612	691	(79)	(11.4)%
Other companies[(a)]		Fair value	656	604	52	8.6 %
Partnerships[(b)]		Fair value	835	163	672	412.3 %
Seeds[(c)]		Fair value	273	114	159	139.5 %
Other investments[(d)]		Fair value/ Official market price	432	73	359	491.8 %
OTHERS			1,186	1,023	163	15.9 %
Cash and cash equivalents and Financial assets			1,029	859	170	19.8 %
Treasury stock[(e)]			157	164	(7)	(4.3)%
Gross Asset Value			31,217	28,151	3,066	10.9 %
Gross Debt			(4,158)	(4,110)	(48)	1.2 %
Net Asset Value (NAV)			27,059	24,041	3,018	12.5 %
NAV per Share in Euro[(f)]			114.89	102.08	12.81	12.5 %

(a) Other companies at 30 June 2021 include The Economist (€293 million), GEDI (€207 million), SHANG XIA (€80 million) and Welltec (€76 million). Other companies at 31 December 2020 included The Economist (€280 million), GEDI (€207 million), SHANG XIA (€78 million) and Welltec (€39 million).

(b) Partnerships at 30 June 2021 include Christian Louboutin (€541 million) and Via Transportation (€294 million). Partnerships at 31 December 2020 included Via Transportation (€163 million). Welltec has been reclassified from Partnerships to Companies.

(c) Includes the amount directly invested in Exor Seeds by Exor S.A.

(d) Other investments at 30 June 2021 include Faurecia (€317 million) and Perella Weinberg (€13 million), among others. Other investments at 31 December 2020 included Perella Weinberg (€13 million) among others.

(e) Treasury stock includes shares held in treasury, excluding shares bought back in the context of the share buyback program launched in November 2018 and completed in November 2020.

(f) Based on 235,516,639 shares at 30 June 2021 and at 31 December 2020 (netting out the 5,483,361 ordinary shares bought back in the context of the share buyback program).

Note: Investments are included in Companies, Partnerships or Seeds based on their classification at 30 June 2021.

Reconciliation with the IFRS financial statements

The following table shows the reconciliation between the Net Asset Value (NAV) and the issued capital and reserves attributable to owners of the parent.

€ million	30/06/2021	31/12/2020
Issued capital and reserves attributable to owners of the parent	**15,022**	13,090
Difference between the market value and the book value of the investments	**11,875**	10,785
Treasury stock and other	**162**	166
Net Asset Value (NAV)	**27,059**	24,041

The following table shows the difference between the market value and the book value of Investments:

	30/06/2021		31/12/2020	
€ million	Book value	Market value	Book value	Market value
Ferrari	**460**	**7,732**	452	8,383
Stellantis[(a)]	**7,255**	**7,440**	—	—
FCA[(a)]	—	—	7,337	6,588
PartnerRe	**6,540**	**6,942**	6,025	6,723
CNH Industrial	**1,694**	**5,109**	1,431	3,789
Juventus Football Club	**31**	**612**	80	691
Christian Louboutin[(b)]	**547**	**541**	—	—
The Economist Group	**311**	**293**	299	280
Exor Seeds	**273**	**273**	156	114
GEDI Gruppo Editoriale	**194**	**207**	207	207
Others	**851**	**882**	356	353
Total	**18,156**	**30,031**	16,343	27,128
Difference		*11,875*		*10,785*

(a) On 16 January 2021, PSA merged with and into FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination.
(b) The accounting acquisition date is 30 April 2021.

Net financial position of the Holdings System

The net financial position of the Holdings System, determined by applying the shortened consolidation criterion, is a representative measure of the financial resources and commitments directly attributable to and managed by Exor.

Using the shortened consolidation criterion adopted by Exor, rather than the line-by-line method of consolidation required by law and under IFRS, the data derived from the financial statements or accounting data prepared in accordance with IFRS by Exor and by the subsidiaries constituting the Holdings System - Exor Nederland N.V. (the Netherlands), Exor S.A. (Luxembourg), Exor Investments Limited (United Kingdom), Ancom USA Inc. (USA), Exor SN LLC (USA) - are consolidated in the financial statements of the parent company Exor using the line-by-line method, while the data derived from the financial statements or accounting data prepared in accordance with IFRS of the operating subsidiaries and associates (Ferrari, Stellantis, PartnerRe, CNH Industrial, Juventus Football Club, The Economist Group, GEDI Gruppo Editoriale, Exor Seeds, Shang Xia, Christian Louboutin, Welltec and Exor Capital LLP (previously Exor Investment (UK) LLP), are included in the consolidated financial statements of the parent company Exor using the equity method.

The presentation of financial data under the shortened consolidation method facilitates the analysis of the financial position and results of Exor and it is generally recognized by the financial community, including financial counterparties and rating agencies.

Nevertheless, such data do not fully represent, nor should be treated as the consolidated financial position of the Exor Group prepared in accordance with International Financial Reporting Standards (IFRS). In fact, the shortened consolidation method is not contemplated in the reference accounting standards on the presentation of consolidated financial statements and may not be consistent with the method adopted by other groups and, therefore, such data may not be comparable with the data reported by such groups.

The consolidated data prepared in shortened form are not audited by the independent auditors.

Set out below are the data relating to the net financial position prepared in shortened consolidation form:

€ million	30/06/2021	31/12/2020
Financial assets and financial receivables	**417**	367
Cash and cash equivalents	**612**	492
Cash, cash equivalents and financial assets	**1,029**	859
Exor bonds	**(4,064)**	(3,855)
Commercial paper	**—**	(160)
Other financial liabilities	**(94)**	(95)
Gross debt	**(4,158)**	(4,110)

The reconciliation of the consolidated cash and cash equivalents of Exor Group with the consolidated cash and cash equivalents of the Holdings System is as follows:

€ million	30/06/2021	31/12/2020
Cash and cash equivalents[a]	**9,616**	35,561
(Less) Cash and cash equivalents of the operating subsidiaries accounted for using the equity method in the Holdings System	**(9,004)**	(35,069)
Financial assets and financial receivables	**417**	367
Cash, and cash equivalents and financial assets of the Holdings System	**1,029**	859

(a) GAAP measure. Data at 31 December 2020 included cash and cash equivalents of FCA (€23,846 million), deconsolidated at 16 January 2021 following the merger with PSA occurred in 2021.

The reconciliation of the consolidated gross debt of Exor Group with the consolidated gross debt of the Holdings System is as follows:

€ million	30/06/2021	31/12/2020
Gross debt[a]	**(30,399)**	(52,932)
(Less) Gross debt of the operating subsidiaries accounted for using the equity method in the Holdings System	**26,241**	48,822
Gross debt of the Holdings System	**(4,158)**	(4,110)

(a) GAAP measure. Data at 31 December 2020 included gross debt of FCA (€21,750 million), deconsolidated at 16 January 2021 following the merger with PSA occurred in 2021.

Share of the profit (loss) of investments accounted for using the equity method

The composition of the share of the profit (loss) of investments accounted for using the equity method is as follows:

€ million	I Half 2021	I Half 2020	Change
Ferrari	**99**	42	57
Stellantis[a]	**842**	—	842
FCA[b]	**8**	(781)	789
PartnerRe	**219**	(185)	404
CNH Industrial	**214**	(324)	538
Juventus Football Club	**(49)**	(12)	(37)
The Economist Group	**2**	7	(5)
GEDI Gruppo Editoriale	**(10)**	(11)	1
Exor Seeds	**43**	4	39
Other	**7**	(1)	8
Share of the profit (loss) of investments accounted for using the equity method	**1,375**	(1,261)	2,636

(a) The result refers to the period 17 January to 30 June 2021.
(b) The result refers to the period 1 January to 16 January 2021.

The reconciliation of the share of the profit of investments accounted for using the equity method with the profit (loss) attributable to owners of the parent is as follows:

€ million	I Half 2021	I Half 2020	Change
Profit (loss) attributable to owners the parent[a]	**838**	(1,318)	2,156
Less:			
- Profit from investments at FVTOCI	**(8)**		(8)
- Net financial income/expenses	**19**	87	(68)
- Net recurring general expenses	**8**	8	—
- Net non-recurring other income/expenses[b]	**507**	(38)	545
- Income taxes and other taxes and duties	**11**	—	11
Share of the profit (loss) of investments accounted for using the equity method	**1,375**	(1,261)	2,636

(a) GAAP measure.
(b) In the first half of 2021 includes €504 million arising from the deconsolidation of FCA, following the merger of PSA with and into FCA, in particular, €490 million relate to the reversal to the income statement of Exor's share in the FCA items previously recognized in other comprehensive income reserve.

REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP – SHORTENED

This section includes the results of the Exor Group based on the "shortened" criterion of consolidation.

According to this method, the Holdings System companies are consolidated line-by-line and the operating subsidiaries and associates are consolidated using the equity method.

While the presentation of such data is not contemplated in the reference accounting standards, Exor believes that this information facilitates the analysis of the results and the financial position of Exor Group.

REVIEW OF THE CONSOLIDATED RESULTS OF THE EXOR GROUP - SHORTENED

As described above in the APM section, Exor applies a shortened consolidation criterion to facilitate the analysis of the financial position and results of Exor.

Using the shortened consolidation criterion, rather than the line-by-line method of consolidation required by law and under IFRS, the data derived from the financial statements or accounting data prepared in accordance with IFRS by Exor and by the subsidiaries constituting the Holdings System are consolidated in the financial statements of the parent company Exor using the line-by-line method, while the data derived from the financial statements or accounting data prepared in accordance with IFRS of the operating subsidiaries (Ferrari, PartnerRe, CNH Industrial, Juventus Football Club, GEDI Gruppo Editoriale, Exor Seeds, Exor Capital LLP - previously Exor Investment (UK) LLP- and Shang Xia) and associates (Stellantis, The Economist Group, Christian Louboutin and Welltec) are included in the consolidated financial statements of the parent company Exor using the equity method.

The consolidated data prepared in shortened form are not audited by the independent auditors.

Accounting on Stellantis and deconsolidation of FCA

On 16 January 2021, PSA merged with and into FCA. By virtue of the merger, FCA issued 1,742 FCA common shares for each outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination. Following the merger, Exor continues to hold 449,410,092 common shares of Stellantis, corresponding to 14.4% of the outstanding capital.

In accordance with the above transaction Exor lost control over FCA and therefore derecognized the former FCA Group net assets at 16 January 2021 and reclassified to the income statement, in the Net non-recurring other income/(expenses) item, the amounts previously recognized in other comprehensive income related to the subsidiary. Additional details are provided in Note 4.

At the date of completion of the merger Exor assessed to have significant influence on Stellantis and started applying the equity method according to IAS 28. On initial recognition the investment was accounted for at cost, equal to €6,660 million, which will be attributed to the Exor's share of Stellantis's net fair value as part of the purchase price allocation, to be completed within one year from the initial recognition.

Accounting on Christian Louboutin

On 13 April 2021 Exor closed the transaction for the acquisition of the 24% interest in Christian Louboutin, for a total consideration of €541 million.

At 30 June 2021, Christian Louboutin was accounted for using the equity method, in accordance with IAS 28, on the basis of the consolidated financial information prepared in accordance with IFRS at that date, while the income statement includes the share of the result for the period 1 May to 30 June 2021.
At 30 June 2021 the purchase price allocation process is completed.

The following table shows the scope of consolidation under the shortened method:

	Reporting currency	% of consolidation		
		30/06/2021	31/12/2020	30/06/2020
Holding Company				
– EXOR N.V. (the Netherlands)	€	**100**	100	100
Companies in the Holdings System consolidated line-by-line				
– Exor Nederland N.V. (the Netherlands)	$	**100**	100	100
– Exor S.A. (Luxembourg)	€	**100**	100	100
– Ancom USA Inc. (USA)	$	**100**	100	100
– Exor SN LLC (USA)	$	**100**	100	100
– Exor Investments Limited (United Kingdom)	£	**100**	100	100
Investments in operating subsidiaries and associates, accounted for using the equity method				
– Ferrari	€	**24.09**	24.05	24.05
– Stellantis[a]	€	**14.35**	—	—
– FCA[a]	€	**—**	28.54	28.55
– PartnerRe	$	**100.00**	100.00	100.00
– CNH Industrial	$	**27.09**	27.10	27.18
– Juventus Football Club	€	**63.77**	63.77	63.77
– GEDI Gruppo Editoriale	€	**89.62**	89.62	91.73
– Exor Seeds	$	**80.97**	76.34	73.20
– Shang Xia	CNY	**77.30**	77.30	—
– Christian Louboutin[b]	€	**24.04**	—	—
– The Economist Group	£	**43.40**	43.40	43.40
– Welltec	$	**47.62**	22.12	22.12
– Exor Capital LLP[c]	£	**99.67**	99.67	99.67

(a) On 16 January 2021, PSA merged with and into FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination.
(b) The accounting acquisition date is 30 April 2021.
(c) Previously Exor Investments (UK) LLP.

The exchange rates used to translate foreign currencies into Euro are as follows:

	I Half 2021		31/12/2020	I Half 2020	
	Average	**30/06/2021**		Average	30/06/2020
U.S. dollar	**1.205**	**1.188**	1.227	1.102	1.120
British pound	**0.868**	**0.858**	0.899	0.875	0.912
Chinese Renminbi	**7.796**	**7.674**	8.023	—	—

Exor closed the first half of 2021 with a consolidated profit of €838 million; the first half of 2020 ended with a consolidated loss of €1,318 million (mainly due to the negative impact of the COVID-19 pandemic on the overall performances of the subsidiaries). The net change of €2,156 million is mainly attributable to the improvement of the performances of the operating companies (€2,636 million), partially offset by a non-recurring loss (€504 million) arising from the deconsolidation of FCA, following the merger with PSA. Additional details are provided in Note 1 and 4.

At 30 June 2021 the consolidated equity attributable to owners of the parent amounts to €15,022 million with a net increase of €1,932 million, compared to €13,090 million at 31 December 2020. Additional details are provided in Note 7.

The consolidated net financial position of the Holdings System at 30 June 2021 is a negative €3,129 million and reflects a positive change of €122 million compared to the negative financial position of €3,251 million at 31 December 2020, mainly due to dividends received from investments (€1,101 million), partially offset by investments (€862 million) and dividend distributed (€100 million). Additional details are provided in Note 8.

The shortened consolidated income statement and statement of financial position and notes on the most relevant line items are presented below.

EXOR GROUP – Consolidated Income Statement – Shortened

€ million	Note	I Half 2021	I Half 2020	Change
Profit (loss) from investments in subsidiaries and associates:				
Share of the profit (loss)		**1,375**	(1,261)	2,636
Dividends received		**1,456**	95	1,361
Dividends eliminated[(a)]		**(1,456)**	(95)	(1,361)
Profit (loss) from investments in subsidiaries and associates	1	**1,375**	(1,261)	2,636
Profit (loss) from investments at FVTOCI		**8**	—	8
Net financial (expenses) income:				
Profit (loss) from cash, cash equivalents and financial assets		**50**	(40)	90
Cost of debt[(b)]		**(73)**	(49)	(24)
Exchange (losses) gains, net		**4**	2	2
Net financial (expenses) income	2	**(19)**	(87)	68
Net recurring general expenses	3	**(8)**	(8)	0
Net non - recurring other income (expenses)	4	**(507)**	38	(545)
Income taxes and other taxes and duties		**(11)**	0	(11)
Profit (loss) attributable to owners of the parent		**838**	(1,318)	2,156

(a) Dividends from investments in subsidiaries and associates which are included in the share of the profit (loss) from investments in subsidiaries and associates are eliminated in the consolidation process.
(b) Includes the one-off losses on partial bond cancellation (€21 million).

EXOR GROUP – Consolidated Statement of Financial Position – Shortened

€ million	Note	30/06/2021	31/12/2020	Change
Investments in subsidiaries and associates	5	**17,437**	16,099	1,338
Investments at FVTOCI	6	**663**	191	472
Other asset (liabilities), net		**51**	51	—
Invested capital		**18,151**	16,341	1,810
Issued capital and reserves attributable to owners of the parent	7	**15,022**	13,090	1,932
Cash, cash equivalents and financial assets	8	**(1,029)**	(859)	(170)
Gross debt	8	**4,158**	4,110	48
Equity and net financial position		**18,151**	16,341	1,810

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - SHORTENED

1. Profit (loss) from investments in subsidiaries and associates

Share of the profit (loss) of investments accounted for using the equity method

The share of the results of investments accounted for using the equity method in the first half of 2021 is a profit of €1,375 million, with an increase of €2,636 million compared to the loss of the first half of 2020 (€1,261 million). The positive change reflects in particular the strong performance of Stellantis (€842 million, while the first half of 2020 included the share of the result of FCA, negative for €781 million) and the improvements of CNH Industrial (€538 million) and PartnerRe (€404 million).

	Result[a]		EXOR's share[b]		
	I Half		I Half		
€ million	**2021**	2020	**2021**	2020	Change
Ferrari	411	175	**99**	42	57
Stellantis[c]	6,780	—	**842**	—	842
FCA[d]	29	(2,734)	**8**	(781)	789
PartnerRe	226	(185)	**219**	(185)	404
CNH Industrial[e]	790	(1,195)	**214**	(324)	538
Juventus Football Club[f]	(77)	(19)	**(49)**	(12)	(37)
The Economist Group[g]	4	15	**2**	7	(5)
GEDI Gruppo Editoriale[h]	(11)	(12)	**(10)**	(11)	1
Exor Seeds	58	5	**43**	4	39
Other[i]	—	—	**7**	(1)	8
Share of the profit (loss) of investments in subsidiaries and associates			**1,375**	(1,261)	2,636

(a) Results attributable to owners of the parents. Results reported in foreign currencies have been converted into Euro at the average exchange rate of the period.
(b) Including consolidation adjustments.
(c) The result refers to the period 17 January - 30 June 2021.
(d) The result of the first half of 2021 refers to the period 1 January - 16 January 2021, before the merger with PSA occurred in 2021. The result of the first half of 2020 included impairment losses following the assessment of certain assets as a consequence of the COVID-19 pandemic for €1,176 million (total Exor's share €336 million): in particular €549 million for deferred tax assets, €627 million for impairment charges of tangible and intangible assets.
(e) The result of the first half of 2020 included impairment losses following the assessment of certain assets as a consequence of the COVID-19 pandemic for €1,066 million (total Exor's share €290 million): in particular €523 million for goodwill impairment loss, €281 million for impairment charges of other assets and €262 million for asset optimization charges.
(f) The result refers to the accounting data prepared for consolidation in Exor for the period 1 January – 30 June.
(g) The result refers to the period 1 October – 31 March.
(h) In the first half of 2020 the result referred to the period 1 May - 30 June, as Exor acquired control on 30 April 2020.
(i) Mainly include the share of the results of Welltec, Christian Louboutin and Shang Xia.

For comments on the performance of the principal operating subsidiaries, please refer to the section "Review of performance of the main companies".

Dividends

€ million	I Half 2021	I Half 2020	Change
Dividends from investments accounted for using the equity method:			
– Ferrari	**39**	50	(11)
– Stellantis[a]	**550**	—	550
– FCA	**827**	—	827
– PartnerRe	**—**	45	(45)
– CNH Industrial	**40**	—	40
Dividends included in the net financial position	**1,456**	95	1,361
Less: Dividends included in the share of the (loss) profit of investments accounted for using the equity method	**(1,456)**	(95)	(1,361)
Dividends included in the income statement	**—**	—	—

(a) Of which €363 million corresponding to 7,653,004 ordinary shares of Faurecia, distributed as a part of the merger of PSA with and into FCA.

2. Net financial (expenses) income

In the first half of 2021 net financial expenses amount to €19 million (net financial expenses of €87 million in the first half of 2020).

€ million	I Half 2021	I Half 2020	Change
Profit (loss) from cash, cash equivalents and financial assets:			
Unrealized gains (losses)[a]	**48**	(42)	90
Interest income on:			
– bank current accounts and deposits	**—**	1	(1)
– debt securities	**2**	1	1
– financial receivables	**—**	—	—
Profit from cash, cash equivalents and financial assets	**50**	(40)	90
Cost of debt:			
Bonds[b]	**(71)**	(48)	(23)
Bank debt	**(2)**	(1)	(1)
Cost of debt	**(73)**	(49)	(24)
Exchange (losses) gains	**4**	2	2
Net financial (expenses) income recorded in the income statement	**(19)**	(87)	68

(a) Mainly includes the change in fair value related to cash invested in financial assets managed by Exor Capital LLP through a Luxembourg SICAV Fund.
(b) Includes the one-off losses on partial bond cancellation (€21 million).

3. Net recurring general expenses

Net recurring general expenses in the first of 2021 amount to €8 million, in line with the first half of 2020 (€8 million).

The main items are detailed below:

€ million	I Half 2021	I Half 2020	Change
Personnel costs	**(2)**	(2)	0
Compensation and other costs relating to directors	**(1)**	(1)	0
Service costs, net	**(3)**	(2)	(1)
Net recurring general expenses included in net financial position	**(6)**	(5)	(1)
Share based compensation plan costs	**(2)**	(3)	1
Net recurring general expenses recorded in the income statement	**(8)**	(8)	0

4. Net non-recurring other (expenses) income

In the first half of 2021 net non-recurring expenses amount to €507 million of which €504 million arising from the deconsolidation of FCA, following the merger of PSA with and into FCA. In particular, €490 million relate to the reversal to the income statement of Exor's share in the FCA items previously recognized in other comprehensive income reserve.

In the first half of 2020 net non-recurring other income (expenses) amounted to €38 million and mainly referred to a one-off income, partially offset by consulting fees related to investment and disinvestment projects (€2 million).

5. Investments in subsidiaries and associates

€ million	30/06/2021	31/12/2020	Change
Ferrari	**460**	452	8
Stellantis[(a)]	**7,255**	—	7,255
FCA[(a)]	**—**	7,337	(7,337)
PartnerRe	**6,540**	6,025	515
CNH Industrial	**1,694**	1,431	263
Juventus Football Club	**31**	80	(49)
Christian Louboutin[(b)]	**547**	—	547
The Economist Group	**311**	299	12
GEDI Gruppo Editoriale	**194**	207	(13)
Exor Seeds	**273**	156	117
Shang Xia	**75**	78	(3)
Other	**57**	34	23
Investments in subsidiaries and associates	**17,437**	16,099	1,338

(a) On 16 January 2021, PSA merged with and into FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination.
(b) The acquisition date is 30 April 2021.

The positive change in Exor's investment in Ferrari (€8 million) is primarily due to Exor's share of the profit (€99 million), partially offset by the payment of dividends (€39 million) and the buy-back of treasury stock (€26 million).

The positive change in Exor's investment in Stellantis (€595 million, from €6,660 million at 16 January 2021 to €7,255 million at 30 June 2021) is mainly attributable to Exor's share of the profit (€842 million), to the positive change in the remeasurement of defined benefit plans reserve (€167 million) and to the positive translation exchange differences (€81 million), partially offset by dividend distributions (€143 million) and distribution of Faurecia (€406 million, of which €363 million as investment and €43 million as cash).

The positive change in Exor's investment in PartnerRe (€515 million) is mainly attributable to the positive translation exchange differences (€257 million) and Exor's share of the profit (€219 million).

The positive change in Exor's investment in CNH Industrial (€263 million) can be ascribed primarily to Exor's share of the positive result (€214 million), to the positive translation exchange differences (€82 million) and to the positive movement on the fair value reserve (€16 million), partially offset by the payment of dividends (€41 million).

6. Investments measured at fair value through other comprehensive income

The investments measured at fair value through other comprehensive income amount to €663 million (€191 million at 31 December 2020) and include principally investments in equity instruments.

€ million	30/06/2021	31/12/2020	Change
Faurecia[(a)]	**317**	—	317
VIA Transportation[(b)]	**294**	163	131
Other investments	**52**	28	24
Investments measured at fair value through other comprehensive income	**663**	191	472

(a) Distributed by Stellantis as part of the merger. On 22 March 2021 Exor received 7,653,004 Faurecia ordinary shares accounted for €363 million. At 30 June 2021 the fair value adjustment is negative for €46 million.
(b) Of which €126 million as increase in investment and €5 million as positive change in fair value due to the exchange rate.

7. Issued capital and reserves attributable to owners of the parent

€ million	30/06/2021	31/12/2020	Change
Share capital	**2**	2	—
Reserves	**15,318**	13,386	1,932
Treasury stock	**(298)**	(298)	—
Issued capital and reserves attributable to owners of the parents	**15,022**	13,090	1,932

Details of changes during the first half of 2021 are as follows:

€ million	30/06/2021	31/12/2020
Initial amount	**13,090**	15,025
Movements attributable to Exor and Holding System:		
– Buyback Exor treasury stock	**—**	(29)
– Dividend paid by Exor	**(100)**	(100)
– Fair value adjustment to investments and other financial assets	**(38)**	(13)
– Measurement derivative financial instruments	**3**	(5)
– Exchange differences on translation	**165**	(440)
– Other net	**10**	(44)
Movements attributable to operating companies accounted for using the equity method:		
– Reversal OCI reserve of FCA to profit and loss	**490**	—
– Exchange differences on translation	**363**	(1,233)
– Remeasurement of defined benefit plans	**218**	(39)
– Fair value	**16**	31
– Buyback treasury stock	**(27)**	(32)
– Cash flow hedge	**15**	2
– Other net	**(21)**	(3)
Consolidated profit (loss) attributable to owners of the parent[(a)]	**838**	(30)
Net change during the period	**1,932**	(1,935)
Final amount	**15,022**	13,090

(a) The result of the first half 2021 includes the negative impact due to the reclassification to the income statement of the amount previously recognized in other comprehensive income (mainly exchange differences on translation) related to FCA (€490 million).

8. Net financial position of the Holdings System

The net financial position of the Holdings System at 30 June 2021 is a negative €3,129 million and shows a positive change of €122 million compared to the balance at 31 December 2020 (a negative €3,251 million).

€ million	30/06/2021	31/12/2020	Change
Financial assets	**417**	367	50
Cash and cash equivalents	**612**	492	120
Cash, cash equivalents and financial assets	**1,029**	859	170
Exor bonds	**(4,064)**	(3,855)	(209)
Commercial paper	**—**	(160)	160
Other financial liabilities	**(94)**	(95)	1
Gross debt	**(4,158)**	(4,110)	(48)
Net financial position of the Holdings System	**(3,129)**	(3,251)	122

Financial assets include principally financial instruments accounted for at FVTPL and debt securities listed on an active market measured at amortized cost. Cash and cash equivalents include short-term deposits spread over an appropriate number of counterparties chosen according to their creditworthiness and their reliability since the primary objective is to hold investments which can readily be converted into cash.

Bonds issued by Exor and outstanding at 30 June 2021 are as follows:

Issue date	Maturity date	Issue price	Fixed Rate (%)		Nominal amount (million)		Balance at 30/06/2021 (€ million)	Balance at 31/12/2020 (€ million)	Change
03-Dec-15	02-Dec-22	99.499	2.125	€	602	(a)	**(608)**	(749)	141
08-Oct-14	08-Oct-24	100.090	2.500	€	500	(b)	**(509)**	(653)	144
07-Dec-12	31-Jan-25	97.844	5.250	€	100		**(101)**	(104)	3
22-Dec-15	22-Dec-25	100.779 [c]	2.875	€	450	(c)	**(457)**	(451)	(6)
20-May-16	20-May-26	99.650	4.398	$	170		**(144)**	(139)	(5)
18-Jan-18	18-Jan-28	98.520	1.750	€	500		**(498)**	(502)	4
29-Apr-20	29-Apr-30	98.489	2.250	€	500		**(494)**	(499)	5
19-Jan-21	19-Jan-31	99.298	0.875	€	500		**(496)**	—	(496)
09-May-11	09-May-31	100.000	2.800 [d]	¥	10,000		**(77)**	(80)	3
14-Oct-19	14-Oct-34	99.725	1.750	€	500	(e)	**(482)**	(477)	(5)
15-Feb-18	15-Feb-38	98.183	3.125	€	200		**(198)**	(201)	3
							(4,064)	(3,855)	(209)
– Current portion							**(43)**	(35)	(8)
– Non-current portion							**(4,021)**	(3,820)	(201)

(a) After the repurchase settlement dated 20 January 2021; originally €750 million.
(b) After the repurchase settlement dated 20 January 2021; originally €650 million.
(c) Originally €250 million; the amount was increased by another €200 million on 10 May 2016. The issue price corresponds to the weighted average of the prices calculated on the entire amount of €450 million.
(d) To protect against currency fluctuations, a hedging transaction was put in place using a cross currency swap. The cost in Euro is fixed at 6.012% per year.
(e) Originally €300 million; the amount was increased by another €200 million with settlement date 23 June 2020.

Exor intends to repay the bonds in cash at maturity using available liquid resources and undrawn credit lines.

Exor may, from time to time, buy back bonds on the market also for purposes of their cancellation. The decision to buy back bonds will depend on, among other factors, market conditions and Exor's financial situation.

Other financial liabilities (€94 million) mainly includes the fair value of cash flow hedge derivative instruments (€33 million) and the put option on certain minority stakes in GEDI and Shang Xia (€23 million and €23 million, respectively).

The net change for the first half of 2021, a positive €122 million, can be analyzed as follows:

€ million		I Half 2021	I Half 2020
Net financial position of the Holdings System - Initial amount	Note	**(3,251)**	(2,631)
Dividends received from investments	1	1,101	95
Investments[(a)]		(862)	(391)
Asset disposals		12	—
Dividends paid by Exor		(100)	(100)
Buyback Exor treasury stock		—	—
Other changes	2	(29)	(54)
Net change during the period		**122**	(450)
Net financial position of the Holdings System - Final amount		**(3,129)**	(3,081)

(a) The first half of 2021 includes the acquisition of the 24% of Christian Louboutin (€541 million), the increase of the investment in Via Transportation (€126 million), in Exor Seeds (€122 million) and other investments (€73 million). The first half of 2020 included the acquisition of the controlling stake in GEDI Gruppo Editoriale (€188 million), the acquisition of the stake in Via Transportation (€183 million) and the acquisition of the 77.3% of Shang Xia (€80 million).

€ million	I Half 2021	I Half 2020
1. Dividends received from investments	**1,101**	95
FCA[(a)]	827	—
Stellantis[(b)]	187	—
Ferrari	39	50
PartnerRe	—	45
CNH Industrial	40	—
Other	8	—
2. Other changes	**(29)**	(54)
Net recurring general expenses	(6)	(5)
Net non - recurring other income (expenses)[(c)]	(3)	38
Net financial (expenses) income generated by the financial position[(d)]	(18)	(87)
Other net changes	(2)	—

(a) Extraordinary dividend resulting from the merger between PSA and FCA.
(b) Of which €144 million as ordinary annual dividend and €43 million as cash from the distribution of Faurecia. Excluding €363 million corresponding to 7,653,004 ordinary shares of Faurecia, distributed as a part of the merger of PSA with and into FCA.
(c) Excluding the items reclassified to income statement due to the deconsolidation of FCA.
(d) In the first half of 2021 related to: unrealized gains on financial assets (€48 million), cost of debt (€73 million), net exchange gains (€4 million) and other financial income (€2 million). In the first half of 2020 related to: unrealized losses on financial assets (€42 million), cost of debt (€49 million), net exchange gains (€2 million) and other financial income (€2 million).

At 30 June 2021 Exor has irrevocable credit lines in Euro of €385 million, of which €285 million expiring after 30 June 2022, as well as revocable credit lines of €547 million.

Exor’s long-term and short-term debt ratings from Standard & Poor's are “BBB+” and “A-2” respectively, with a "stable outlook".

REVIEW OF THE PERFORMANCE OF THE MAIN COMPANIES

(The share capital and voting rights percentages are based on data at 30 June 2021)

Set out below is a summary of the key highlights from the interim reports of the operating subsidiaries and associates, including their Management Reports.

In order to facilitate the readers' use and cross reference the data have been extracted from the financial statements of the respective subsidiary and associate and presented using the original reporting currency and accounting principles.

Therefore, data presented in this section may differ from those prepared for Exor consolidation purposes.

Further information and details of significant events of subsidiaries are shown in the respective companies' reports.

(22.91% stake and 34.54% of voting rights on issued capital)

Key consolidated data reported by Ferrari in the first half of 2021 are as follows:

€ million	I Half 2021	I Half 2020	Change	
Shipments (in units)	**5,456**	4,127	1,329	32 %
Net revenues	**2,046**	1,503	543	36 %
EBIT	**540**	243	297	122 %
Net profit	**412**	175	237	135 %
Net industrial debt(1)	**552**	543	9	—

(1) Defined as net debt less net debt of financial services activities. Comparative data refers to 31 December 2020.

COVID-19

The global spread of the COVID-19 virus ("COVID-19"), which was declared a global pandemic by the World Health Organization in March 2020, has led to governments around the world mandating various restrictive measures to contain the pandemic, including social distancing, quarantine, "shelter in place" or similar orders, travel restrictions and suspension of non-essential business activities. To date, several of these measures are still in place or were previously reintroduced at various points in time following further waves of the pandemic, although the scope and timing of restrictive measures have varied greatly across jurisdictions.

The impacts of the COVID-19 pandemic on Ferrari's operations and the main actions taken by Ferrari in response to the pandemic since its inception are summarized below:

- With the safety and well-being of Ferrari employees in mind and considering government restrictions implemented to combat the spread of the virus, production and deliveries to the distribution network were temporarily suspended from the end of March until the beginning of May 2020. Although certain restrictions remained in place in some of the countries where Ferrari operates during the first half of 2021, substantially all Ferrari dealerships remained operational and order collections continued. Ferrari remains focused on maintaining a robust order book going forward and on the careful management of the waiting list to reach the optimal combination of exclusivity and client service.
- To protect the health and well-being of its workforce and customers as Ferrari returned to business operations, Ferrari successfully implemented its "Back on Track" program, which facilitated the return to full production by 8 May 2020 through the implementation of various safety measures to combat and contain the spread of the COVID-19 virus in the workplace, with additional measures to strengthen and customize the protocol with the support of specialists who have expert knowledge of Ferrari's work environment.
- Following various initiatives implemented by Ferrari since the start of the pandemic to support local communities, Ferrari continues to provide logistical support as well as facilities at its Fiorano race track for the vaccination campaign. Following the commencement of the national vaccination campaign in Italy, in mid-June 2021 Ferrari launched its own vaccination plan, dedicated to its employees, their families and all the resident consultants; planned alongside local Health Authorities. The campaign has resulted in a large number of vaccinations and is now nearing completion.
- Although production and certain other activities (i.e. Formula 1, stores, museums) were temporarily suspended near the end of the first quarter of 2020, Ferrari continued many other key business activities and functions through remote working arrangements, and up to the date of this document it continues to take measures to combat the spread of COVID-19 at its facilities while guaranteeing the possibility of remote work for those employees whose job activity is compatible with such work arrangements.

- In order to prudently manage potential liquidity or refinancing risks in the foreseeable future, Ferrari focused on increasing and preserving its available liquidity and took actions to contain costs and capital expenditures in 2020, while ensuring that all projects that are considered important for the continuing success of Ferrari and its future development are maintained.
- The start of the 2020 Formula 1 World Championship season was postponed from March to July 2020 and it ultimately consisted of 17 Grand Prix events, five fewer than those originally scheduled. Additionally, most of the races were held without public attendance, including Paddock Club and paddock guests. These circumstances adversely impacted the financial results in the first half of 2020 (as well as the rest of 2020) due to a reduction of sponsorships and consequent reduced commercial revenues from partners and the holder of Formula 1’s commercial rights (Formula One Management). At the date of Ferrari's Semi-annual Report, 11 Grand Prix races have been held for the 2021 season, with no or limited physical spectators, and an additional 12 races are expected for the season; however the actual number of Formula 1 races and the number of spectators permitted to attend the events, if any, could change based on the evolution of the pandemic. Out of the total 23 races currently foreseen for 2021 season, 3 tracks have been already replaced as a reaction to the spread of the pandemic.
- Brand activities were also adversely impacted as a result of the temporary closure of Ferrari stores and museums in the first quarter of 2020, which gradually reopened starting in May 2020 with appropriate safety measures in place to protect staff and customers. To date, in-store traffic remains significantly lower than the pre-pandemic level and museums have subsequently experienced limited openings and additional closings as a result of local regulations and restrictions. These effects have been only partially offset by an increase in online sales of merchandise.
- Ferrari decided to temporarily suspend its share repurchase program from the end of March 2020 to the beginning of March 2021, when such program was restarted.
- There have been no significant effects on the valuation of assets or liabilities and no increases in allowances for credit losses as a result of COVID-19. Moreover, no material impairment indicators have been identified and there have been no changes in accounting judgments or other significant accounting impacts relating to COVID-19.
- No significant changes occurred in controls that materially affect internal control over financial reporting.

Ferrari’s leadership is continuously monitoring the evolution of the COVID-19 pandemic as new information becomes available as well as the related effects on the results of operations and financial position of Ferrari. It has been gradually recovering from the effects of the COVID-19-related suspension of production and other business activities that occurred primarily in 2020. The effects of the pandemic on Ferrari in the first half of 2021 were limited and on the back of results, robust net order intake as well as record order book, management is confident that Ferrari will reach the top end of the 2021 guidance, with an improved industrial free cash flow, as communicated in the 2021 outlook section below. Looking ahead, management expects that the prudent steps taken in 2020 to adjust capital expenditure in response to the COVID-19 emergency, will postpone by one year the achievement of the year-end 2022 guidance previously announced at Ferrari’s Capital Markets Day in September 2018.

The future impacts of COVID-19 on Ferrari’s results of operations and financial condition will depend on ongoing developments in relation to the pandemic, including the success of the gradual release of containment measures and vaccination programs worldwide, as well as the overall condition and outlook of the global economy.

Shipments

Shipments totaled 5,456 units in the first half of 2021, up 1,329 units or 32% versus the first half of 2020, which was heavily impacted by the disruptions of the COVID-19 pandemic, including production and delivery suspension in the first half of 2020.

Sales of 8 cylinder models (V8) and 12 cylinder models (V12) were up in the first half of 2021. The deliveries were driven by the F8 family and the 812 GTS together with the SF90 Stradale and the Ferrari Roma which reached global distribution. The Ferrari Monza SP1 and SP2 continued to be delivered in line with planning. The first deliveries of the new Ferrari Portofino M commenced in the first half.

	I Half		Change	
Units[(1)]	**2021**	2020		
EMEA	**2,796**	2,222	574	26 %
Americas	**1,404**	1,131	273	24 %
Mainland China, Hong Kong and Taiwan	**360**	62	298	481 %
Rest of APAC	**896**	712	184	26 %
Shipments	**5,456**	4,127	1,329	32 %

(1) Excluding the XX Programme, racing cars, Fuori Serie, one-off and pre-owned cars.

Net revenues

Net revenues for the first half of 2021 were €2,046 million, an increase of €543 million or 36.1% (an increase of 39.4% on a constant currency basis), from €1,503 million for the first half of 2020. The increase was attributable to the combination of €498 million increase in cars and spare parts, €37 million increase in engines, a €10 million increase in sponsorship, commercial and brand, and €2 million decrease in other net revenues.

Net revenues generated from cars and spare parts were €1,736 million for the first half of 2021, an increase of €498 million or 40.1% from €1,238 million for the first half of 2020. The increase was primarily attributable to higher car volumes, positive mix and personalizations, partially offset by negative foreign currency exchange impact (mainly USD). Shipments in the first half of 2020 were impacted by the seven-week production and delivery suspension caused by the COVID-19 pandemic

Net revenues generated from engines were €90 million for the first half of 2021, an increase of €37 million or 68.8%, from €53 million for the first half of 2020. The increase was mainly attributable to an increase in engines sold to Maserati and, to a lesser extent, higher revenues from the rental of engines to other Formula 1 racing teams.

Net revenues generated from sponsorship, commercial agreements and brand management activities were €182 million for the first half of 2021, an increase of €10 million or 5.8%, from €172 million for the first half of 2020. In particular, higher revenues from Formula 1 racing activities driven by the more favorable Formula 1 calendar compared to last year were partially offset by a lower prior year ranking, as well as reduced brand-related activities due to the COVID-19 pandemic.

	I Half		Change		
				at current	at constant
€ million	**2021**	2020	amount	currency	currency
Car and spare parts	**1,736**	1,238	498	40 %	44 %
Engines	**90**	53	37	70 %	69 %
Sponsorship, commercial and brand	**182**	172	10	6 %	7 %
Other	**38**	40	(2)	(20)%	4 %
Net revenues	**2,046**	1,503	543	36 %	39 %

EBIT

EBIT for the first half 2021 was €540 million, an increase of €297 million or 121.9%, from €243 million for the first half of 2020.

The increase in EBIT was primarily attributable to the combined effects of positive volume impact of €149 million, a positive product mix impact of €161 million, driven by the SF90 Stradale and the Ferrari Monza SP1 and SP2, along with personalizations, an increase in research and development costs of €22 million, a decrease in selling, general and administrative costs of €4 million, a positive contribution of €48 million mainly due to Formula 1 racing activities reflecting the more favorable Formula 1 calendar compared to last year and higher contribution from other supporting activities and Maserati engines, partially offset by a lower prior year ranking as well as reduced brand-related activities due to the COVID-19 pandemic, and negative foreign currency exchange impact of €43 million (including foreign currency hedging instruments) primarily driven by the strengthening of the Euro compared to the U.S. Dollar.

Net industrial debt

Net industrial debt at 30 June 2021 was €552 million, compared to €543 million at 31 December 2020 with an increase of €9 million.

€ million	30/06/2021	31/12/2020	Change
Debt	**(2,360)**	(2,725)	365
of which: Lease liabilities as per IFRS 16 (simplified approach)	**61**	62	(1)
Cash and cash equivalents	**922**	1,362	(440)
Net debt	**(1,438)**	(1,363)	(75)
Net debt of financial services activities	**(886)**	(820)	(66)
Net industrial debt(1)	**(552)**	(543)	(9)

(1) Net industrial debt is defined as net debt excluding the funded portion of the self-liquidating financial receivables portfolio.

2021 Outlook

Upward revised 2021 Ferrari guidance on industrial free cash flow from approximately €350 million to approximately €450 million, subject to trading conditions unaffected by further COVID-19 pandemic restrictions and the following assumptions:

- Core business sustained by volume and mix;
- Revenues from Formula 1 racing activities based on the announced calendar and reflecting lower 2020 ranking versus prior year;
- Brand-related activities dealing with COVID-19 challenges;
- Operational and marketing costs gradually resuming;
- Improved working capital and other sustaining industrial free cash flow thanks to the advances on the new special series and lower payments in connection with the cadence planned for capital expenditures.

(€Billion, unless otherwise stated)	2019A	2020A	2021 GUIDANCE
NET REVENUES	**3.8**	**3.5**	**~4.3**
ADJ. EBITDA (margin %)	1.3 33.7%	1.1 33.0%	**1.45 - 1.50** **33.7% - 34.9%**
ADJ. EBIT (margin %)	**0.9** **24.4%**	**0.7** **20.7%**	**0.97 - 1.02** **22.6% - 23.7%**
ADJ. DILUTED EPS (€)	3.71	2.88	**4.00-4.20**
INDUSTRIAL FCF	**0.7**	**0.2**	**~0.45**

(14.35% stake, 12.55% of voting rights on issued capital)

The key consolidated data of Stellantis for the first half 2021 are presented below:

	I Half		Change	
€ million	2021	2020	amount	%
Net revenues	**72,610**	19,614	52,996	n.a.
Pro-forma[1] Net revenues	**75,310**	51,668	23,642	+46
Pro-forma[1] Adjusted operating income[2]	**8,622**	752	7,870	+1047
Net profit (loss)	**5,800**	797	5,003	n.s
Pro-forma[1] Net profit (loss)	**5,936**	(813)	6,749	n.s.

(1) H1 2021 Pro-forma results are presented as if the merger had occurred on 1 January 2020 and include results of FCA for the period 1 January – 16 January 2021. H1 2020 represents results of the continuing operations of PSA only and are not directly comparable to previously reported results of PSA and reflect accounting policies and reporting classifications of Stellantis. H1 2020 Pro-forma results are presented as if the merger had occurred on 1 January 2020.

(2) Adjusted operating income is a non-GAAP financial measure used to measure performance. Adjusted operating income/(loss) excludes from Net profit/(loss) from continuing operations adjustments comprising restructuring, impairments, asset write-offs, disposals of investments and unusual operating income/(expense) that are considered rare or discrete events and are infrequent in nature, as inclusion of such items is not considered to be indicative of the Stellantis's ongoing operating performance, and also excludes Net financial expenses/(income), Tax expense/(benefit) and Share of the profit of equity method investees. For the six months ended 30 June 2021, Pro-forma Adjusted operating income includes the Adjusted operating income of FCA for the period 1 January – 16 January 2021. For the six months ended 30 June 2020, Pro-forma Adjusted operating income includes the Adjusted operating income result of FCA for the period 1 January – 30 June 2020.

FCA - PSA merger

On 17 December 2019, FCA and PSA entered into a combination agreement providing for the combination of FCA and PSA through a cross-border merger, with FCA as the surviving legal entity in the merger.

On 14 September 2020, FCA and PSA agreed to amend the combination agreement. According to the combination agreement amendment, the FCA extraordinary dividend, to be paid to former FCA shareholders was reduced to €2.9 billion, with PSA's 46% stake in Faurecia planned to be distributed to all Stellantis shareholders promptly after closing following approval of the Stellantis board and shareholders.

On 4 January 2021, PSA and FCA extraordinary general shareholder meetings approved the merger. Following the respective shareholder approvals and receipt of the final regulatory clearances, FCA and PSA completed the legal merger.

On 17 January 2021, the combined company was renamed Stellantis, the board of directors was appointed and the Stellantis articles of association became effective. On this date, the Stellantis management and board of directors collectively obtained the power and the ability to control the assets, liabilities and operations of both FCA and PSA. As such, under IFRS 3 - Business Combinations ("IFRS 3"), 17 January 2021 is the acquisition date for the business combination.

The merger was accounted for by Stellantis using the acquisition method of accounting in accordance with IFRS 3, which requires the identification of the acquirer and the acquiree for accounting purposes. Based on the assessment of the indicators under IFRS 3 and consideration of all pertinent facts and circumstances, management determined that PSA is the acquirer for accounting purposes and as such, the merger has been accounted for as a reverse acquisition. In identifying PSA as the acquiring entity, notwithstanding that the merger was effected through an issuance of FCA shares, the most significant indicators were (i) the composition of the combined group's board, composed of eleven directors, six of whom were to be nominated by PSA, PSA shareholders or PSA employees, or were current PSA executives, (ii) the combined group's first CEO, who is vested with the full authority to individually represent the combined group, and was the president of the PSA Managing Board prior to the merger, and (iii) the payment of a premium by pre-merger shareholders of PSA.

On 29 January 2021, the approximately €2.9 billion extraordinary distribution was paid to holders of FCA common shares of record as of the close of business on Friday, 15 January 2021.

Pro-forma Net revenues and Pro-forma Adjusted operating income

Net revenues			Adjusted operating income	
I Half			I Half	
2021	2020	€ million	**2021**	2020
32,447	22,841	North America	**5,236**	876
4,936	2,192	South America	**326**	(63)
32,040	22,683	Enlarged Europe	**2,829**	194
2,547	1,757	Middle East & Africa	**247**	43
1,883	1,200	China and India & Pacific	**206**	67
885	445	Maserati	**29**	(104)
572	550	Other activities, unallocated items and eliminations	**(251)**	(261)
75,310	51,668	**Total**	**8,622**	752

NORTH AMERICA

The increase in Pro-forma Net revenues in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to increased volumes, favorable vehicle and market mix, as well as strong net pricing, partially offset by unfavorable foreign exchange translation effects.

The increase in Pro-forma Adjusted operating income in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to higher net revenues, partially offset by increased costs as business normalized compared to COVID-19 interrupted six months ended 30 June 2020.

SOUTH AMERICA

The increase in Pro-forma Net revenues in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to increased volumes, higher net pricing and improved vehicle mix, partially offset by negative foreign exchange translation effects, mainly from Brazilian real.

The increase in Pro-forma Adjusted operating income in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to higher net revenues, partially offset by product cost inflation and unfavorable foreign exchange translation and transaction effects.

ENLARGED EUROPE

The increase in Pro-forma Net revenues in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to higher volumes, improved vehicle mix, positive net pricing, and increased parts and services business, as well as used car business.

The increase in Pro-forma Adjusted operating income in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to higher net revenues, purchasing and manufacturing efficiencies, as well as reduced compliance costs, partially offset by increased advertising costs and labor due to prior period COVID-19 measures as compared to 2021.

MIDDLE EAST & AFRICA

The increase in Pro-forma Net revenues in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to increased volumes, higher net pricing, including pricing actions for the Turkish lira devaluation, and improved market mix, partially offset by negative foreign exchange translation effects, mainly from Turkish lira.

The increase in Pro-forma Adjusted operating income in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to improved Net revenues, partially offset by negative foreign exchange translation effects, primarily from the Turkish lira.

CHINA AND INDIA & PACIFIC

The increase in Pro-forma Net revenues in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to overall higher volumes and favorable market mix and net pricing.

The increase in Pro-forma Adjusted operating income in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to higher net revenues, partially offset by increased advertising costs that were impacted by cost containment measures in 2020 due to COVID-19.

MASERATI

The increase in Pro-forma Net revenues in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to higher volumes, improved net pricing and favorable market mix, mainly in China.

The increase in Pro-forma Adjusted operating income in the six months ended 30 June 2021 compared to the same period in 2020 was primarily due to improved net revenues, partially offset by higher advertising costs to support mid-cycle refreshes.

The following table is the reconciliation of Net profit to Pro-forma Adjusted operating income (non-GAAP measure).

	I Half	
€ million	**2021**	2020
Net profit from continuing operations	**5,800**	797
Tax expense	**1,729**	155
Net financial expenses	**217**	(160)
Share of the profit of equity method investees	**(402)**	(76)
Operating income	**7,344**	716
FCA operating income 1 January -16 January 2021	**77**	
FCA operating income 1 January - 30 June 2020	**—**	(1,675)
Pro-forma adjustments	**96**	1,024
Pro-forma operating income	**7,517**	65
Adjustments:		
Reversal of inventory fair value adjustment in purchase accounting(1)	**522**	—
Restructuring and other costs, net of reversal(2)	**541**	87
Impairment expense and supplier obligations(3)	**21**	771
Gains on disposal of investments(4)	**—**	(241)
Brazilian indirect tax - reversal of liability/recognition of credits(5)	**(222)**	—
Other(6)	**243**	70
Total adjustments	**1,105**	687
Pro-forma Adjusted operating income	**8,622**	752

(1) Reversal of fair value adjustment recognized in purchase accounting on FCA inventories.
(2) Restructuring and other costs related to reorganization of operations and dealer network, primarily in Enlarged Europe.
(3) Primarily related to impairment expense in North America, South America, Enlarged Europe and China and India & Asia Pacific due to reduced volume expectations primarily as a result of the estimated impacts of COVID, as well as for certain assets in Maserati.
(4) Primarily related to disposal of Changan PSA Auto Company Ltd ("CAPSA"), which was a joint venture in China.
(5) Benefit related to final decision of Brazilian Supreme Court on calculation of state value added tax.
(6) Includes other costs primarily related to merger and integration activities.

Cash flows from operating activities to Pro-forma Industrial free cash flows

(€ million)	I Half 2021
Cash flows from operating activities	**5,615**
Less: Cash flows from operating activities – discontinued operations	—
Cash flows operating activities – continuing operations	**5,615**
Less: operating activities not attributable to industrial activities	(22)
Less: capital expenditures and capitalized research and development expenditures and change in amounts payable on property, plant and equipment and intangible assets for industrial activities	4,982
Add: proceeds from disposal of assets and other changes in investing activities	100
Less: contributions of equity to joint ventures and minor acquisitions of consolidated subsidiaries and equity method investments	141
Add: net intercompany payments between continuing operations and discontinued operations	—
Add: defined benefit pension contribution, net of tax	36
Industrial free cash flows	**650**
Add: FCA Industrial free cash flows 1 January - 16 January 2021	**(1,813)**
Pro-forma Industrial free cash flows	**(1,163)**

Aggregated Industrial free cash flows H1 2020

(€ million)	I Half 2020
PSA Automotive free cash flows	(3,601)
FCA Industrial free cash flows	(9,972)
Aggregated Industrial free cash flows (1)	**(13,573)**

(1) The aggregated Industrial free cash flows for H1 2020 is the simple aggregation of FCA and PSA (excluding Faurecia) and does not reflect purchase accounting adjustments required by IFRS.

2021 Outlook

2021 Industry Outlook: North America +10% from +8% year over year, primarily due to improvements in U.S; South America +20%, outlook for region unchanged; Enlarged Europe +10%, outlook for region unchanged; Middle East & Africa +15%, outlook for region unchanged; India & Asia Pacific +10%, outlook for region unchanged; China +5%, outlook for region unchanged.
2021 Guidance: Adjusted operating income margin(1) of ~10%. Assumes no further deterioration of semiconductor supply and no further significant lockdowns in Europe and U.S.

(1) Guidance includes impacts from purchase accounting and changes in accounting policies as required by IFRS in connection with the Merger. Guidance refers to sections - non-GAAP Financial Measures and Pro-forma, which include results of FCA for the period 1 January - 16 January 2021.

PartnerRe

(100% interest in common shareholder's equity and 99.76% of voting rights; through Exor Nederland N.V.)

Data presented and commented below are derived from PartnerRe's consolidated financial information for the six months ended 30 June 2021 and 2020, and for the year ended 31 December 2020 prepared in accordance with US GAAP.

	1 Half	
$ million	**2021**	2020
Net premiums written	3,843	3,269
Non-life combined ratio[a]	92.4 %	112.6 %
Life and Health allocated underwriting result[b]	43	23
Net investment return	1.5 %	0.7 %
Other expenses	184	169
Net (loss) income attributable to PartnerRe common shareholders[c]	248	(204)
Net Income ROE[d]	7.2 %	(6.4)%

(a) PartnerRe uses a combined ratio to measure results for the Non-life P&C and Specialty segments. The combined ratio is the sum of the technical and other expense ratios.
(b) PartnerRe uses allocated underwriting result as a measure of underwriting performance for its Life and Health segment. This metric is defined as net premiums earned, other income or loss and allocated net investment income less life policy benefits, acquisition costs and other expenses.
(c) Net income/loss attributable to PartnerRe common shareholders is defined as net income/loss attributable to PartnerRe less preferred dividends.
(d) Net income ROE is calculated as net income return on average common shareholders' equity.

Net premiums written for the first half 2021 increased to $3.8 billion compared to $3.3 billion in the first half 2020. Non-life net premiums written of $3,025 million were up 20% for the half year 2021 compared to the same period of 2020. This was driven by favorable premium adjustments from prior underwriting years, compared to the prior year which included adverse premium exposure adjustments related to the economic downturn.
The Non-life underwriting profit was $190 million (combined ratio of 92.4%) for the half year 2021. This compares to a Non-life underwriting loss of $306 million (combined ratio of 112.6%) for the half year 2020.

The P&C segment reported a combined ratio of 95.5% for the half year 2021, compared to 103.5% for the half year 2020. The half year 2021 included catastrophic losses of $92 million (5.6 points) for Winter Storm Uri, net of retrocession and reinstatement premiums. The prior year included COVID-19 related losses, net of retrocession and reinstatement premiums, of $159 million for the half year 2020 (10.7 points). Excluding the impacts of COVID-19 and large catastrophic losses, there was an improvement in the current accident year loss ratio and prior year development for the half year 2021, compared to the same period of 2020. The improvement in the current accident year loss ratio was driven primarily by business mix changes and rate improvements.

The P&C segment was also adversely impacted by an aggregation of mid-sized catastrophic and man-made losses during 2020. The 2.1 point favorable impact of net prior years' reserve development for the full year 2020 compared to 4.4 points for 2019. The Specialty segment recorded a combined ratio of 112.2% for the full year 2020 compared to 103.0% for 2019, driven by COVID-19 related losses of $211 million (11.2 points) and higher adverse prior years' reserve development of 7.2 points compared to 4.0 points for 2019. This was partially offset by an improvement in the current accident year attritional loss ratio, and a decrease in large losses, as 2019 included 2.1 points related to a large aviation loss.

The Specialty segment reported a combined ratio of 86.9% for the half year 2021, compared to 127.5% for the half year 2020. The half year 2021 included catastrophic losses of $28 million (3.2 points) for Winter Storm Uri, net of retrocession and reinstatement premiums. The prior year included COVID-19 related losses, net of retrocession and reinstatement premiums, of $164 million (17.9 points) for the half year 2020. Excluding the impacts of COVID-19, the improvement in the combined ratio was driven by changes in prior years' reserve development, favorable business mix changes and rate improvements. Prior years' reserve development contributed to a decrease of 15.2 points on the combined ratio compared to half year 2020.

Life and Health net premiums written of $818 million were up 10% for the half year 2021, compared to the same period of 2020, reflecting growth in long-term life business.

The underwriting result, including allocated net investment income, was $43 million for half year 2021, compared to a profit of $23 million for the half year 2020. This included COVID-19 losses on protection products of $26 million for half year 2021, compared to $15 million for the half year 2020. The allocated underwriting result for the half year reflected improvements in short-term business and positive results in longevity business compared to the same period of 2020. The half year 2021 result also benefited from improvements in the guaranteed minimum death benefits (GMDB) line of business performance as a result of equity market increases in 2021, partially offset by a higher level of COVID-19 losses on protection products and the impact of a lower level of gains related to recaptures of business compared to half year 2020.

Net investment return for the half year 2021 was $302 million, or 1.5%, which included net investment income of $182 million, net realized and unrealized investment gains of $80 million, and interest in earnings of equity method investments of $40 million. This compares to a net investment return of $124 million, or 0.7%, for the half year 2020 which included net investment income of $175 million and interest in earnings of equity method investments of $2 million, partially offset by net realized and unrealized investment losses of $53 million.

Net investment income of $182 million was up $7 million, or 4%, for the half year 2021 compared to the same period of 2020, primarily due to the impact of higher reinvestment rates, driven by the significant widening in worldwide risk-free rates and the impact of portfolio re-allocations to U.S. bank loans, U.S. investment grade credit and Asia high yield credit; partially offset by the significant decrease in reinvestment rates experienced in Q1 2020 and the decision in Q1 2020 to sell higher yielding U.S. bank loan investments.

Net realized and unrealized investment gains of $80 million for the half year 2021 (2020: $53 million loss) included:

– Net realized and unrealized investment losses of $255 million (2020: $211 million gain) on fixed maturities and short-term investments, which were primarily unrealized, were driven by a significant increase in worldwide risk-free rates.
– Net realized and unrealized investment gains on equities of $228 million (2020: $137 million loss), which were also primarily unrealized, were driven by increases in worldwide equity markets that benefited public equity funds.
– Net realized and unrealized investment gains of $107 million (2020: $127 million loss) on other invested assets were driven by realized and unrealized investment gains on private equity investments.

Other Income Statement items

Net foreign exchange losses were $59 million for the half year 2021, driven primarily by U.S. dollar depreciation against the Canadian dollar and appreciation against the Euro, and the cost of hedging, while net foreign exchange gains were $95 million for the second half of 2020 were driven by the appreciation of the U.S. dollar against the British pound and Canadian dollar, partially offset by the cost of hedging.

Interest expense was $28 million for the half year 2021, compared to $16 million for the same period of 2020. The increase was driven by the issuance of $500 million 4.50% Fixed-Rate Reset Junior Subordinated Notes due 2050 during the third quarter of 2020.

Preferred dividends of $18 million for the half year 2021, compared to $23 million for the same period of 2020. In May 2021, PartnerRe fully redeemed its Series G, H and I preferred shares for a liquidation value of $637 million. PartnerRe also incurred a loss on redemption of $21 million, related to the preferred share issuance costs that were included in Additional paid-in-capital at issuance, and upon redemption were expensed, with no net impact to Common shareholder's equity.

Income tax expense was $23 million on pre-tax income of $310 million for the half year 2021 compared to a benefit of $28 million on pre-tax losses of $209 million for the same period of 2020.

Balance sheet and capitalization

Total investments and cash and cash equivalents were $19.9 billion at 30 June 2021, down 1.1% compared to 31 December 2020. The decrease was primarily driven by the redemption of Series G, H and I Preferred Shares at an aggregate liquidation value of $637 million and premium paid for a loss portfolio transfer and adverse development cover described below. This was partially offset by the issuance of $8 million 4.875% Fixed Rate Non-Cumulative Redeemable Perpetual Preferred Shares (the Series J Preferred Shares) at a liquidation value per share of $25 for total gross proceeds of $200 million, a $302 million net investment return for the first six months of 2021 and other operating cash flows.

Cash provided by operating activities was $431 million for the half year 2021, compared to $479 million for half year 2020. The decrease was primarily driven by cash flows from underwriting operations, including the impact of premium paid for the loss portfolio transfer and adverse development cover agreement entered into during the second quarter of 2021 related to prior underwriting years on PartnerRe's U.S. casualty and auto business. This resulted in a cash transfer for the premium at inception of the agreement, and a related increase in Reinsurance recoverables of $321 million at 30 June 2021.

Cash and cash equivalents, fixed maturities, and short-term investments, which are government issued or investment grade fixed income securities, were $14.1 billion at 30 June 2021, representing 71% of the total investments and cash and cash equivalents.

The average credit rating of the fixed income portfolio was AA at 30 June 2021. The expected average duration of the public fixed income portfolio at 30 June 2021 was 3.9 years, while the average duration of PartnerRe’s liabilities was 4.2 years.

Common shareholder's equity (or book value) of $7.0 billion and tangible book value of $6.5 billion at 30 June 2021 increased by 4.9% and 5.4%, respectively, compared to 31 December 2020, due to the comprehensive income for the half year 2021, partially offset by preferred dividends and issuance costs incurred for the Series J preferred shares in the first half of 2021.

Total capital was $9.2 billion at 30 June 2021, down 1.4% compared to 31 December 2020, primarily due to the redemption of Series G, H and I preferred shares and a decrease in the U.S dollar value of PartnerRe's Euro denominated debt, as the U.S dollar strengthened against the Euro during the first six months of 2021. This was partially offset by issuance of the Series J Preferred Shares and the increase in common shareholder's equity.

Dividend paid to Exor

In July 2021, PartnerRe declared and paid to EXOR Nederland N.V common share dividends of $107 million, compared to $50 million for 2020.

Reconciliation of reported US GAAP financial information to IFRS financial information used for line-by-line consolidation purposes

The differences between the US GAAP net income ($248 million) and the IFRS net income ($273 million) are immaterial and related only to the economic effects of the application of the acquisition method by Exor to account for the acquisition.

2021 Outlook

PartnerRe's financial results have been positively impacted by prior portfolio actions which earned in during the first half year 2021. The Non-life segments have showed strong performance as a result of improvements in the current accident year loss ratio from business mix changes and overall favorable pricing conditions across most lines of business, as well as comparative improvements in prior years' reserve development as older underwriting years run off. In addition, the Life and Health segment continues to contribute to book value and provides diversification effects.

PartnerRe, and its peers within the reinsurance industry, do not provide earnings guidance given its reinsurance results are largely exposed to low frequency and high severity risk events. Some of these risk events are seasonal, such that results for certain periods may include unusually low loss experience, while results for other periods may include modest or significant catastrophe losses. In addition, PartnerRe’s investment results are exposed to changes in interest rates, credit spreads, and capital markets in general, which result from fluctuations in general economic and financial market conditions. As a result, PartnerRe’s profitability in any one period or year is not necessarily predictive or indicative of future profitability or performance.

(26.89% stake, 41.68% of voting rights on issued capital)

Key consolidated figures of CNH Industrial for the first half of 2021 as follows:

	I Half		
$ million	**2021**	2020	Change
Revenues	**16,382**	11,012	5,370
Revenues in €	***13,592***	*9,993*	*3,599*
Adjusted EBIT of Industrial Activities(1)	**1,211**	(283)	1,494
Net (loss) income	**979**	(1,294)	2,273
of which attributable to owners of the parent	***952***	*(1,206)*	*2,158*
Net Industrial Debt(2)	**882**	297	585

(1) Adjusted EBIT is a non-GAAP financial measure used to measure performance. Adjusted EBIT is defined as profit/(loss) before taxes, financial services results, industrial activities financial expenses, restructuring costs and certain non- recurring items.
(2) Net Industrial debt is defined as net debt excluding the funded portion of the sell-liquidating financial receivables portfolio. Comparative data refer to 31 December 2020.

COVID-19

The COVID-19 pandemic and the related actions of governments and other authorities to contain COVID-19 spread continue to affect CNH Industrial's business, results, cash flow and outlook. Governments in many countries where the CNH Industrial operates designated part of its businesses as essential critical infrastructure businesses. This designation allows CNH Industrial to operate in support of its dealers and customers to the extent possible. CNH Industrial also continues to prioritize the health, safety and well-being of its employees.

Rising demand is adding pressure to the supply chain, requiring diligent coordination to keep production at desired levels. Adverse market trends in raw materials (particularly steel), freight and logistics costs have impacted its product cost performance in the first half of 2021.

CNH Industrial remains cautious about future impacts on CNH Industrial's end-markets and business operations of restrictions on social interactions and business operations to limit the resurgence of the pandemic. CNH Industrial is closely monitoring the impact of the COVID-19 pandemic on all aspects of its business, its employees and its results of operations, financial condition and cash flows in 2021.

Revenues

Net revenues were $16,382 million in the first half of 2021, an increase of 48.8% compared to the six months of the first half 2020 (up 43.2% on a constant currency basis). Net revenues of Industrial Activities were $15,553 million in first half of 2021, an increase of 53.4% (up 47.4% on a constant currency basis) compared to the first half of 2020, due to higher volumes driven by strong industry demand together with favorable price realization.

Net revenues for Agriculture were $7,018 million for the first half of 2021, an increase of 46.8% compared to the first half of 2020 (up 43.5% on a constant currency basis). The increase was due to higher industry demand, better mix, and favorable price realization.

Net revenues for Construction were $1,464 million in the first half of 2021, an increase of 73.9% compared to the first half of 2020 (up 70.7% on a constant currency basis), as a result of higher volumes driven by industry demand, channel destocking actions in 2020, and better price realization.

Net revenues for Commercial and Specialty Vehicles were $6,029 million in the first half of 2021, an increase of 60.4% compared to the first half of 2020 (up 51.2% on a constant currency basis), primarily driven by higher truck volumes.

Net revenues for Powertrain were $2,526 million in the first half of 2021, an increase of 66.6% compared to the first half of 2020 (up 56.3% on a constant currency basis), due to higher sales volume. Sales to external customers accounted for 44% of total net revenues (53% in the first half of 2020).

Net revenues for Financial Services totaled $884 million in the first half of, 2021, a decline of 4.4% compared to the first half of, 2020 (down 5.4% on a constant currency basis), primarily due to a lower average portfolio in North America and lower off-lease equipment sales, partially offset by positive impact from currency translation.

	I Half		
$ million	2021	2020	% change
Agriculture	**7,018**	4,780	46.8
Construction	**1,464**	842	73.9
Commercial and Specialty Vehicles	**6,029**	3,759	60.4
Powertrain	**2,526**	1,516	66.6
Elimination and other	**(1,484)**	(757)	n.s.
Total Industrial Activities	**15,553**	10,140	53.4
Financial Services	**884**	925	-4.4
Eliminations and other	**(55)**	(53)	n.s.
Revenues	**16,382**	11,012	48.8

Adjusted EBIT of Industrial Activities

Adjusted EBIT of Industrial Activities was $1,211 million in the first half of 2021, compared to an adjusted EBIT loss of $283 million during the first half of 2020. The increase in adjusted EBIT was primarily attributable to all segments being up year over year.

Adjusted EBIT of Agriculture was $963 million in the first half of 2021, an increase of $734 million compared to the first half of 2020. The increase was driven by higher volumes, favorable mix, and positive price realization, partially offset by higher raw material and freight costs, and SG&A and R&D costs returning to more normal levels from the low levels experienced in the previous year. Adjusted EBIT margin was 13.7% (4.8% in the first half of 2020).

Adjusted EBIT of Construction was $47 million in the first half of 2021, an increase of $216 million compared to the first half of 2020. The improvement was due to favorable volume and mix, positive price realization, and positive fixed cost absorption, partially offset by higher material and freight costs. Adjusted EBIT margin at 3.2%.

Adjusted EBIT of Commercial and Specialty Vehicles was $184 million in the first half of 2021 (up $426 million increase compared to the first half of 2020). The improvement was due to favorable volumes and mix, and positive price realization, partially offset by higher material costs and SG&A and R&D costs returning to more normal levels of spend from the low levels experienced in the prior year. Adjusted EBIT margin was 3.1% in the first half of 2021.

Adjusted EBIT of Powertrain was $179 million in the first half of 2021, up $138 million compared to the first half of 2020. The increase was mainly due to favorable volume and mix, partially offset by higher freight costs and higher costs for regulatory programs. Adjusted EBIT margin was 7.1% in the first half of 2021 (2.7% in the first half of 2020).

	I Half		Change	*2021 adjusted EBIT margin*	*2020 adjusted EBIT margin*
$ million	2021	2020			
Agriculture	**963**	229	734	**13.7 %**	4.8 %
Construction	**47**	(169)	216	**3.2 %**	(20.1)%
Commercial and Specialty Vehicles	**184**	(242)	426	**3.1 %**	(6.4)%
Powertrain	**179**	41	138	**7.1 %**	2.7 %
Unallocated items, elimination and other	**(162)**	(142)	(20)	**—**	—
Adjusted EBIT of Industrial Activities	**1,211**	(283)	1,494	**7.8 %**	(2.8)%

The following table shows the reconciliation of Adjusted EBIT of Industrial Activities (non-GAAP financial measure), to consolidated profit (loss), for the first half 2021 and 2020.

	I Half	
$ million	**2021**	2020
Consolidated profit (loss)	**979**	(1,294)
Less:		
Consolidated income tax benefit (expense)	**326**	(116)
Financial services	**(261)**	(196)
Add back:		
Financial expenses	**142**	129
Adjustments:		
Restructuring costs	**12**	12
Goodwill impairment loss	**—**	576
Other discrete items[1]	**13**	606
Adjusted EBIT of Industrial Activities	**1,211**	(283)

(1) In the first half of 2020 this item included impairment of intangible and other long-lived assets, as well assets optimization charges.

Net Industrial debt

Excluding positive exchange rate differences effect of $235 million, Net debt at 30 June 2021 decreased by $312 million compared to 31 December 2020 mainly reflecting $0.6 billion positive Free Cash Flow of Industrial Activities, partially offset by $0.2 billion in dividends paid.

$ million	**30/06/2021**	31/12/2020	Change
Third party debt[1]	**(25,038)**	(26,618)	1,580
Cash and cash equivalents	**8,584**	9,629	(1,045)
Other/financial asset/(liabilities)[2]	**127**	115	12
(Net debt)/Cash[3]	**(16,327)**	(16,874)	547
Industrial Activities	**882**	297	585
Financial Services	**(17,209)**	(17,171)	(38)

(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.
(2) Including fair value of derivative financial instruments.
(3) The net intersegment receivable/payable balance recorded by Financial Services relating to Industrial Activities was -$10 million and $134 million at 30 June 2021 and 31 December 2020, respectively.

2021 Outlook (US GAAP)

CNH Industrial manages its operations, assesses its performance and makes decisions about allocation of resources based on financial results prepared only in accordance with U.S. GAAP, and, accordingly, its full year guidance presented below had been prepared under U.S. GAAP.

CNH Industrial expects solid demand to continue across regions and segments. In the second half of the year, increased impact of raw material and continued freight and logistics costs will be partially offset by positive price realization.

CNH Industrial is updating the 2021 outlook for its Industrial Activities as follows:

– Net sales up between 24% and 28% year on year including currency translation effects;
– SG&A expenses lower/equal to 7.5% of net sales;
– Free cash flow positive in excess of $1.0 billion;
– R&D expenses and capital expenditures up slightly from previous ~ $2.0 billion.

Planned spin-off of On-Highway business

CNH industrial has confirmed its intention to enhance its customer focus through the separation of its "OnHighway" (commercial and specialty vehicles, powertrain and the related financial services business) and "OffHighway" (agriculture, construction and the related financial services business) businesses in early 2022.

The separation is expected to be effected through the spin-off of CNH Industrial N.V.'s equity interest in "On-Highway" to CNH Industrial N.V. shareholders.

Execution of the transaction requires further work on structure, management, governance and other significant matters as well as appropriate corporate approvals (including approval of the shareholders at an Extraordinary General Meeting) and satisfaction of other conditions.

CNH Industrial can make no assurance that any spin-off transaction will ultimately occur, or, if one does occur, its terms or timing.

JUVENTUS

(63.77% of share capital)

The following information refers to the accounting data for the period 1 January – 30 June 20201 drawn up by Juventus F.C. for the purposes of the preparation of the Half-year Condensed Consolidated Financial Statements of Exor at 30 June 2021.

	I Half		
€ million	30/06/2021	30/06/2020	Change
Revenues	**222**	248	(26)
Operating costs	**(186)**	(153)	(33)
Operating result	**(73)**	(9)	(64)
Loss for the period	**(77)**	(19)	(58)

€ million	30/06/2021	31/12/2020	Change
Shareholders' equity	**49**	125	(76)
Net financial debt	**387**	358	29

For a correct interpretation of the data, it should be noted that the financial year of Juventus does not coincide with the calendar year, but covers the period 1 July–30 June, which corresponds to the football season. The accounting data under examination thus represents the first half of operations for the financial year 2021/2022.
Interim data are prepared only for Exor consolidated reporting purpose and cannot be construed as representing the basis for a Juventus full-year projection.
Result performance is characterized by the highly seasonal nature typical of the sector, determined mainly by the calendar of football events and the two phases of the players' Transfer Campaign.
The financial position and cash flows are also affected by the seasonal nature of the income components; in addition, some revenue items are collected in a period different from the period to which they refer.

COVID-19

The national and international scenario of the period continues to be characterized by the impacts from the COVID-19 pandemic and the resulting restrictive measures for containment imposed by administrative, health and sports authorities.

These restrictive measures have not allowed, and currently do not allow, matches to be held with the public in attendance (effectively cancelling ticket sales). Moreover, the pandemic containment measures implemented with the Italian Prime Ministerial Decree of 3 November 2020 (as subsequently confirmed) entailed, in different phases, the closure to the public of the J Museum and stores, having a negative impact on visitor and merchandising revenues.

During the period, the protraction of the COVID-19 pandemic generated a significant negative impact on revenues (mainly from ticket sales and product sales), which can be quantified in about €50 million; conversely, the impact on costs was not significant, since some savings related to the lack of matches were partly offset by costs related to the pandemic (mainly health safeguards and protective devices).

The loss of the period 1 January - 30 June 2021 amounts to €77 million, compared to a loss of €19 million in the first half of the previous financial year.

In detail, the higher loss in the first half of the year is essentially attributable to lower revenues of €26 million, related to lower revenues from players' registration rights (€70 million) and the effects directly attributable to the pandemic on tickets sales and sales of products, licenses and similar (total €12 million); these negative effects were partly offset by higher revenues from radio and television rights (€42 million, related to the higher number of championship matches played in the half year in question).

Given the difficult context, the positive trend of revenues from sponsorships and advertising (slightly higher than the previous year), as well as the increase in revenues from e-commerce (up by 60%), which partially offset by the inevitable decline in revenues from physical retail stores.

The increase in operating costs of €33 million is mainly attributable to higher costs for registered personnel, mainly due to the absence of the benefits of contractual reductions agreed in the same period of the previous year.

Outlook and the going concern assumption

With the continuation of the COVID-19 health emergency the economic, financial and sporting context for Juventus remains highly uncertain, making it difficult to formulate reliable estimates in the short to medium term. The positive effects from the vaccination campaigns, which are currently in progress both in Italy and globally, now make it possible to assume that during the financial year 2020/2021 there will be a gradual reduction of the various restrictive measures imposed by the authorities and a substantial return to normality of the general economic context by the second half of 2022.

Juventus continues to monitor developments in the pandemic and in the related government measures so that it can adapt the conduct of the business promptly to the changing circumstances. This is necessary to introduce appropriate measures to safeguard its sources of revenue and its assets and at the same time maintain its high standards to protect the health and wellbeing of its technical staff and employees.

At present, for the financial year 2021/2022, which is still seriously affected by the direct and indirect effects of the pandemic, a significant loss is expected. On the assumption that there will be a substantial return to normality of the general economic context by the second half of 2022, and thanks to the actions taken in the last financial year to rationalize costs and recover revenues which have efficacy in the medium term, Juventus' operating result and cash flow are expected to improve from the year 2022/2023.

In assessing the outlook the uncertainties typical of the football business remain, deriving from, in particular, the performance of the First Team in the competitions in which it participates.

Regarding the applicability of the going concern assumption, the directors have concluded that there are no significant uncertainties, considering that Juventus has the means to continue its operational activities in the twelve-month period subsequent to the financial statements reference date. In arriving at this conclusion, they considered the key economic and financial indicators in the revised Development Plan 2019-2024 approved by the Board of Directors. In particular, in the first year of the Plan (which represents the budget for 2021/2022) a projected negative cash flow and a loss for the year are adequately covered by ample funding from the undrawn credit available at 30 June 2021 (amounting to €336 million) and by the positive impact on the net equity and net indebtedness of Juventus of the capital increase of up to €400 million which will be proposed for approval at the Extraordinary Meeting of Shareholders convened for 29 October 2021.

In this context, it should be noted that on 27 August 2021 EXOR N.V., that has undertaken to subscribe for its quota the capital increase (about 63.8%), paid in as an advance on future capital increase a total of €75 million to strengthen Juventus' capital and financial structure pending completion of the capital increase. This payment is an advance of the amounts which will be payable by EXOR N.V. for its quota of the capital increase and is attributable exclusively to EXOR N.V.

Also in connection with the strengthening of its capital and financial structure, in July 2021 Juventus signed a Pre-Underwriting Agreement with a pool of leading banks, under which the banks are committed, subject to conditions in line wit market practice for similar transactions, to enter into an agreement guaranteeing subscription and payment for any shares of the new issue which have not been subscribed at the conclusion of the auction of unexercised rights.

GEDI GRUPPO EDITORIALE

(89.62% of share capital)

The financial data prepared for EXOR consolidated reporting purposes differs from those reported by GEDI since the data consolidated by Exor reflects the effects of the application by Exor of the acquisition method to account for its acquisition of GEDI.
The following information refers to the key consolidated figures of GEDI.

€ million	I Half 2021	2020	Change
Net revenues	**248**	249	(1)
Gross operating profit (loss)	**7**	(12)	19
Adjusted operating (loss) profit	**(6)**	(20)	14
Net loss	**(11)**	(121)	110

€ million	30/06/2021	31/12/2020	Change
Shareholders' equity	**213**	227	(14)
Net financial debt	**116**	106	10

COVID-19

In 2020 the national and international scenario was characterized by the spread of the COVID-19 virus and the restrictive measures adopted by national and local authorities to contain, it which had and continue to have direct consequences on the organization and efficiency of GEDI's activities. In particular, the decline in consumption directly impacts the level of investment in advertising.

The start of 2021 has also been affected by the ongoing impact of COVID-19 and its related restrictive measures. In Italy, the number of cases started to grow in February and reached a peak in the last ten days of March. Since mid-April, the situation has been improving and has made it possible to slowly phase out restrictions and reopen commercial activities.

The evolution of the pandemic continues to have a significant impact on macro-economic projections and although the progress of the vaccination campaign is positive for the medium-term horizion, the timing and pace of the recovery are still uncertain.

GEDI monitors the evolution of the situation on a daily basis in order to minimize its effects on the business, both in terms of work-place health and safety and of GEDI's economic performance and financial position. GEDI has established and promptly implemented the necessary action plans, while continuing at the same time to invest accordingly with the individual strategies identified.

Revenues

€ million	I Half 2021	2020	Change
Circulation	**111**	126	(15)
Advertising	**115**	102	13
Add-ons and others	**22**	21	1
Total	**248**	249	(1)

In the context described above consolidated revenues totaled €248 million, which was in line with for the first half of 2020 of €249 million (+5% on a like-for-like basis). Revenues from digital activities represent 15.7% of consolidated sales (21.0% for the la Repubblica brand).

Circulation revenues from traditional products and digital subscriptions amounted to €111 million, a decline of 11.8% compared to the corresponding period in 2020 (-3.1% on a like-for-like basis).

In 2021, the actions to increase the sales of digital subscriptions have continued: the subscriber base, which has grown compared to the close of 2020, has attained higher profitability compared to the same period in 2020. This improvement is principally due to the transition of the customer base from promotional offers made in 2020 to full pricing. It is a measure of the continued interest of subscribers in GEDI's digital products – going beyond the effects of the COVID-19 emergency and in spite of the ending of the promotional period – and of the effectiveness of the new customer retention and engagement initiatives designed to reduce churn and to increase readers' consumption of products.

On 25 May 2021 a new digital product was launched, Zero Pubblicità. When purchased alone or combined with one or more existing digital products, allows the user to navigate the site and to access all content without any advertising.

Furthermore, in May 2021 the new Repubblica App was released which combines in one single app all the newspaper's digital offerings (both free of charge and subscription) with state of the art functionalities.

GEDI, across all its websites, registers 29.7 million unique users per month and an average of about 5.9 million unique users per day (Source: Audiweb, average for the period of January to May 2021).

During 2021, the strategy of releasing Content Hubs continued, with Moda & Beauty, il Gusto and Italian Tech, distributed across la Repubblica, La Stampa and all the local daily newspapers, in multichannel format (digital and paper) with a digital focus and a unified organizational structure. In 2020, the Green & Blue and Salute Content Hubs were successfully launched.

The purpose of the Content Hubs is to increase digital subscriptions, host interesting content for advertisers and ensure production and sales efficiency along the vertical themes.

Advertising revenues, amounting to €115 million, grew by 13.4% compared to the first half of 2020 (+16.2% on a like-for-like basis).

In terms of the various media within the Group, GEDI's advertising revenue from print newspapers increased by 13.5%, radio broadcasting by 26.3% and internet by 16.6% respectively.

Net loss

The consolidated net result was a loss of €11 million after the recognition of exceptional components attributable to the COVID-19 pandemic with an impact of €1 million on the net result. In the first of 2021 the sale of Editoriale Corriere di Romagna was completed and produced a disposal gain of €0.1 million. An agreement was also signed for the sale of the holdings in Editoriale La Libertà, Telelibertà and Altrimedia at a loss of €1 million (book value €9 million, selling price €8 million), with the sale completed in July 2021.

For the first half of 2020 the net loss was €121 million, including impairment losses on goodwill and publications of €74 million net of taxation, restructuring expenses and extraordinary components with an impact of €6 million on the company's result. Over the six-month period, impairment losses of €6 million were also recorded on the holdings in Editoriale Libertà and Editoriale Corriere di Romagna and €9 million were recorded for negative adjustments to deferred tax assets due to the worsening forecasts for the recovery of tax loss carryforwards due to COVID-19.

Adjusting to exclude the above components, the adjusted net loss for the first half of 2021 was €10 million compared to an adjusted net loss for the corresponding period of 2020 of €26 million.

2021 Outlook

In a context in which the outlook is still unclear, the main agencies and institutions are predicting that Italy's GDP will partially recover in 2021, thanks also to the progressive introduction of the measures included in the National Recovery and Resilience Plan.

This prospect, however, is highly susceptible to developments in the pandemic, which depend on the one hand on the spread of COVID-19 variants and on the other on the timing and efficacy of the ongoing vaccination campaign.

At present, therefore, the factors that contribute to the construction of revenue forecasts, and in particular of advertising revenues, both for the editorial (printed and digital) and the radio broadcasting segments continue to be subject to major uncertainty.

To mitigate the effects of these external events, GEDI's management is implementing a series of incisive actions to contain the main cost categories. The aim is to achieve further savings while at the same time continuing to invest according to the the individual strategies identified, in particular, seizing all the opportunities offered by the digital revolution to make the transformation needed to reach an ever-larger customer base on any platform.

This strategic context includes the agreements signed during 2021 for the purchase of the portals "alfemminile" and "AutoXY" which enrich and complete the services and content offered by GEDIs brands, both for readers and for advertising customers.

Further, at the beginning of June 2021 a preliminary agreement was reached with The Huffington Post LLC for the acquisition of the entire stake of the company Huffington Post Italia, one of the best-known and respected national on-line information brands, which produces and distributes daily articles, comment and original analysis on national and international events. Under the terms of the agreement, GEDI will acquire the 51% of the capital of the joint venture at present held by The Huffington Post LLC (BuzzFeed group). As a result, GEDI's holding in the company will increase to 100%; the completion of the transaction, which is subject to the customary regulatory authorizations, is expected by the end of the third quarter of the year.

With regard to forecast about the current year, considering the actions already taken and those planned, GEDI believes that, in the absence of a tightening of measures to contain the spread of the virus, it will be possible in 2021 to achieve higher margins compared to those reported in 2020.

The actions undertaken by the Government to sustain the national economy may, also, provide a positive contribution to the Company's results.

RISK FACTORS
SUBSEQUENT EVENTS AND
2021 OUTLOOK

RISK FACTORS

The management of Exor Group believes that the risk factors identified for the six months ended 30 June 2021 are in line with the main risks to which Exor is exposed. Those risks were identified and discussed in the 2020 Annual Report, in the Risk factors section, that already included the COVID-19 risk description.

The organizational structure and management of accounting and financial information for the preparation of the 2021 First Half-year Report are in line with the structure and processes applicable for the 2020 annual closing, as disclosed in the Risk management, risk and control system section of the 2020 Annual Report.

SUBSEQUENT EVENTS AND 2021 OUTLOOK

Juventus Football Club capital increase

On 25 August 2021 the Juventus's board of directors approved the proposal to increase the share capital against cash contribution up to €400 million, subject to the final approval by the extraordinary shareholders' meeting on 29 October 2021. In this context Juventus signed a pre-underwriting agreement with a pool of leading banks pursuant to which they are committed, subject to conditions in line with market practice for similar transactions, to subscribe any newly issued share that remains unsubscribed at the end of the auction period of the offering.
On 27 August 2021 Exor, that has undertaken to subscribe for its quota of the capital increase (about 63.8%), paid in €75 million as an advance on the future capital increase to strengthen Juventus's capital and financial structure pending completion of the transaction. It is expected that the transaction will be completed by the end of 2021, subject to the approval of the competent authorities.

Dividend from PartnerRe

In July 2021, Exor Nederland received a common share dividend from PartnerRe of $107 million (€91 million).

Dividend from The Economist Group

In July 2021, Exor received dividend from The Economist Group of £9 million (€10 million).

Change in the Audit Committee

Due to time constraints, Mr. Joseph Bae will step down from the Audit Committee and Ms. Ginevra Elkann will rejoin as Audit Committee member after today's Board meeting.

2021 Outlook

EXOR N.V. does not prepare budgets or business plans, nor does it publish forecast data or data on the basis of which it is possible to calculate forecast data.

Certain Exor operating subsidiaries and associates (Ferrari, CNH Industrial and Stellantis) publish forecast data on their performance. Other operating subsidiaries (PartnerRe and Juventus Football Club) publish information on the foreseeable outlook. Additional information is provided under "Review of performance of the main companies" in the Board Report.

The forecast data and information of the above mentioned operating companies and associates are drawn up autonomously and communicated by the respective companies and are not homogeneous. Quantitative forecast disclosures prepared by these operating companies and the type of information provided, as well as the underlying assumptions and calculation methods vary according to the accounting principles applicable to each subsidiary and the conventional application practices in the respective sector of reference.

EXOR N.V. in fact, is a holding company without a specific business of reference, head of a diversified and non integrated group that operates in different segments and does not exercise direction and coordination activities over its subsidiaries, which operate in a completely independent manner.

EXOR N.V. deems that the forecasted data and information of the subsidiaries and associates are not significant or suitable for the purposes of providing indications about the prospective economic trend of EXOR N.V.'s operations, nor represent a forecast or estimate of the company's results. Therefore, in assessing EXOR N.V.'s future prospects it is not possible to rely on the data and prospective information published by the aforesaid operating subsidiaries and associates.

07 September 2021

The Board of Directors

John Elkann

Alessandro Nasi

Andrea Agnelli

Ginevra Elkann

Marc Bolland

Joseph Bae

Ajay Banga

Melissa Bethell

Laurence Debroux

Half-year Condensed Consolidated Financial Statements at 30 June 2021

HALF-YEAR CONDENSED CONSOLIDATED INCOME STATEMENT (unaudited)

		First Half	
(€ million)	Note	2021	2020[1]
Net revenues	5	19,121	14,680
Cost of revenues		(14,852)	(13,186)
Selling, general and administrative expenses		(1,409)	(1,298)
Research and development costs		(873)	(851)
Other income (expenses), net	6	(98)	(530)
Result from investments		940	16
Net financial expenses	7	(182)	(155)
Profit (loss) before taxes		**2,645**	**(1,324)**
Tax expense	8	(408)	79
Profit (loss) from continuing operations		**2,238**	**(1,245)**
Profit (loss) from discontinued operations, net of tax	3	(496)	(2,742)
Profit (loss) for the period		**1,742**	**(3,987)**
Profit (loss) attributable to:			
Owners of the parent		*838*	*(1,318)*
Non-controlling interests		*904*	*(2,669)*
Profit (loss) from continuing operations attributable to:			
Owners of the parent		1,334	*(537)*
Non-controlling interests		*904*	*(708)*
Earnings per share (in €)	9		
Basic earnings per share		3.653	(5.691)
Diluted earnings per share		3.648	(5.691)
Earnings per share from continuing operations (in €)	9		
Basic earnings per share		5.815	(2.319)
Diluted earnings per share		5.810	(2.319)

1. Adjusted following the classification of FCA Group as a discontinued operation.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

HALF-YEAR CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(unaudited)

	First Half	
(€ million)	**2021**	**2020[1]**
Profit (loss) for the period from continuing operations	2,238	(1,245)
Profit (loss) for the period from discontinued operations	(496)	(2,742)
Profit (loss) for the period (A)	**1,742**	**(3,987)**
Items that will not be reclassified to the Consolidated Income Statement in subsequent periods:		
Gains (losses) on remeasurement of defined benefit plans	—	(2)
Share of gains (losses) on remeasurement of defined benefit plans for equity method investees	167	—
Gains (losses) on financial assets at fair value through other comprehensive income	21	1,326
Related tax effect	1	(6)
Items relating to discontinued operations, net of tax	177	—
Total items that will not be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B1)	**366**	**1,318**
Items that may be reclassified to the Consolidated Income Statement in subsequent periods:		
Gains (losses) on cash flow hedging instruments	(78)	74
Foreign exchange translation gains (losses)	668	(544)
Share of other comprehensive income (loss) of equity method investees	20	(20)
Related tax effect	9	(7)
Items relating to discontinued operations, net of tax	2,012	(1,061)
Total items that may be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B2)	**2,631**	**(1,558)**
Total Other Comprehensive Income (Loss), net of tax (B)=(B1)+(B2)	**2,997**	**(240)**
Total Comprehensive Income (A)+(B)	**4,739**	**(4,227)**
Total Comprehensive Income (Loss) attributable to:		
Owners of the parent	2,056	(1,457)
Non-controlling interests	2,683	(2,770)
Total Comprehensive Income (Loss) attributable to owners of the parent:		
Continuing operations	1,932	(375)
Discontinued operations	124	(1,082)

1. Adjusted following the classification of FCA Group as a discontinued operation.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

HALF-YEAR CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (unaudited)

(€ million)	Note	At 30 June 2021	At 31 December 2020
Assets			
Intangible assets	10	7,925	33,318
Property, plant and equipment	11	7,536	35,169
Investments and other financial assets	12	11,610	6,169
Deferred tax assets		1,115	2,192
Inventories	13	6,841	14,322
Trade and other receivables	14	22,308	24,108
Investments of reinsurance companies	15	15,774	14,422
Other assets		2,714	7,356
Assets held for sale		16	328
Cash and cash equivalents	16	9,616	35,561
Total Assets		**85,455**	172,945
Equity and Liabilities			
Equity attributable to owners of the parent	17	15,022	13,090
Non-controlling interests		6,559	24,570
Total Equity		**21,581**	37,660
Liabilities			
Provisions for employee benefits		1,717	10,671
Other provisions	19	3,192	15,176
Technical reserves reinsurance companies	20	14,702	13,336
Deferred tax liabilities		430	2,256
Financial debt and other financial liabilities	21	30,399	52,932
Trade payables		7,451	26,796
Tax payables		365	707
Other liabilities	22	5,618	13,212
Liabilities held for sale		—	199
Total Liabilities		63,874	135,285
Total Equity and Liabilities		**85,455**	172,945

(The accompanying notes are an integral part of these condensed consolidated financial statements)

HALF- YEAR CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

		Half years ended 30 June	
(€ million)	**Note**	**2021**	**2020**[1]
Cash flows from operating activities:			
Profit (loss) from continuing operations		2,238	(1,245)
Amortisation and depreciation		853	841
Gains on disposal of non-current assets		(142)	(74)
Other non-cash items[2]		(1,295)	963
Dividends received		305	28
Change in provisions		151	(131)
Change in deferred taxes		(92)	(194)
Change in inventories, trade and other receivables and payables		(160)	(227)
Cash flows from operating activities – discontinued operations		(756)	(6,032)
Total		**1,102**	**(6,071)**
Cash flows used in investing activities:			
Investments in property, plant and equipment and intangible assets		(665)	(592)
Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets		(698)	(329)
Consideration paid for the acquisition of GEDI net of cash and cash equivalents acquired		—	(170)
Net change in Investments of Reinsurance companies (PartnerRe Group)		(1,189)	(470)
Proceeds from disposal of investments, tangible, intangible and financial assets		34	7
Net change in financial receivables		(377)	910
Net change in securities		(208)	(21)
Net cash proceeds from disposal of discontinued operations		—	—
Other changes		114	2
Cash flows used in investing activities – discontinued operations		188	(2,887)
Total		**(2,801)**	**(3,550)**
Cash flows used in financing activities:			
Issuance of notes	21	993	1,309
Repayment of notes	21	(1,520)	—
Proceeds of other long-term debt, net of repayment	21	(873)	613
Net change in short-term debt and other financial assets/liabilities	21	(90)	52
Capital increases by subsidiaries		—	18
Exercise of stock options		8	—
Buyback of treasury shares		—	—
Dividends paid		(322)	(247)
Other changes		(125)	(141)
Cash flows used in financing activities – discontinued operations		(146)	8,048
Total		**(2,075)**	**9,652**
Translation exchange differences		**334**	**(376)**
Total Change in Cash and Cash Equivalents		**(3,440)**	**(345)**
Cash and cash equivalents at beginning of the period		**35,561**	**22,935**
Cash and cash equivalents at the beginning of the period included in Assets held for sale		**27**	**17**
Deconsolidation of FCA Group	3	**(22,532)**	
Cash and cash equivalents at the end of the period included in Assets held for sale		—	(13)
Cash and cash equivalents at the end of the period		**9,616**	**22,594**

1. Adjusted following the classification of FCA Group as a discontinued operation.
2. In 2021 mainly related to the share in the profit (loss) of the investments accounted by the equity method. In 2020 mainly referred to the impairment losses recognized in the income statement on Goodwill, development expenditure previously capitalized, property, plant and equipment and inventories.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

HALF-YEAR CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

(€ million)	Share Capital	Treasury Stock Reserve	Other reserves	Cash flow hedge reserve	Currency translation differences	Financial assets measured at FVTOCI	Remeasure -ment of defined benefit plans	Cumulative share of OCI of equity method investments	Total Owners of the parent	Non-controlling interests	Total
At 1 January 2020	**2**	**(269)**	**15,553**	**7**	**313**	**(43)**	**(258)**	**(280)**	**15,025**	**27,534**	**42,559**
Share-based compensation	—	—	16	—	—	—	—	—	**16**	34	**50**
Buyback of treasury shares	—	—	—	—	—	—	—	—	**—**	—	**—**
Capital increase by subsidiaries	—	—	—	—	—	—	—	—	**—**	2	**2**
Dividends declared	—	—	(100)	—	—	—	—	—	**(100)**	(161)	**(261)**
Total comprehensive income	—	—	(1,318)	(45)	(424)	358	(3)	(25)	**(1,457)**	(2,770)	**(4,227)**
Acquisition of Gedi	—	—	—	—	—	—	—	—	**—**	24	**24**
Effect of the change in the percentage ownership of companies[1]	—	—	(31)	—	(2)	—	(1)	(1)	**(35)**	35	**—**
Other changes	—	—	(46)	—	—	—	—	—	**(46)**	(97)	**(143)**
At 30 June 2020	**2**	**(269)**	**14,074**	**(38)**	**(113)**	**315**	**(262)**	**(306)**	**13,403**	**24,601**	**38,004**

1. Of which -€3 million relates to the CNH Industrial Group, -€1 million relates to the Ferrari Group and -€33 million relates to the FCA Group.

(€ million)	Share Capital	Treasury Stock Reserve	Other reserves	Cash flow hedge reserve	Currency translation differences	Financial assets measured at FVTOCI	Remeasure -ment of defined benefit plans	Cumulative share of OCI of equity method investments	Total Owners of the parent	Non-controlling interests	Total
At 1 January 2021	**2**	**(298)**	**15,347**	**11**	**(1,259)**	**(24)**	**(298)**	**(391)**	**13,090**	**24,570**	**37,660**
Share-based compensation	—	—	36	—	—	—	—	—	**36**	24	**60**
Buyback of treasury shares	—	—	—	—	—	—	—	—	**—**	—	**—**
Capital increase by subsidiaries	—	—	—	—	—	—	—	—	**—**	—	**—**
Dividends	—	—	(100)	—	—	—	—	—	**(100)**	(2,301)	**(2,401)**
Total comprehensive income	—	—	838	20	808	(22)	51	361	**2,056**	2,683	**4,739**
Loss of control of FCA Group and recognition of Stellantis	—	—	—	—	—	—	124	(124)	**—**	(18,044)	**(18,044)**
Effect of the change in the percentage ownership of companies[2]	—	—	(13)	—	—	—	—	—	**(13)**	(9)	(22)
Other changes	—	—	(57)	—	1	—	—	9	**(47)**	(364)	**(411)**
At 30 June 2021	**2**	**(298)**	**16,051**	**31**	**(450)**	**(46)**	**(123)**	**(145)**	**15,022**	**6,559**	**21,581**

2. Of which -€23 million relates to the Welltec Group, +€1 million relates to the Ferrari Group and +€9 million relates to Exor Seeds.

(The accompanying notes are an integral part of these condensed consolidated financial statements)

NOTES TO THE HALF-YEAR CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information on the activities of the Group

EXOR N.V. ("Exor" or the "Company" and together with its subsidiaries the "Exor Group" or the "Group"), was incorporated as a public limited company (*naamloze vennootschap*) under the laws of the Netherlands on 30 September 2015 and in 2016 became the holding company for the Exor Group following the cross-border merger with EXOR S.p.A. (the "Merger").

Exor is one of Europe's largest diversified holding companies and is controlled by Giovanni Agnelli B.V. which holds approximately 52% of its share capital.

Exor and its subsidiaries operate through CNH Industrial N.V. and its subsidiaries ("CNH Industrial" or the "CNH Industrial Group") in agricultural equipment, construction equipment and commercial vehicles, PartnerRe Ltd and its subsidiaries ("PartnerRe" or the "PartnerRe Group") in the reinsurance sector, Ferrari N.V. and its subsidiaries ("Ferrari" or the "Ferrari Group") in luxury performance sports car, GEDI Gruppo Editoriale S.p.A. and its subsidiaries ("GEDI" or the "GEDI Group") in the media sector and Juventus Football Club S.p.A. ("Juventus") in the professional football sector.

2. Basis of preparation and significant accounting policies

Authorization of Half-year Condensed Consolidated Financial Statements and compliance with International Financial Reporting Standards

The accompanying Half-year condensed consolidated financial statements together with the notes thereto (the "Half-year Condensed Consolidated Financial Statements") of Exor at 30 June 2021 were authorized for issuance on 7 September 2021 and have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and as adopted by the European Union (EU-IFRS). The designation "IFRS" also includes International Accounting Standards ("IAS"), as well as all interpretations of the IFRS Interpretations Committee ("IFRIC").

The Half-year Condensed Consolidated Financial Statements, which have been prepared in accordance with IAS 34 – Interim Financial Reporting, do not include all of the information and notes required for complete financial statements and should be read in conjunction with the audited annual consolidated financial statements at and for the year ended 31 December 2020 included within the 2020 Annual Report (the "Exor Consolidated Financial Statements at 31 December 2020"). The accounting policies are consistent with those used at 31 December 2020, except as described in the section "New standards and amendments effective from 1 January 2021" below.

Basis of preparation

The Half-year Condensed Consolidated Financial Statements are prepared under the historical cost convention, except where the use of fair value is required for the measurement of certain financial assets and derivatives, as well as on the going concern assumption. Despite operating in a continuously difficult economic and financial environment negatively impacted by the continuing spread of the COVID-19 pandemic, the Group's assessment is that no material uncertainties (as defined in IAS 1 – Presentation of Financial Statements) exist about its ability to continue as a going concern, in view also of the measures already undertaken by Exor and its subsidiaries and associates to preserve cash and contain costs.

The Group's presentation currency is the Euro, which is also the functional currency of the Company and, unless otherwise stated, information is presented in millions of Euro.

The Group presents the income statement using a classification based on the function of expenses, rather than a presentation based on the nature of expenses, as it is more representative of the format used for internal reporting and management purposes and consistent with international practice.

The statement of financial position is presented in decreasing order of liquidity as permitted by IAS 1 paragraph 60. More specifically, the consolidated financial statements include both industrial companies and financial services companies. While a separate classification of current and non-current in the statement of financial position provides useful information for industrial business, for the entities that have diverse operations and for which financial services activities are significant, a presentation of assets and liabilities in increasing or decreasing order of liquidity provides information that is reliable and more relevant.

Use of accounting estimates and management's assumptions

The preparation of the Half-year Condensed Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and disclosure of contingent liabilities. Furthermore, certain valuation procedures, in particular those of a more complex nature, are only carried out in full during the preparation of the annual financial statements, when all the information required is available, other than in the event that there are indications of impairment when an immediate assessment is necessary.

Due to the currently unforeseeable global consequences of the COVID-19 pandemic, these estimates and assumptions are subject to increased uncertainty. Actual results could differ materially from the estimates and assumptions used in the preparation of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Half-year Condensed Consolidated Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The Half-year Condensed Consolidated Financial Statements include all adjustments considered necessary by management to fairly state the Group's results of operations, financial position and cash flows. See note 2 "Basis of preparation and significant accounting policies", paragraph "Use of estimates", in the Consolidated Financial Statements at 31 December 2020.

New standards and amendments effective from 1 January 2021

The following amendments and interpretations, which were effective from 1 January 2021, were adopted by the Group. The adoption of these amendments had no material impact on the Half-year Condensed Consolidated Financial Statements.

Interest Rate Benchmark Reform – Phase 2

In August 2020, the IASB issued Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16), which is complementary to Interest Rate Benchmark Reform, as issued in September 2019. The amendments address issues that arise as a result of implementation of the reforms, including the effects of changes in the contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark.

New standards and amendments not yet effective and not early adopted

Reference should be made to the paragraph "New standards and amendments not yet effective and not early adopted" within the Exor Consolidated Financial Statements at 31 December 2020 for a description of other new standards not yet effective and not adopted at 30 June 2021. Furthermore:

Amendments to IAS 12 – Income Taxes

In May 2021, the IASB issued targeted amendments to IAS 12 – Income Taxes, the IFRS Standard on income taxes, to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. IAS 12 specifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognizing deferred tax when they recognize assets or liabilities for the first time. Previously, there had been some uncertainty about whether the exemption applied to transactions such as leases and decommissioning obligations —transactions for which companies recognize both an asset and a liability. The amendments clarify that the exemption does not apply and that companies are required to recognize deferred tax on such transactions. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations. The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with early application permitted. The Group are currently evaluating the impact of the adoption of these amendments.

Consolidation of foreign entities

The principal exchange rates used to translate other currencies into Euro are as follows:

	H1 2021		At 31 December	H1 2020	
	Average	At 30 June	2020	Average	At 30 June
U.S. dollar	1.205	1.188	1.227	1.102	1.120
Brazilian real	6.489	5.905	6.374	5.410	6.112
Chinese renminbi	7.796	7.674	8.023	7.751	7.922
Polish zloty	4.537	4.521	4.560	4.412	4.456
Argentinian peso	115.383	113.766	103.043	78.890	78.890
British pound	0.868	0.858	0.899	0.875	0.912
Swiss franc	1.094	1.098	1.080	1.064	1.065
Mexican peso	24.317	23.578	24.416	23.843	25.947
Canadian dollar	1.503	1.472	1.563	1.503	1.532
Hong Kong dollar	9.355	9.229	9.514	—	—
Corona Danese	7.437	7.436	7.441	7.465	7.453
Japanese Yen	129.870	131.430	126.490	119.270	120.660

Seasonality of the business

The activities of the PartnerRe Group and Juventus Football Club are affected by the highly seasonal nature of their businesses. In particular:

– The results of PartnerRe are exposed to low frequency and high severity risk events. Some of these risk events are seasonal, such that results for certain periods may include unusually low loss experience, while results for other periods may include modest or significant catastrophe losses. In addition, PartnerRe’s investment results are exposed to changes in interest rates and credit spreads, which result from fluctuations in general economic and financial market conditions. As a result, PartnerRe’s profitability in any one period or year is not necessarily predictive or indicative of future profitability or performance.

– The financial year of Juventus Football Club does not coincide with the calendar year but covers the period 1 July – 30 June, which corresponds to the football season. Economic performance is characterized by the highly seasonal nature typical of the sector, determined mainly by the calendar of football events (to which the main revenue items are related and recognized in the income statement) and by the phases of the players’ Transfer Campaign, carried out during the first phase (usually in July and August but in September and October in this year due to COVID-19 pandemic) and the second phase in January, which can result in significant economic and financial effects at the beginning and during the course of the season. The main cost items not referable to individual football events (such as players’ wages and amortization relative to registration rights) are instead recorded in the income statement on a straight-line basis.

3. Scope of consolidation

The consolidated financial statements include the companies over which Exor exercises control, and from which, directly or indirectly, Exor is able to derive benefit by virtue of its power to govern their corporate financial and operating policies. The companies/groups included in the scope of consolidation at 30 June 2021 are the following:

Company/Group	Country	Ownership	
		Group	Non-controlling interest
Operating subsidiaries / Segment entities			
CNH Industrial	the Netherlands	27.09 %	72.91 %
Ferrari	the Netherlands	24.09 %	75.91 %
PartnerRe	Bermuda	100 %	— %
Juventus Football Club	Italy	63.77 %	36.23 %
GEDI Gruppo Editoriale	Italy	89.62 %	10.38 %
Exor Seeds	USA	80.97 %	23.66 %
Shang Xia[a]	People's Rep.of China	77.30 %	22.70 %
Exor Capital LLP[b]	United Kingdom	99.67 %	0.33 %
Other Exor entities			
Exor Nederland N.V.	the Netherlands	100 %	— %
Exor S.A.	Luxembourg	100 %	— %
Exor Investments Limited	United Kingdom	100 %	— %
Exor SN LLC	USA	100 %	— %
Ancom USA Inc.	USA	100 %	— %

(a) Owned through the holding Company Full More Group (Hong Kong).
(b) Formerly Exor Investments (UK) LLP.

Changes in the Scope of Consolidation

2021

Deconsolidation of former FCA Group

On 17 December 2019, FCA and PSA entered into a combination agreement providing for the combination of FCA and PSA through a cross-border merger, with FCA as the surviving legal entity in the merger.

On 14 September 2020, FCA and PSA agreed to amend the combination agreement. According to the combination agreement amendment, the FCA extraordinary dividend, to be paid to former FCA shareholders was reduced to €2.9 billion, with PSA's 46% stake in Faurecia planned to be distributed to all Stellantis shareholders promptly after closing following approval by the Stellantis board and shareholders.

On 4 January 2021, PSA and FCA extraordinary general shareholders meetings approved the merger.

On 16 January 2021, PSA merged with and into FCA. By virtue of the merger, FCA issued 1.742 FCA common shares for each outstanding PSA ordinary share and each PSA ordinary share ceased to exist. Each issued and outstanding common share of FCA remained unchanged as one common share in FCA. The surviving entity changed its name to Stellantis on 17 January 2021, which was the accounting acquisition date for the business combination. Following the merger, Exor continues to hold 449,410,092 common shares of Stellantis, corresponding to 14.4% of the outstanding capital.

On 29 January 2021, the extraordinary dividend of approximately €2.9 billion (Exor's share €827 million) was paid to holders of FCA common shares of record as of the close of business on Friday, 15 January 2021.

As part of the merger, Stellantis distributed to its shareholders its 39.34% stake in Faurecia and the proceeds amounting to approximately €308 million generated by the sales of ordinary shares of Faurecia effected in 2020. On 22 March 2021 Exor received 7,653,004 Faurecia ordinary shares and €43 million.

Exor accounted for the former FCA Group applying the line-by-line consolidation method for the period from 1 January 2021 to 16 January 2021 (the date of the completion of the merger). At that date, Exor lost control over FCA and therefore derecognized the former FCA Group net assets at 16 January 2021 and reclassified to the income statement, in the item Profit (loss) from discontinued operations, the amounts previously recognized in other comprehensive income related to the subsidiary.

At the date of completion of the merger Exor assessed to have significant influence on Stellantis and started applying the equity method according to IAS 28. On initial recognition the investment was accounted for at cost, equal to €6,660 million, which will be attributed to the Exor's share of Stellantis's net fair value as part of the purchase price allocation, to be completed within one year from the initial recognition.

The presentation of the FCA Group is as follows:

- The net results of FCA have been excluded from the Group’s continuing operations and are presented net of taxes as a single line item within the Half-year Condensed Consolidated Income Statement for the six months ended 30 June 2021 and 2020. In order to present the financial effects of a discontinued operation, revenues and expenses arising from intercompany transactions were eliminated except for those revenues and expenses that are considered to continue after the disposal of the discontinued operation. However, no profit or loss is recognized for intercompany transactions.
- The assets and liabilities of the FCA Group at 16 January 2021 have been derecognized. The assets and liabilities of FCA Group at 31 December 2020, presented for comparative purposes, have not been reclassified.
- Cash flows arising from FCA have been presented separately as discontinued cash flows from operating, investing and financing activities within the Half-year Condensed Consolidated Statements of Cash Flows for the six months ended 30 June 2021 and 2020. These cash flows represent those arising from transactions with third parties.

The following table summarizes the operating results of FCA Group that were excluded from the Half-year Condensed Consolidated Income Statement for the six months ended 30 June 2020:

	First Half year ended 30 June			
(€ million)	**2020 as reported**	**FCA**	**IC**	**2020**
Net revenues	46,791	(32,274)	163	14,680
Cost of revenues	(42,944)	29,921	(163)	(13,186)
Selling, general and administrative expenses	(3,778)	2,480		(1,298)
Research and development costs	(2,360)	1,509		(851)
Other income (expenses), net	(569)	39		(530)
Result from investments	89	(73)		16
Net financial expenses	(605)	450		(155)
Profit (loss) before taxes	**(3,376)**	2,052	—	**(1,324)**
Tax expense	(611)	690		79
Profit (loss) from continuing operations	**(3,987)**	2,742	—	**(1,245)**
Profit (loss) from discontinued operations, net of tax	—	(2,742)		(2,742)
Profit (loss) for the period	**(3,987)**	—	—	**(3,987)**
Profit (loss) attributable to:				
Owners of the parent	*(1,318)*			*(1,318)*
Non-controlling interests	*(2,669)*			*(2,669)*
Profit (loss) from continuing operations attributable to:				
Owners of the parent	*(1,318)*	*781*		*(537)*
Non-controlling interests	*(2,669)*	*1,961*		*(708)*
Earnings per share (in €)				
Basic earnings per share	(5,69)			(5.69)
Diluted earnings per share	(5,69)			(5.69)
Earnings per share from continuing operations (in €)				
Basic earnings per share	(5,69)	3.37		(2.32)
Diluted earnings per share	(5,69)	3.37		(2.32)

The following table summarizes the results of FCA Group that were excluded from the Half-year Condensed Consolidated Statement of Comprehensive Income for the six months ended 30 June 2020:

	First half year ended 30 June		
(€ million)	**2020 as reported**	**FCA**	**2020**
Profit (loss) for the period from continuing operations	(3,987)	2,742	(1,245)
Profit (loss) for the period from discontinued operations	—	(2,742)	(2,742)
Profit (loss) for the period (A)	**(3,987)**	**—**	**(3,987)**
Items that will not be reclassified to the Consolidated Income Statement in subsequent periods:			
Gains (losses) on remeasurement of defined benefit plans	(2)		(2)
Share of gains (losses) on remeasurement of defined benefit plans for equity method investees			
Gains (losses) on financial assets at fair value through other comprehensive income	1,326		1,326
Related tax effect	(6)		(6)
Items relating to discontinued operations, net of tax			
Total items that will not be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B1)	**1,318**	**—**	**1,318**
Items that may be reclassified to the Consolidated Income Statement in subsequent periods:			
Gains (losses) on cash flow hedging instruments	(232)	306	74
Foreign exchange translation gains (losses)	(1,334)	790	(544)
Share of other comprehensive income (loss) of equity method investees	(76)	56	(20)
Related tax effect	84	(91)	(7)
Items relating to discontinued operations, net of tax		(1,061)	(1,061)
Total items that may be reclassified to the Consolidated Income Statement in subsequent periods, net of tax (B2)	**(1,558)**	**—**	**(1,558)**
Total Other Comprehensive Income (Loss), net of tax (B)=(B1)+(B2)	**(240)**	**—**	**(240)**
Total Comprehensive Income (A)+(B)	**(4,227)**	**—**	**(4,227)**
Total Comprehensive Income (Loss) attributable to:			
Owners of the parent	(1,457)		(1,457)
Non-controlling interests	(2,770)	—	(2,770)
Total Comprehensive Income (Loss) attributable to owners of the parent:			
Continuing operations	(1,457)	1,082	(375)
Discontinued operations	—	(1,082)	(1,082)

The following table summarizes the cash-flows of FCA Group that were presented as discontinued cash-flows for the six months ended 30 June 2020:

(€ million)	First half year ended 30 June		
	2020 as reported	FCA	2020
Cash flows from operating activities:			
Profit from continuing operations	(3.987)	2.742	(1.245)
Amortisation and depreciation	3.446	(2.605)	841
Gains on disposal of non-current assets	(74)		(74)
Other non-cash items	1.789	(826)	963
Dividends received	101	(73)	28
Change in provisions	(2.067)	1.936	(131)
Change in deferred taxes	459	(653)	(194)
Change in inventories, trade and other receivables and payables	(5.738)	5.511	(227)
Cash flows from operating activities – discontinued operations	0	(6.032)	(6.032)
Total	**(6.071)**	**0**	**(6.071)**
Cash flows used in investing activities:			
Investments in property, plant and equipment and intangible assets	(4.584)	3.992	(592)
Investments in joint ventures, associates, unconsolidated subsidiaries and financial assets	(330)	1	(329)
Consideration paid for the acquisition of GEDI net of cash and cash equivalents acquired	(170)		(170)
Net change in Investments of Reinsurance companies (PartnerRe Group)	(470)		(470)
Proceeds from disposal of investments, tangible, intangible and financial assets	83	(76)	7
Net change in financial receivables	1.628	(718)	910
Net change in securities	298	(319)	(21)
Other changes	(5)	7	2
Net cash proceeds from disposal of discontinued operations			0
Cash flows used in investing activities – discontinued operations		(2.887)	(2.887)
Total	**(3.550)**	**0**	**(3.550)**
Cash flows used in financing activities:			
Issuance of notes	1.309		1.309
Repayment of notes	(1.376)	1.376	0
Issuance of other long-term debt net of repayment	10.102	(9.489)	613
Net change in short-term debt and other financial assets/liabilities	(13)	65	52
Capital increase of subsidiaries	18		18
Dividends paid	(247)		(247)
Other changes	(141)		(141)
Cash flows used in financing activities – discontinued operations	0	8.048	8.048
Total	**9.652**	**0**	**9.652**
Translation exchange differences	(376)	233	(143)
Translation exchange differences - discontinued operations		(233)	(233)
Total Change in Cash and Cash Equivalents	**(345)**	**0**	**(345)**

The following table represents the assets and liabilities of the FCA Group deconsolidated at 16 January 2021:

(€ million)	At 16 January 2021
Assets	
Intangible assets	25,853
Property, plant and equipment	27,874
Investments and other financial assets	3,145
Deferred tax assets	1,075
Inventories	9,626
Trade and other receivables	4,005
Other assets	5,273
Assets held for sale	321
Cash and cash equivalents	22,514
Total Assets	**99,686**
Equity and Liabilities	
Equity attributable to owners of the parent	23,337
Non-controlling interests	124
Total Equity	**23,461**
Liabilities	
Provisions for employee benefits	8,776
Other provisions	12,066
Deferred tax liabilities	1,895
Financial debt and other financial liabilities	21,593
Trade payables	20,293
Tax payables	499
Other liabilities	10,896
Liabilities held for sale	207
Total Liabilities	**76,225**
Total Equity and Liabilities	**99,686**

The following table represents the results of the discontinued operations.

€ million	Six months ended 30 June	
	2021	**2020**
Exor share of the FCA profit (loss)	8	(781)
Reversal of Exor's share in FCA OCI reserve	(490)	—
Other adjustments	(14)	—
Profit (loss) from discontinued operations attributable to owners of the Parent	**(496)**	**(781)**

Acquisition of Shang Xia
At the end of December 2020, Exor acquired a 77.30% stake in Shang Xia (through the holding company Full More Group) for a total consideration of €79 million.
The transaction was accounted for in accordance with IFRS 3, by applying the acquisition method on the basis of the financial statements prepared in accordance with IFRS at 31 December 2020 (the acquisition date) and therefore did not have any effect on the 2020 income statement.
In 2021 Exor finalized the purchase price allocation process, identifying trademark of €48 million and a residual goodwill of €49 million.

2020

Acquisition of GEDI
In 2020 Exor completed the acquisition of the control of GEDI Gruppo Editoriale S.p.A. for a total consideration of €202 million at 31 December 2020 (89.62% of issued share capital).
Exor finalized the process of measuring the fair values assigned to GEDI's assets and liabilities at the acquisition date and identified a bargain purchase of €18 million, which represents the excess of the net assets of GEDI at the acquisition date over the consideration paid. Such amount was booked as a gain in the income statement in the second half of 2020.

4. Segment reporting

Reportable segments reflect the operating segments of the Group that are regularly reviewed by the Chief Executive Officer, who is the "chief operating decision maker", as defined under IFRS 8 – Operating Segments, for making strategic decisions and allocating resources and assessing performance, and that exceed the quantitative threshold provided in IFRS 8, or whose information is considered useful for the users of the financial statements.
The Exor Group reportable segments coincide with the consolidated data of its principal investments, each of which represents an investment in a major business segment: Stellantis, CNH Industrial, Ferrari, PartnerRe, Juventus and GEDI. The column "Other and adjustments" includes unallocated income and expenses, share of profit in equity investments of EXOR N.V., expenses related to corporate activities and finance income and expense of EXOR N.V. and other Exor entities which are not included within the reportable segments as well as assets and liabilities of the Holdings System entities.

Prior to the merger of PSA with and into FCA, Exor segment reporting included FCA as a reportable segment. Following the merger, the economic data of FCA have been excluded from continuing operations and are presented in a single line item within the condensed consolidated income statement for the first half of 2021 and 2020, as discontinued operations, while the assets and liabilities of FCA Group at 31 December 2020 have not been reclassified for the comparative consolidated statement of financial position.

The following tables summarize selected financial information by reporting segment for the six months ended 30 June 2021 and 2020. Data presented are prepared by each subsidiary for the Exor consolidation process and may differ from data published by each subsidiary in its financial report.

(€ million)	Stellantis[1]	CNH Industrial	Ferrari	PartnerRe	Juventus	GEDI	Other and adjustments	Consolidated
1 HALF 2021								
Segment revenues		13,592	2,046	2,988	222	248	25	**19,121**
Revenues from transactions with other operating segments		—	—	—	—	—	—	**—**
Revenues from external customers[2]		13,592	2,046	2,988	222	248	25	**19,121**
Profit (loss) for the period	842	812	412	226	(79)	(11)	36	**2,238**
Profit (loss) from discontinued operations							*(496)*	**(496)**
Profit (loss) attributable to owners of the parent[3]	842	214	99	219	(49)	(10)	(477)	**838**
30 June 2021								
Total assets	7,255	42,928	6,130	24,414	919	655	3,154	**85,455**
Gross debt		21,213	2,375	2,727	400	163	3,521	**30,399**
Cash and cash equivalents		7,223	922	777	11	46	637	**9,616**
Total equity	7,255	6,501	1,913	6,708	49	217	(1,062)	**21,581**
Issued capital and reserves attributable to owners of the parent[3]	7,255	1,694	460	6,540	31	194	(1,152)	**15,022**

1) Consolidated with the equity method starting from 16 January 2021.
2) PartnerRe: net premiums for €2,763 million and the portfolio result and other revenues for €225 million.
3) Exor share of the result or equity attributable to the owners of the parent of each segment entity.

(€ million)	FCA	CNH Industrial	Ferrari	PartnerRe	Juventus	GEDI	Associates, other and adjustments	Consolidated
1 HALF 2020								
Segment revenues	—	9,993	1,503	2,979	248	82	(125)	**14,680**
Revenues from transactions with other operating segments	—	(115)	(25)		—		140	**—**
Revenues from external customers[2]	—	9,878	1,478	2,979	248	82	15	**14,680**
Profit (loss) for the period	—	(1,174)	175	(185)	(19)	(12)	(2,772)	**(3,987)**
Profit (loss) from discontinued operations	—	—	—	—	—	—	(2,742)	**(2,742)**
Profit (loss) attributable to owners of the parent[3]		(324)	42	(185)	(12)	(11)	(828)	**(1,318)**
31 December 2020								
Total assets	100,053	41,199	6,262	22,537	967	660	1,267	**172,945**
Gross debt[4]	21,750	21,805	2,727	1,915	396	143	4,196	**52,932**
Cash and cash equivalents	23,846	7,847	1,363	1,916	38	36	515	**35,561**
Total equity	25,861	5,489	1,789	6,583	125	231	(2,418)	**37,660**
Issued capital and reserves attributable to owners of the parent[3]	7,337	1,431	452	6,025	80	207	(2,442)	**13,090**

1) The economic data of FCA (now Stellantis) for the first-half 2020 are presented in the row Profit (loss) from discontinued operation.
2) PartnerRe: net premiums for €2,862 million and the portfolio result and other revenues for €117 million.
3) Exor share of the result or equity attributable to the owners of the parent of each segment entity.
4) Gross debt is defined as financial debt and other financial liabilities.

5. Net revenues

Net revenues for the six months ended 30 June 2021 and 2020 are as follows:

	Six months ended 30 June	
(€ million)	**2021**	**2020**
Revenues from sales of goods and services	15,645	11,078
Net premiums earned of insurance and reinsurance companies	2,763	2,862
Interest income of financial services activities	333	413
Investment income and net realized and unrealized investments gains of insurance and reinsurance companies	218	117
Other	162	210
Total net revenues	**19,121**	**14,680**

6. Other income (expense), net

Other net expenses for the half-year ended 30 June 2021 amount to €98 million (€530 million for the half-year ended 30 June 2020) and includes €10 million (€7 million in the half-year ended 30 June 2020) of restructuring costs and €88 million of other income and expenses which cannot be allocated to specific functional areas,of which €80 million recognized by the CNH Industrial Group that included legal costs, indirect taxes and the benefit cost for former employees.

In the first-half 2020 the item mainly included €523 million of impairment loss on goodwill accounted for by CNH Industrial.

7. Net financial expenses

Net financial expenses for the six months ended 30 June 2021 and 2020 are as follows:

	Six months ended 30 June	
(€ million)	**2021**	**2020**
Financial Income:		
Interest and other financial income	21	3
Financial services income	333	413
Gains on disposal of securities	218	117
Total financial income	**572**	**533**
Related to:		
Industrial companies (A)	*21*	*3*
Financial services companies (reported within net revenues)	*333*	*413*
Reinsurances companies (reported within net revenues)	*218*	*117*
Financial Expenses:		
Interest expenses and other financial expenses	(248)	(462)
Write-downs and losses on financial assets and securities	(10)	—
Net interest expenses on employee benefits provisions	(4)	(7)
Total interest and other financial expenses	**(262)**	**(469)**
Net expenses from derivative financial instruments and exchange rate differences	**(96)**	**33**
Total financial expenses	**(358)**	**(436)**
Related to:		
Industrial companies (B)	*(203)*	*(158)*
Financial services companies (reported within cost of revenues)	*(155)*	*(278)*
Net financial expenses relating to industrial companies (A+B)	**(182)**	**(155)**

8. Tax expense

Tax expense for the six months ended 30 June 2021 and 2020 is as follows:

	Six months ended 30 June	
(€ million)	**2021**	**2020**
Current tax expense	387	47
Deferred tax expense	2	(264)
Tax (benefit) expense relating to prior periods	19	138
Total tax expense	**408**	**(79)**

9. Earnings per share

The following table summarises the composition of earnings per share:

		Six months ended 30 June	
		2021	**2020**
Average number of ordinary shares outstanding		**229,445,879**	**231,599,785**
Profit (loss) attributable to owners of the parent	**€ million**	**838**	**(1,318)**
basic earnings per share	€	3.653	(5.69)
diluted earnings per share	€	3.648	(5.69)
Profit (loss) from continuing operations attributable to owners of the parent	**€ million**	**1,334**	**(537)**
basic earnings per share	€	5.815	(2.319)
diluted earnings per share	€	5.810	(2.319)
Profit from discontinued operations attributable to owners of the parent	**€ million**	**(496)**	**(781)**
basic earnings per share	€	(2.162)	(3.372)
diluted earnings per share	€	(2.167)	(3.373)

In order to calculate the diluted earnings per share, the profit attributable to owners of the parent was adjusted to take into account the dilutive effects arising from the theoretical exercise of the stock option plans granted by the subsidiaries using their own equity instruments.

10. Intangible assets

The analysis of goodwill by segment is as follows:

(€ million)	**At 30 June 2021**	**At 31 December 2020**
Goodwill		
CNH Industrial	1,635	1,580
Ferrari	786	786
PartnerRe	555	538
Shang Xia	49	76
Juventus Football Club	2	2
GEDI	3	—
Other	18	33
FCA	—	10,131
Total goodwill	**3,048**	**13,146**
Other intangible assets	**4,877**	**20,172**
Total Intangible assets	**7,925**	**33,318**

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually or more frequently if a triggering event occurs.

At 30 June 2021 the Intangible assets decreased primarily due to the deconsolidation of the FCA Group for €25,853 million.

11. Property, plant and equipment

(€ million)	At 30 June 2021	At 31 December 2020
Right-of-use assets	570	2,175
Other tangible assets	6,966	32,994
Total Property, plant and equipment	**7,536**	**35,169**

At 30 June 2021 the Property, plant and equipment decreased primarily due to the deconsolidation of the FCA Group for €27,874 million.

12. Investments and other financial assets

Investments and other financial assets at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Equity method investments	**9,401**	**3,574**
Investments at FVTOCI	1,053	531
Investments at FVTPL	371	246
Non-current financial receivables	44	170
Other investments	10	33
Other securities	605	785
Other financial assets	126	830
Total other investments and other financial assets	**2,209**	2,595
Investments and other financial assets	**11,610**	**6,169**

The net increase equal to €5,441 million is mainly due to the valuation of Stellantis in accordance with the equity method (€7,255 million), the acquisition of 24% interest in Christian Louboutin (€547 million), the accounting of Faurecia (€313 million), partially offset by the derecognition of investments and other financial assets following to the deconsolidation of the FCA Group (€3,145 million).

After the completion of the merger of PSA with and into FCA, the surviving entity, renamed Stellantis, was accounted for by the equity method in accordance with IAS 28, since Exor assessed to have significant influence.

The initial measurement of the investment in Stellantis was at cost, equal to €6,660 million, which will be attributed to the Exor's share of Stellantis net fair value as part of the purchase price allocation, to be completed within one year from the initial recognition. The application of the equity method determined a carrying amount at 30 June 2021 of €7,255 million.

On 13 April 2021 Exor closed the transaction for the acquisition of the 24% interest in Christian Louboutin, for a total consideration of €541 million. At 30 June 2021 the investment was accounted for using the equity method, in accordance with IAS 28, on the basis of the consolidated financial information prepared in accordance with IFRS at that date, while the income statement includes the share of the result for the period 1 May to 30 June 2021. The application of the equity method determined a carrying amount at 30 June 2021 of €547 million.

At 30 June 2021 the purchase price allocation process is completed.

Summarized financial information relating to Stellantis, material associate of the Group, is as follows:

€ million	At 30 June 2021	At 31 December 2020[1]
Non-current assets	91,619	37,734
Current assets	66,923	37,551
Total assets	**158,542**	**75,285**
Non-current liabilities	52,121	19,952
Current liabilities	59,683	31,460
Total liabilities	**111,804**	**51,412**
Total Equity	**46,738**	**23,873**

1) Data of PSA Group at 1 January 2021 before the merger with FCA Group and after the reclassification made to align previously reported data of PSA to the presentation adopted by Stellantis.

€ millions	**I Half 2021**	**I Half 2020[1]**
Net revenues	72,610	19,614
Profit (loss) before taxes	7,127	876
Profit (loss) from continuing operations	5,800	797
Profit (loss) from discontinued operations	990	(421)
Profit (loss)	**6,790**	**376**
Total Other comprehensive income, net of tax	1,909	(243)
Total Comprehensive income	**8,699**	**133**

1) Data of PSA Group before the merger with FCA Group and after the reclassification made to align previously reported assets and liabilities of PSA to the presentation adopted by Stellantis.

Exor's interest in the Stellantis Group at 30 June 2021 is as follows:

€ million	At 30 June 2021
Exor's Interest (%)	14.35
Share of the profit (loss) for the period 17 January - 30 June 2021	842
Dividend received[1]	550
Carrying amount	7,255
Market value	7,440

1) Eliminated from the income statement following the application of the equity method. Includes €363 million corresponding to 7,653,004 ordinary shares of Faurecia, distributed as a part of the merger of PSA with and into FCA, €144 million as ordinary dividend and €43 million as cash from the distribution of Faurecia.

Investments at FVTOCI include:

– The fair value, for a total of €390 million, of the approximately 6.5% investment held by CNH Industrial in Nikola Corporation ("Nikola"), made in the context of the strategic partnership with Nikola to industrialize fuel-cell and battery electric Heavy-Duty trucks. During the second quarter of 2020, Nikola completed a business combination with VectoIQ Acquisition Corp., a publicly-traded special purpose acquisition company. Under the terms and conditions of the business combination, the former shareholders of Nikola received 1.901 shares of VectoIQ for each share held in Nikola and became shareholders of VectoIQ, which, in turn, changed its name to “Nikola Corporation”. The combined company’s shares continued to list on NASDAQ under the new ticker symbol “NKLA”. Before the completion of the business combination, CNH Industrial increased its investment in Nikola to $250 million. The market price of Nikola shares as of 30 June 2021 was $18.06, determining a value of €390 million ($464 million) for the 25,661,448 shares held by CNH Industrial through its fully-owned subsidiary Iveco S.p.A. During the six months ended 30 June 2021, CNH Industrial recorded in Other comprehensive income a pre-tax gain of €61 million ($72 million) from the remeasurement at fair value of the investment in Nikola. During the six months ended 30 June 2020 CNH Industrial recorded in Other comprehensive income a pre-tax gain of €1,324 million ($1,483 million) from the remeasurement at fair value of the investment in Nikola Corporation.

– The fair value of the 7,653,004 Faurecia ordinary shares received from Stellantis, as part of the merger agreement, for a total of €317 million. During the six months ended 30 June 2021, Exor recorded in Other comprehensive income a pre-tax loss of €46 million from the remeasurement at fair value of the investment in Faurecia.

– The fair value of the Via Transportation shares for a total of €294 million. During the six months ended 30 June 2021, Exor increased the investment for €126 million and recorded in Other comprehensive income a pre-tax gain of €5 million from the remeasurement at fair value of the investment in Via Transportation.

13. Inventories

Inventories at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Raw materials, supplies and finished goods	6,731	13,109
Assets sold with a buy-back commitment	110	995
Gross amount due from customers for contract work	—	218
Total inventories	**6,841**	**14,322**

At 30 June 2021 the inventories decreased primarily due to the deconsolidation of the FCA Group for €9,626 million and included assets which are no longer subject to operating lease arrangements or buy-back commitments and were held for sale for a total amount of €152 million (€176 million at 31 December 2020).

The amount of inventory write-downs recognized by Ferrari Group as an expense within cost of sales was €7 million and €12 million for the six months ended 30 June 2021 and 2020, respectively.

14. Trade and other receivables

Trade and other receivables at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Trade receivables	841	2,274
Receivables from financing activities	16,851	18,456
Receivables from reinsurance activities	4,614	3,373
Other financial receivables	2	5
Total trade and other receivables	**22,308**	**24,108**

At 30 June 2021 the trade and other receivables decreased primarily due to the deconsolidation of the FCA Group for €4,005 million.

Receivables from financing activities

Receivables from financing activities at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Retail		
Retail financing	8,449	8,586
Finance leases	475	458
Total Retail	**8,924**	**9,044**
Wholesale		
Dealer financing	7,855	8,990
Total Wholesale	**7,855**	**8,990**
Other	**72**	**422**
Total receivables from financing activities	**16,851**	**18,456**

(€ million)	At 30 June 2021	At 31 December 2020
CNH Industrial	15,829	15,099
Ferrari	1,022	940
FCA	—	2,417
Total receivables from financing activities	**16,851**	**18,456**

Receivables from financing activities mainly refer to CNH Industrial that accounts for its credit risk by appropriately providing for expected credit losses on a timely basis.

CNH Industrial provides and administers financing for retail purchases of new and used equipment and vehicles sold through its dealer network. The terms of retail and other notes and finance leases generally range from two to six years, and interest rates on retail and other notes and finance leases vary depending on prevailing market interest rates and certain incentive programs offered by Industrial Activities.

Wholesale receivables arise primarily from the sale of goods to dealers and distributors and, to a lesser extent, the financing of dealer operations. CNH Industrial may be obligated to repurchase the dealer's equipment upon cancellation or termination of the dealer's contract for such causes as change in ownership, closeout of the business, or default. There were no significant losses in the six months ended 30 June 2021 and 2020 relating to the termination of dealer contracts.

Financing receivables are considered past due if the required principal and interest payments have not yet been received as of the contractual payment due date. Delinquency is reported in financing receivables greater than 30 days past due. Non-performing financing receivables represent loans for which CNH Industrial has ceased accruing finance income. These receivables are generally 90 days delinquent. Finance income for non-performing receivables is recognized on a cash basis. Accrued interest is charged-off to Interest income. Interest income charged-off was not material for the six months ended 30 June 2021 and 2020. Accrual of finance income is resumed when the receivable becomes contractually current and collections are reasonably assured.

The aging of Receivables from financing activities of CNH Industrial at 30 June 2021 and 31 December 2020 is as follows:

	At 30 June 2021					
€ million	Total current	31-60 Days Past Due	61-90 Days Past Due	Total Performing	Non-Performing	Total
Retail						
North America	5,230	10	—	**5,240**	—	**5,240**
Europe	82	—	—	**82**	—	**82**
South America	1,615	19	—	**1,634**	—	**1,634**
Rest of World	939	8	8	**955**	3	**958**
Total Retail	**7,866**	**37**	**8**	**7,911**	**3**	**7,914**
Wholesale						
North America	2,296	—	—	**2,296**	14	**2,310**
Europe	4,429	—	—	**4,429**	—	**4,429**
South America	506	—	—	**506**	27	**533**
Rest of World	567	3	2	**572**	1	**573**
Total Wholesale	**7,798**	**3**	**2**	**7,803**	**42**	**7,845**
Other						**70**
Total CNH Industrial						**15,829**

€ million	At 31 December 2020 Total current	31-60 Days Past Due	61-90 Days Past Due	Total Performing	Non-Performing	Total
Retail						
North America	4,991	20	—	**5,011**	—	**5,011**
Europe	81	—	—	**81**	—	**81**
South America	1,536	3	1	**1,540**	10	**1,550**
Rest of World	947	6	3	**956**	2	**958**
Total Retail	**7,555**	**29**	**4**	**7,588**	**12**	**7,600**
Wholesale						
North America	2,218	—	—	**2,218**	25	**2,243**
Europe	4,280	—	—	**4,280**	—	**4,280**
South America	438	—	—	**438**	34	**472**
Rest of World	442	2	—	**444**	—	**444**
Total Wholesale	**7,378**	**2**	**—**	**7,380**	**59**	**7,439**
Other						**60**
Total CNH Industrial						**15,099**

CNH Industrial utilizes three categories for receivables from financing activities that reflect their credit risk and how the loan provision is determined.

Internal risk grade	IFRS 9 classification	Definition	Basis for recognition of expected credit loss provision
Performing	Stage 1	Low risk of default; payments are generally less than 30 days past due	12 month expected credit losses
Performing	Stage 2	Significant increase in credit risk; payments generally between 31 and 90 days past due	Lifetime expected credit losses
Non-performing	Stage 3	Accounts are credit impaired and/or a legal action has been initiated; payments generally greater than 90 days past due	Lifetime expected credit losses

Charge-offs of principal amounts of receivables outstanding are deducted from the allowance at the point when it is estimated that amounts due are deemed uncollectible. CNH Industrial continues to engage in collection efforts to attempt to recover the receivables. When recoveries are collected, these are recognized as income.

Allowance for Credit Losses

CNH Industrial's allowance for credit losses is segregated into two portfolio segments: retail and wholesale. A portfolio segment is the level at which CNH Industrial develops a systematic methodology for determining its allowance for credit losses. Further, CNH Industrial evaluates its retail and wholesale portfolio segments by class of receivable: North America, Europe, South America and Rest of World regions. Typically, CNH Industrial's receivables within a geographic region have similar risk profiles and methods for assessing and monitoring risk. These classes align with management reporting.

CNH Industrials accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, CNH Industrial considers historical loss rates for each category of customers and adjusts for forward looking macroeconomic data.
In calculating the expected credit losses, CNH Industrial's calculations depend on whether the receivable has been individually identified as being impaired. The first component of the allowance for credit losses covers the receivables specifically reviewed by management for which CNH Industrial has determined it is probable that it will not collect all of the contractual principal and interest. Receivables are individually reviewed for impairment based on, among other items, amounts outstanding, days past due and prior collection history.

Expected credit losses are measured by considering: the unbiased and probability-weighted amount; the time value of money; and reasonable and supportable information (available without undue costs or effort) at the reporting date about past events, current conditions and forecasts of future economic conditions. Expected credit losses are measured as the probability-weighted present value of all cash shortfalls over the expected life of each financial asset.

The second component of the allowance for credit losses covers all receivables that have not been individually reviewed for impairment. The allowance for these receivables is based on aggregated portfolio evaluations, generally by financial product. The allowance for wholesale and retail credit losses is based on loss forecast models that consider a variety of factors that include, but are not limited to, historical loss experience, collateral value, portfolio balance and delinquency. The loss forecast models are updated on a quarterly basis. The calculation is adjusted for forward looking macroeconomic factors. In addition, qualitative factors that are not fully captured in the loss forecast models are considered in the evaluation of the adequacy of the allowance for credit losses. These qualitative factors are subjective and require a degree of management judgment.

	Six months ended 30 June 2021							
	Retail				Wholesale			
€ millions	Stage 1 12 months	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12 months	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Opening balance	71	21	156	**248**	21	1	120	**142**
Provision (benefit)	(6)	1	5	**—**	2	—	4	**6**
Charge-off net of recoveries	3	—	(19)	**(16)**	—	—	(2)	**(2)**
Transfers	(9)	(2)	11	**—**		1	(1)	**—**
Foreign currency translation	(3)	—	2	**(1)**	1	—	8	**9**
Ending balance	**56**	**20**	**155**	**231**	**24**	**2**	**129**	**155**
Receivables								
Ending balance	**7,655**	**201**	**58**	**7,914**	**7,656**	**40**	**149**	**7,845**

At 30 June 2021, the allowance for credit losses includes a continued reassessment of the outlook by region regarding the impact of the Covid-19 pandemic on credit conditions. CNH Industrial continues to monitor the situation and will update the macroeconomic factors and qualitative factors in future periods, as warranted. At 31 December 2020, the allowance for credit losses was based on CNH Industrial's expectation of deteriorating credit conditions related to the Covid-19 pandemic.

Allowance for credit losses activity for the year ended 31 December 2020 is as follows:

	Year ended 31 December 2020							
	Retail				Wholesale			
€ millions	Stage 1 12 months	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12 months	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Opening balance	61	4	196	**261**	31	1	109	**141**
Provision (benefit)	37	1	28	**66**	(6)	—	22	**16**
Charge-off net of recoveries	(7)	—	(39)	**(46)**	—	—	(12)	**(12)**
Transfers	(9)	18	(9)	**—**	(2)		2	**—**
Foreign currency translation	(9)	(2)	(20)	**(31)**	(2)		(1)	**(3)**
Ending balance	**73**	**21**	**156**	**250**	**21**	**1**	**120**	**142**
Receivables								
Ending balance	**7,343**	**222**	**35**	**7,600**	**7,187**	**76**	**176**	**7,439**

Troubled Debt Restructurings

A restructuring of a receivable constitutes a troubled debt restructuring ("TDR") when the lender grants a concession it would not otherwise consider to a borrower that is experiencing financial difficulties. As a collateral-based lender, CNH Industrial typically will repossess collateral in lieu of restructuring receivables. As such, for retail receivables, concessions are typically provided based on bankruptcy court proceedings. For wholesale receivables, concessions granted may include extended contract maturities, inclusion of interest-only periods, modification of a contractual interest rate to a below market interest rate and waiving of interest and principal.

At 30 June 2021, CNH Industrial had 204 retail and finance lease contracts classified as TDRs in North America where a court has determined the concession. The pre-modification value of these contracts was €5 million and the post-modification value was €4 million. Additionally, CNH Industrial had 339 accounts with a balance of €19 million in North America undergoing bankruptcy proceedings where a concession has not yet been determined. As the outcome of the bankruptcy cases is determined by a court based on available assets, subsequent re-defaults are unusual and were not material for retail and finance lease contracts that were modified in a TDR during the previous twelve months ended 30 June 2021.

At 30 June 2021, CNH Industrial had retail and finance lease receivable contracts classified as TDRs in Europe. The pre-modification value was €72 million and the post-modification value was €66 million. Subsequent re-defaults were not material for retail and finance lease receivable contracts that were modified in a TDR during the previous twelve months ended 30 June 2021.

At 30 June 2021 and 2020, CNH Industrial's wholesale TDRs were immaterial.

Transfers of financial receivables

The Group transfers a number of its financial receivables to securitization programs or factoring transactions.

A securitization transaction entails the sale of a portfolio of receivables to a securitization vehicle. This structured entity finances the purchase of the receivables by issuing asset-backed securities (i.e. securities whose repayment and interest flow depend upon the cash flow generated by the portfolio). Asset-backed securities are divided into classes according to their degree of seniority and rating: the most senior classes are placed with investors on the market; the junior class, whose repayment is subordinated to the senior classes, is normally subscribed for by the seller. The residual interest in the receivables retained by the seller is therefore limited to the junior securities it has subscribed for. In accordance with IFRS 10 – Consolidated Financial Statements, all securitization vehicles are included in the scope of consolidation because the subscription of the junior asset-backed securities by the seller implies its control in substance over the structured entity.

Furthermore, factoring transactions may be either with recourse or without recourse; certain without recourse transfers include deferred payment clauses (for example, when the payment by the factor of a minor part of the purchase price is dependent on the total amount collected from the receivables), requiring first loss cover, meaning that the transferor takes priority participation in the losses, or require a significant exposure to the cash flows arising from the transferred receivables to be retained. These types of transactions do not comply with the requirements of IFRS 9 – Financial Instruments for the derecognition of the assets, since the risks and rewards connected with collection are not substantially transferred and, accordingly, the Group continues to recognize the receivables transferred by this means in its consolidated statement of financial position and recognizes a financial liability of the same amount under Asset-backed financing (see Note 21 "Financial Debt and other financial liabilities"). The gains and losses arising from the transfer of these assets are only recognized when the assets are derecognized.

At 30 June 2021 and 31 December 2020, the carrying amounts of such restricted assets included in Receivables from financing activities are the following:

(€ million)	**At 30 June 2021**	**At 31 December 2020**
Restricted receivables:		
Retail financing and finance lease receivables	4,764	5,072
Wholesale receivables	5,565	5,713
Total restricted receivables	**10,329**	**10,785**

CNH Industrial has discounted receivables and bills without recourse having due dates beyond 30 June 2021 amounting to €232 million (€286 million at 31 December 2020, with due dates beyond that date), which refer to trade receivables and other receivables for €226 million (€275 million at 31 December 2020), and receivables from financing activities for €6 million (€11 million at 31 December 2020).

15. Investments of reinsurance companies

Investments of reinsurance companies at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	**At 30 June 2021**	**At 31 December 2020**
Fixed maturities, at fair value	11,498	10,421
Funds held by reinsured companies	510	580
Equities, at fair value	1,519	1,219
Short-term investments, at fair value	140	339
Accrued investment income, at fair value	87	75
Other invested assets	2,019	1,788
Total investments of reinsurance companies	**15,774**	**14,422**

At 30 June 2021 approximately €101 million (€256 million at 31 December 2020) of cash and cash equivalents and €4,361 million (€4,069 million at 31 December 2020) of securities of the PartnerRe Group were deposited, pledged or held in escrow accounts in favour of ceding companies and other counterparties of government authorities to comply with regulations on reinsurance contracts and insurance laws.

Net realised and unrealised gains of €74 million and lossses of €43 million on investments designated as fair value through profit or loss, were recognized in the Consolidated Income Statement during the first six months of 2021 and 2020, respectively.

16. Cash and cash equivalents

Cash and cash equivalents at 30 June 2021 and at 31 December 2020 are as follows:

(€ million)	**At 30 June 2021**	**At 31 December 2020**
Cash at banks	8,485	18,701
Money market securities	380	16,133
Restricted cash	751	727
Total cash and cash equivalents	**9,616**	**35,561**

Cash and cash equivalents include cash at bank and other easily marketable securities that are readily convertible into cash and are subject to an insignificant risk of changes in value.

At 30 June 2021 restricted cash includes €643 million of CNH Industrial Group mainly related to bank deposits that may be used exclusively for the repayment of the debt relating securitizations classified as Asset-backed financing.

At 30 June 2021 the cash and cash equivalents decreased primarily due to the deconsolidation of the FCA Group for €22,514 million.

17. Equity

Share capital

At 30 June 2021 the total issued capital of Exor N.V. was equal to €2.4 million, divided into 241,000,000 shares with a nominal value of Euro 0.01.

EXOR N.V. adopted a loyalty voting structure designed to incentivize long-term share ownership, on the basis of which for each Exor N.V. ordinary share held without interruption for a period of five years, shareholders will be entitled to five voting rights at the end of that period, and for each Exor N.V. ordinary share held without interruption for a period of ten years, shareholders will be entitled to ten voting rights at the end of that period.

No special voting shares had been issued and none are outstanding at 30 June 2021.

AGM resolution

The Exor Annual General Meeting of 27 May 2021 adopted the 2020 Annual Report and approved the payment of a dividend of €0.43 on each issued and outstanding ordinary share, for a total of €100 million. The Annual General Meeting also approved the extension of the authorization for the purchase and disposal of Exor's ordinary shares on the market for 18 months from the date of the Shareholders' resolution, up to a maximum number of shares not to exceed the limit set by law, with a maximum disbursement of €500 million.

Treasury stock

At 30 June 2021, 9,502,262 Exor ordinary shares with a nominal value of €0.01 per share are held as treasury stock (9,993,244 at 31 December 2020).

The movements in treasury stock are related to the shares utilized under the Company's stock option plans.

Other comprehensive income

Other comprehensive income for the six months ended 30 June 2021 and 2020 is as follows:

	At 30 June	
(€ million)	**2021**	**2020**
Items that will not be reclassified to the Consolidated Income Statement in subsequent periods:		
Gains (losses) on remeasurement of defined benefit plans	—	(2)
Share of gains (losses) on remeasurement of defined benefit plans for equity method investees	167	—
Gains (losses) on financial assets at FVTOCI	21	1,326
Items relating to discontinued operations	234	
Total items that will not be reclassified to the Consolidated Income Statement in subsequent periods, before tax effect (B1)	**422**	**1,324**
Items that may be reclassified to the Consolidated Income Statements in subsequent periods:		
Gains (losses) on cash flow hedging instruments arising during the period	(50)	57
Gains (losses) on cash flow hedging instruments reclassified to the income Statement	(28)	17
Gains (losses) on cash flow hedging instruments	**(78)**	**74**
Foreign exchange translation gains (losses) arising during the period	668	(544)
Foreign exchange translation gains (losses) reclassified to the income Statement	—	—
Foreign exchange translation gains (losses)	**668**	**(544)**
Share of other comprehensive income of equity method investees arising during the period	20	(20)
Share of other comprehensive income (loss) of equity method investees reclassified to the income statement	—	—
Share of other comprehensive income (loss) of equity method investees	**20**	**(20)**
Items relating to discontinued operations	2,008	(1,152)
Total Items that may be reclassified to the Consolidated Income Statement in subsequent periods, before tax effect (B2)	**2,618**	**(1,642)**
Total Other Comprehensive Income, before tax effect (B1)+(B2)=(B)	**3,040**	**(318)**
Tax effect	10	(13)
Tax effect - discontinued operations	(53)	91
Total Other Comprehensive Income (Loss), net of tax	**2,997**	**(240)**

With reference to the defined benefit plans of the Group, the gains and losses arising from the remeasurement mainly include actuarial gains and losses arising during the period, the return on plan assets (net of interest income recognized in the income statement) and any changes in the effect of the asset ceiling.

The tax effect relating to other comprehensive income for the six months ended 30 June 2021 and 2020 is as follows:

(€ million)	At 30 June					
	2021			2020		
	Pre-tax balance	Tax benefit (expense)	Net-of-tax balance	Pre-tax balance	Tax benefit (expense)	Net-of-tax balance
Gains (losses) on remeasurement of defined benefit plans	167	1	167	(2)	(6)	(8)
Gains (losses) on financial assets at FVTOCI	21	—	21	1,326	—	1,326
Gains (losses) on cash flow hedging instruments	(78)	9	(68)	74	(7)	67
Foreign exchange translation gains (losses)	668	—	668	(544)	—	(544)
Share of other comprehensive income (loss) of equity method investees	20	—	20	(20)	—	(20)
Items relating to discontinued operations	2,242	(53)	2,189	(1,152)	91	(1,061)
Total Other Comprehensive Income (Loss)	**3,040**	**(43)**	**2,997**	**(318)**	**78**	**(240)**

18. Share-based compensation

The subsidiaries of the Group have various stock option plans which amongst others include the award of performance share units ("PSU") and restricted share units ("RSU"). The PSU and RSU represent the right to receive one common share of the relevant entity. PSU awards have financial performance targets whilst the RSU awards have a service condition only. The total number of shares that will be issued may therefore vary from the original award. During the six months ended 30 June 2021 and 2020 the Group recognized share-based compensation expense as follows:

Exor

Exor recognized total share-based compensation expense of €2 million for the six months ended 30 June 2021 (€3 million in the six months ended 30 June 2020).

CNH Industrial

CNH Industrial recognized total share-based compensation expense of €25 million for the six months ended 30 June 2021 (€19 million in the six months ended 30 June 2020).

Ferrari

For the six months ended 30 June 2021 and 2020, the Company recognized €7 million and €8 million, respectively, as share-based compensation expense and an increase to other reserves in equity in relation to the PSU awards and RSU awards of the Group's equity incentive plans. At 30 June 2021 unrecognized compensation expense amounted to €19 million and is expected to be recognized over the remaining vesting periods through 2023.

19. Other provisions

Other provisions at 30 June 2021 and at 31 December 2020 are as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Warranty and recall campaigns	963	6,634
Restructuring provisions	70	168
Other charges and risks	2,159	8,374
Total other provisions	**3,192**	**15,176**

At 30 June 2021 the other provision decreased primarily due to the deconsolidation of the FCA Group for €12,066 million.

20. Technical reserves reinsurance companies

Technical reserves of reinsurance companies at 30 June 2021 and at 31 December 2020 are as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Unpaid losses and Loss expenses	9,804	9,286
Life and health technical reinsurance reserves	2,302	2,204
Unearned premium reserves	2,596	1,846
Total Technical reinsurance reserves	**14,702**	**13,336**

Unpaid Losses and Loss Expenses

Unpaid losses and loss expenses are categorised into three types of reserves: Case reserve, ACRs and IBNR reserves. Case reserves represent unpaid losses reported by the Company's cedants and recorded by the Company. ACRs are established for particular circumstances where, on the basis of individual loss reports, the Company estimates that the particular loss or collection of losses covered by a treaty may be greater than those advised by the cedant. IBNR reserves represent a provision for claims that have been incurred but not yet reported to the Company, as well as future loss development on losses already reported, in excess of the case reserves and ACRs.

The reconciliation of the beginning and ending gross and net liability for unpaid losses and loss expenses for the six months ended at 30 June 2021 and 2020 is as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Gross liability at the begin of the period	9,286	9,229
Reinsurance recoverable at the begin of the period	(638)	(672)
Net liability at the begin of the period	**8,648**	**8,557**
Net incurred losses	1,400	3,517
Net paid losses	(1,147)	(2,830)
Retroactive reinsurance recoverable	—	—
Translation differences and other changes	(26)	(596)
Net liability at the end of the period	**8,875**	**8,648**
Reinsurance recoverable at the end of the period	929	638
Gross liability at the end of the period	**9,804**	**9,286**

Life and health technical reinsurance reserves

The reconciliation of the beginning and ending gross and net liability for life and health technical reinsurance reserves for the six months ended at 30 June 2021 and 2020 is as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Gross liability at the begin of the period	2,204	2,152
Reinsurance recoverable at the begin of the period	(29)	(14)
Net liability at the begin of the period	**2,175**	**2,138**
Net incurred losses	598	1,154
Net paid losses	(559)	(1,077)
Translation differences	66	(40)
Net liability at the end of the period	**2,280**	**2,175**
Reinsurance recoverable at the end of the period	22	29
Gross liability at the end of the period	**2,302**	**2,204**

21. Financial debt and other financial liabilities

Total financial debt and other financial liabilities at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Financial debt	30,158	52,101
Other financial liabilities	241	831
Total financial debt and other financial liabilities	**30,399**	**52,932**

At 30 June 2021 the financial debt and other financial liabilities decreased primarily due to the deconsolidation of the FCA Group for €21,593 million.

The composition of financial debt is as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Notes	14,646	23,517
Borrowings from banks	2,940	13,108
Asset-backed financing	10,072	10,518
Lease liabilities	587	2,253
Payables represented by securities	1,454	1,696
Other financial debt	459	1,009
Total financial debt	**30,158**	**52,101**

The composition of financial debt by entity is as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Exor	4,078	4,030
CNH Industrial	21,069	21,746
Ferrari	2,360	2,725
PartnerRe	2,083	1,912
Juventus	400	396
GEDI	158	143
Shang Xia	10	10
FCA	—	21,139
Total financial debt	**30,158**	**52,101**

The composition of notes by entity is as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Exor	4,064	3,855
CNH Industrial	7,740	7,887
Ferrari	1,027	1,535
PartnerRe	1,639	1,608
Juventus	176	178
FCA	—	8,454
Total notes	**14,646**	**23,517**

The new notes issued and notes repaid during the first six months of 2021 were as follows:

New Issues	Currency	Nominal Amount (in millions)	Coupon	Issue Date	Maturity
Company					
CNH Industrial Capital LLC	Usd	600	1.45 %	May 2021	July 2026
Exor	Eur	500	0.875 %	19 Jan 2021	19 Jan 2031

Repayments	Name of Notes	Currency	Amount (in millions)	Repayment date
Company				
Ferrari	2021 Bond	Eur	501	18 Jan 2021
CNH Industrial Finance Europe S.A.	Euro MTM Notes	Eur	316	March 2021[1]
Exor	Exor N.V. 2.50%	Eur	150	20 January 2021[1]
Exor	Exor N.V. 2.125%	Eur	148	20 January 2021[1]

1) Repurchased.

The partial repurchases of the Exor 2.5% and 2.125% bonds and the subsequent partial cancellation determined one-off losses of €21 million recognized in the Net financial expenses.

Borrowings from banks

Borrowings from banks at 30 June 2021 amount to €2,940 million (€13,108 million at 31 December 2020). The composition is as follows:

(€ million)	At 30 June 2021	At 31 December 2020
Exor	—	—
CNH Industrial	2,641	2,824
Ferrari	142	29
Juventus	86	21
GEDI	71	41
FCA	—	10,193
Total Borrowings from banks	**2,940**	**13,108**

CNH Industrial

CNH Industrial's borrowings consists primarily of borrowings from banks which are at various terms and rates.
In March 2019, CNH Industrial signed a five-year committed revolving credit facility for €4 billion ($4.5 billion at 31 March 2019 exchange rate) due to mature in 2024 with two extension options of 1-year each, exercisable on the first and second anniversary of the signing date. CNH Industrial exercised the first of the two extension options at 28 February 2020 and the second extension option at 26 February 2021. The facility is now due to mature in March 2026 for €3,950.5 million; the remaining €49.5 million will mature in March 2025.

Available committed unsecured facilities expiring after twelve months amounted to approximately $5.7 billion at 30 June 2021 ($6.1 billion at 31 December 2020). Total committed secured facilities expiring after twelve months amounted to approximately $2.9 billion at 30 June 2021 ($3.9 billion at 31 December 2020), of which $0.7 billion was available at 30 June 2021 ($0.2 billion at 31 December 2020).

Ferrari

Bank borrowings of Ferrari include a term loan of €75 million borrowed in June by Ferrari S.p.A. for a tenor of 36 months and bearing fixed interest at 0.118% and loans secured by FFF Inc, to support financial services operations comprising €67 million (€28 million at 31 December 2020) drawn down under a US$ denominated credit facility for up to $100 million (drawn down for $80 million at 30 June 2021) for a tenor of 24 months and bearing interest at LIBOR plus 75 basis points.

In March 2021 Ferrari cancelled a credit line of €100 million and simultaneously replaced it with a new credit line for €150 million with a tenor of 23 months.

In April 2021, Ferrari replaced an uncommitted credit line of $50 million, which was terminated, with a new committed credit line for $100 million with a tenor of 24 months bearing interest at LIBOR plus 75 basis points. The new credit line is intended to replace the funding previously provided by one of securitization programs in the US for funding of up to $110 million that expired in April 2021 and was interest-bearing at LIBOR plus 115 basis points, as noted above.

At 30 June 2021 the FFF Inc. line, drawn down for $80 million (€67 million), was the only committed credit line that has been drawn down by Ferrari. Total committed credit lines available and undrawn amounted to €767 million (€700 million at 31 December 2020).

Juventus

Bank borrowings of Juventus at 30 June 2021 mainly relate to €86 million drawn down (€21 million at 31 December 2020) under revocable credit lines.

GEDI

Bank borrowings of GEDI at 30 June 2021 includes the loan agreement finalized on 30 December 2021 for a duration of 4 years and drawn down for the total amount of €70 million on 5 January 2021. After signing the loan agreement GEDI entered into a hedging contract with the same banks that reduced the overall minimum interest rate on the loan from the previous 1.2% to 0.987%.

22. Other liabilities

Total other liabilities at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	**At 30 June 2021**	**At 31 December 2020**
Payables for buy-back agreements	995	2,286
Accrued expenses and deferred income	2,180	5,082
Other	2,443	5,844
Total other liabilities	**5,618**	**13,212**

Payables for buy-back agreements refers to buy-back agreements entered into by the Group and includes the price received for the product recognized as an advance at the date of the sale, and subsequently, the repurchase price and the remaining lease installments yet to be recognized.

Accrued expenses and deferred income include the remaining portion of government grants that will be recognized as income in the consolidated income statement over the same periods as the related costs which they are intended to offset.

At 30 June 2021 the other liabilities decreased primarily due to the deconsolidation of the FCA Group for €10,896 million.

23. Guarantees granted, commitments and contingent liabilities

Guarantees granted by the CNH Industrial Group

At 30 June 2021 the CNH Industrial Group provided guarantees on the debt or commitments of third parties and performance guarantees mainly in the interest of a joint venture related to commercial commitments of defense vehicles totaling €412 million (€501 million at 31 December 2020).

Guarantees granted by the PartnerRe Group

At 30 June 2021 approximately €101 million (€256 million at 31 December 2020) of cash and cash equivalents and €4,361 million (€4,069 million at 31 December 2020) of securities of the PartnerRe Group were deposited, pledged or held in escrow accounts in favor of ceding companies and other counterparties or government authorities to comply with regulations on reinsurance contracts and insurance laws.

Pending litigation and contingent liabilities

As a global group with a diverse business portfolio, Exor Group is exposed to numerous legal risks, particularly in the areas of product liability, competition and antitrust law, environmental risks and tax matters, dealer and supplier relationships and intellectual property rights. The outcome of any proceedings cannot be predicted with certainty. These risks arise from pending legal proceedings or requests received by the Group seeking recovery for damage to property, personal injuries and in some cases include a claim for exemplary or punitive damages. It is therefore possible that legal judgments could give rise to expenses that are not covered, or not fully covered, by insurers' compensation payments and could affect the Group's financial position and results. The Group's reinsurance subsidiaries, and the insurance and reinsurance industry in general, are subject to litigation and arbitration in the normal course of their business operations.

In addition to claims litigation, the Group may be subject to lawsuits and regulatory actions in the normal course of business that do not arise from or directly relate to claims on reinsurance treaties. This category of business litigation typically involves, among other things, allegations of underwriting errors or omissions, employment claims or regulatory activity. While the outcome of business litigation cannot be predicted with certainty, the Group will dispute all allegations against the Group and/or its subsidiaries that management believes are without merit.

Contingent liabilities of the CNH Industrial Group

Follow-up on Damages Claims

In 2011 Iveco S.p.A., the CNH Industrial's wholly owned subsidiary, active in the commercial vehicle business, and its competitors in the European Union were subject to an investigation by the European Commission (the "Commission") into certain business practices in the European Union (in the period 1997-2011) in relation to M&H trucks. On 19 July 2016, the Commission announced a settlement with Iveco. Following the settlement, CNH Industrial has been named as defendant in private litigation commenced in various European jurisdictions and Israel by customers and other third parties, either acting individually or as part of a wider group or class of claimants. Most of these claims remain at an early stage. Further, on the basis of the letters issued by a significant number of customers indicating that they may commence proceedings in the future, CNH Industrial expects to face further claims based on the same legal grounds in the same and other jurisdictions. The extent and outcome of these claims cannot be predicted at this time.

FPT Emissions Investigation

On 22 July 2020, a number of CNH Industrial's offices in Europe were visited by investigators in the context of a request for assistance by the public prosecutors of Frankfurt am Main, Germany and Turin, Italy in relation to alleged noncompliance of two engine models produced by FPT Industrial S.p.A., a wholly owned subsidiary of CNH Industrial, installed in certain Ducato (a vehicle distributed by the Stellantis group) and Iveco Daily vehicles. CNH Industrial immediately made itself available to these investigators and is providing its full cooperation to properly address the requests received. CNH Industrial has no evidence of any wrongdoing and cannot predict the extent and outcome of these requests and directly or indirectly related legal proceedings.

Contingent liabilities of Exor

In May 2021 Exor received from the Italian tax authority a tax claim related to the treatment of financial income in the fiscal year 2015 for an amount that the management has considered not significant for the Group. Exor has appealed this claim, considering the treatment applied correct and fully compliant with the applicable tax law. At this time Exor is unable to evaluate the likelihood that a loss will be incurred or estimate a range of possible loss in connection with that claim.

24. Fair value measurement by hierarchy

Fair value measurements are categorized within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the entire measurement:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 — Unobservable inputs for the asset or liability.

This hierarchy requires the use of observable market data when available.

Assets and liabilities measured at fair value on a recurring basis

The following table shows the fair value hierarchy the assets and liabilities measured at fair value on a recurring basis at 30 June 2021 and 31 December 2020:

(€ million)	Level 1	Level 2	Level 3	Total
Debt securities and equity investments measured at fair value through other comprehensive income	**707**	**16**	**353**	**1,076**
Debt securities and equity instruments measured at FVTPL	**30**	**—**	**705**	**735**
Derivative financial assets	**—**	**12**	**—**	**12**
Collateral deposits	**—**	**114**	**—**	**114**
Investments of reinsurance companies measured at FVTPL	**93**	**11,339**	**3,686**	**15,118**
Money market securities	**231**	**—**	**—**	**231**
Total Assets at 30 June 2021	**1,061**	**11,481**	**4,744**	**17,286**
Derivative financial liabilities	**(33)**	**(159)**	**(46)**	**(238)**
Total Liabilities at 30 June 2021	**(33)**	**(159)**	**(46)**	**(238)**
Debt securities and equity instruments measured at FVTOCI	386	33	190	**609**
Debt securities and equity instruments measured at FVTPL	305	-	482	**787**
Derivative financial assets	-	797	—	**797**
Collateral deposits	32	—	—	**32**
Receivables from financing activities and other financial receivables	—	—	476	**476**
Trade receivables	—	12	—	**12**
Other receivables	—	—	69	**69**
Investments of reinsurance companies measured at FVTPL	14	10,619	3,079	**13,712**
Money market securities	8,636	—	—	**8,636**
Total Assets at 31 December 2020	**9,373**	**11,461**	**4,296**	**25,130**
Derivative financial liabilities	(34)	(751)	(46)	**(831)**
Total Liabilities at 31 December 2020	**(34)**	**(751)**	**(46)**	**(831)**

Investments of reinsurance companies at fair value principally are classified as Level 2 and include, among others: U.S. government issued bonds, U.S. government sponsored enterprises bonds, U.S. state, territory and municipal entities bonds, non-U.S. sovereign government, supranational and government related bonds.

Investments classified as Level 3 include, among others: inactively traded fixed maturities including U.S. State, territory and municipal bonds, unlisted or private equities, fund investments, derivative instruments and other invested assets. Fair value is determined using valuation models widely accepted; the valuation technique generally used is discounted cash flow, considering counterparty credit risk.

The fair value of derivative financial assets and liabilities, is measured by taking into consideration market parameters at the balance sheet date and using valuation techniques widely accepted in the financial business environment, as described below.

The following table provides the reconciliation of the changes in items measured at fair value classified within Level 3 for the first half at 30 June 2021:

		Gains (losses) recognized					
(€ million)	**At 1 January 2021**	**In the income statement**	**In other comprehensive income**	**Increase (decrease)**	**Deconsolidation of FCA**	**Net transfers into/(out of) Level 3**	**At 30 June 2021**
Debt securities and equity instruments measured at FVTOCI	190	—	6	170	(13)	—	**353**
Debt securities and equity instruments measured at FVTPL	482	108	—	126	(11)	—	**705**
Derivative financial assets	—	—	—	—	—	—	**—**
Receivables from financing activities	476	—	—		(476)	—	**—**
Other receivables	69				(69)		**—**
Investments of reinsurance companies measured at FVTPL	3,079	269	—	342	—	(4)	**3,686**
Total Assets	**4,296**	**377**	**6**	**638**	**(569)**	**(4)**	**4,744**
Derivative financial liabilities	(46)	—	—	—	—	—	**(46)**
Total Liabilities	**(46)**	**—**	**—**	**—**	**—**	**—**	**(46)**

Assets and liabilities not measured at fair value on a recurring basis

The following tables present the carrying amount and the fair value of financial assets and liabilities not measured at fair value on a recurring basis and the classification in the fair value level:

(€ million)	**At 30 June 2021**		**At 31 December 2020**	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial assets				
Dealer financing receivables	7,855	7,851	8,518	8,506
Retail financing receivables	8,450	8,687	8,586	8,727
Finance lease receivables	475	478	458	483
Other	72	73	420	420
Total assets	**16,852**	**17,089**	**17,982**	**18,136**
Financial liabilities				
Notes	(14,646)	(15,421)	(23,517)	(21,800)
Borrowing from banks, payables represented by securities and other financial debt	(4,853)	(4,836)	(15,813)	(16,043)
Asset-backed financing	(10,072)	(10,071)	(10,518)	(10,522)
Lease liabilities	(587)	(578)	(2,253)	(2,243)
Total liabilities	**(30,158)**	**(30,906)**	**(52,101)**	**(50,608)**

(€ million)	At 30 June 2021				At 31 December 2020			
	Level 1	**Level 2**	**Level 3**	**Fair value**	**Level 1**	**Level 2**	**Level 3**	**Fair value**
Financial assets								
Dealer financing receivables	—	11	7,840	7,851	—	14	8,492	8,506
Retail financing receivables	—	779	7,908	8,687	—	700	8,027	8,727
Finance lease receivables	—	231	247	478		226	257	483
Other	—	1	72	73	—	—	420	420
Total assets	**—**	**1,022**	**16,067**	**17,089**	**—**	**940**	**17,196**	**18,136**
Financial liabilities								
Notes	(10,838)	(4,583)	—	(15,421)	(20,733)	(1,067)	—	(21,800)
Borrowing from banks, payables represented by securities and other financial debt	(211)	(4,511)	(114)	(4,836)	(364)	(14,982)	(697)	(16,043)
Asset-backed financing	—	(10,071)	—	(10,071)	—	(10,522)	—	(10,522)
Lease liabilities	(24)	(61)	(493)	(578)	(27)	(62)	(2,154)	(2,243)
Total liabilities	**(11,073)**	**(19,225)**	**(607)**	**(30,906)**	**(21,124)**	**(26,633)**	**(2,851)**	**(50,608)**

The fair value of receivables from financing activities, which are classified in Level 2 and Level 3 of the fair value hierarchy, is based on the discounted values of their relative cash flow at market discount rates that reflect conditions applied in various reference markets on receivables with similar characteristics, adjusted to take into account the credit risk of the counterparties.

Notes that are traded in active markets for which close or last trade pricing is available are classified in Level 1 of the fair value hierarchy. Notes for which such prices are not available are valued at the last available price or based on quotes received from third parties and are classified in Level 2 of the fair value hierarchy.

The fair value of the senior notes of PartnerRe was calculated based on discounted cash flow models using observable market yields and contractual cash flows. The fair value of the debt related to junior subordinated notes and was calculated based on market data valuation models using observable inputs. The fair value of notes is categorized principally in Level 1 and in Level 2.

The fair value of asset-backed financing, borrowing from banks, payables represented by securities and other financial debt, classified principally in Level 2, has been estimated based on discounted cash flow analysis using the current market interest rates at period-end adjusted for the Group non-performance risk over the remaining term of the financial liabilities. The fair value of the debt that requires significant adjustment using unobservable inputs is classified in Level 3.

The fair value of lease liabilities principally classified within Level 3 of the fair value hierarchy has been estimated using discounted cash flow models that require significant adjustments using unobservable inputs.

Other financial asset

The carrying amount of debt securities measured at amortized cost, cash at banks, restricted cash, other cash equivalents, trade receivables, receivables from reinsurance activity, other current receivables and financial assets, trade payables, payables for reinsurance activities and other current liabilities included in the condensed consolidated statement of financial position approximates their fair value, due to the short maturity of these items.

25. Related party transactions

The entities of each consolidated Group put in place transactions with subsidiaries, joint ventures, associates and other related parties, on commercial terms that are normal in the respective markets, considering the characteristics of the goods or services involved.

Pursuant to IAS 24 the related parties of the Exor Group are Giovanni Agnelli, the CNH Industrial Group, the Ferrari Group, the PartnerRe Group, the GEDI Group, the Juventus Group and their respective unconsolidated subsidiaries, associates or joint ventures, the Stellantis Group, The Economist Group, the Welltec Group, the Christian Louboutin Group and their subsidiaries. In addition, members of the board of directors of Exor and its parent Giovanni Agnelli and their families are also considered related parties.

Transactions carried out by the Group with unconsolidated subsidiaries, joint ventures, associates and other related parties are primarily those of a commercial nature, which have had an effect on revenues, cost of sales, and trade receivables and payables.

In accordance with IAS 24, transactions with related parties also include compensation payable to directors, statutory auditors and executives with strategic responsibilities.

The effects of transactions with related parties recognized in the consolidated income statement of the Group for the six months ended 30 June 2021 and 2020 are as follows:

	Six months ended 30 June							
(€ million)	2021				2020			
	Net revenues	**Cost of sales**	**Selling, general and other (income) expenses**	**Financial income (expenses)**	**Net revenues**	**Cost of sales**	**Selling, general and other (income) expenses**	**Financial income (expenses)**
Total joint ventures	459	165	1	—	334	137	1	—
Total associates	490	141	44	43	225	171	2	—
Total other related parties	2	—	—	—	—	—	—	—
Total unconsolidated subsidiaries	—	—	1	—	—	3	1	—
Total related parties	**951**	**306**	**46**	**43**	**559**	**311**	**4**	**—**

Non-financial assets and liabilities originating from related party transactions at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	At 30 June 2021				At 31 December 2020			
	Trade receivables	**Trade payables**	**Other assets**	**Other liabilities**	**Trade receivables**	**Trade payables**	**Other assets**	**Other liabilities**
Total joint ventures	78	51		76	323	492	3	29
Total associates	12	18	6	—	23	65	9	—
Total other related parties	—	5	4	—	3	1	—	1
Total unconsolidated subsidiaries	—	1	—	—	5	16	—	—
Total related parties	**90**	**75**	**10**	**76**	**354**	**574**	**12**	**30**

The data at 31 December 2020 includes the non-financial assets and liabilities originating from related party transactions of the FCA Group deconsolidated on 16 January 2021.

Financial assets and liabilities originating from related party transactions at 30 June 2021 and 31 December 2020 are as follows:

(€ million)	**At 30 June 2021**		**At 31 December 2020**	
	Receivables from financing activities	**Financial debt**	**Receivables from financing activities**	**Financial debt**
Total joint ventures	—	—	277	68
Total associates	3	3	36	4
Total other related parties	—	—	8	—
Total unconsolidated subsidiaries	—	1	12	27
Total related parties	**3**	**4**	**333**	**99**

The data at 31 December 2020 includes the financial assets and liabilities originating from related party transactions of the FCA Group deconsolidated on 16 January 2021.

Commitments and guarantees pledged in favor of related parties of the CNH Industrial Group

At 30 June 2021 the CNH Industrial Group had provided guarantees on commitments of its joint ventures, mainly related to Iveco - Oto Melara Società Consortile, for an amount of €156 million (€211 million at 31 December 2020).

26. Subsequent events

The Company has evaluated subsequent events through 7 September 2021, which is the date on which the 2021 Half-year Condensed Consolidated Financial Statements at 30 June 2021 were authorised for issue. There are no other significant subsequent events which require disclosures other than those already reported on page 58 of the Board Report.

Responsibility statement

The Board of Directors is responsible for preparing the 2021 First Half-year Report, inclusive of the Half-year Condensed Consolidated Financial Statements and the Half-year Board Report, in accordance with the Dutch Financial Supervision Act and IAS 34 – Interim Financial Reporting as endorsed by the European Union.

In accordance with Section 5:25d, paragraph 2 of the Dutch Financial Supervision Act, the Board of Directors states that, to the best of its knowledge, the Half-year Condensed Consolidated Financial Statements prepared in accordance with applicable accounting standards provide a true and fair view of the assets, liabilities, financial position and profit or loss of EXOR N.V. and its subsidiaries, and the undertakings included in the consolidation as a whole, and the Half-year Board Report provides a fair review of the information required pursuant to Section 5:25d, paragraphs 8 and 9 of the Dutch Financial Supervision Act.

7 September 2021

The Board of Directors

John Elkann

Alessandro Nasi

Andrea Agnelli

Ginevra Elkann

Marc Bolland

Joseph Bae

Ajay Banga

Melissa Bethell

Laurence Debroux

Building a better working world

Independent auditor's review report

To: the shareholders and the board of directors of EXOR N.V.

Our conclusion

We have reviewed the half-year condensed consolidated financial statements included in the accompanying interim report of EXOR N.V. based in Amsterdam for the period from January 1, 2021 to June 30, 2021.

Based on our review, nothing has come to our attention that causes us to believe that the half-year condensed consolidated financial statements of EXOR N.V. for the period from January 1, 2021 to June 30, 2021, is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting as adopted by the European Union".

The half-year condensed consolidated financial statements comprise:

- Half-year condensed consolidated statement of financial position as at June 30, 2021
- The following half-year condensed consolidated statements for the period from January 1, 2021 to June 30, 2021: the income statement, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity
- The notes comprising of a summary of the significant accounting policies and selected explanatory information

Basis for our conclusion

We conducted our review in accordance with Dutch law, including the Dutch Standard 2410, "Het beoordelen van tussentijdse financiële informatie door de accountant van de entiteit (Review of interim financial information performed by the independent auditor of the entity)". A review of interim financial information in accordance with the Dutch Standard 2410 is a limited assurance engagement. Our responsibilities under this standard are further described in the Our responsibilities for the review of the half-year condensed consolidated financial statements section of our report.

We are independent of EXOR N.V. in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of management and the audit committee for the half-year condensed consolidated financial statements

Management is responsible for the preparation and presentation of half-year condensed consolidated financial statements in accordance with IAS 34, “Interim Financial Reporting” as adopted by the European Union. Furthermore, management is responsible for such internal control as it determines is necessary to enable the preparation of the half-year condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The audit committee is responsible for overseeing the company’s financial reporting process.

Our responsibilities for the review of the half-year condensed consolidated financial statements

Our responsibility is to plan and perform the review in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The level of assurance obtained in a review engagement is substantially less than the level of assurance obtained in an audit conducted in accordance with the Dutch Standards on Auditing. Accordingly, we do not express an audit opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the review, in accordance with Dutch Standard 2410.
Our review included among others:

- Updating our understanding of the entity and its environment, including its internal control, and the applicable financial reporting framework, in order to identify areas in the half-year condensed consolidated financial statements where material misstatements are likely to arise due to fraud or error, designing and performing analytical and other review procedures to address those areas, and obtaining assurance evidence that is sufficient and appropriate to provide a basis for our conclusion
- Obtaining an understanding of internal control as it relates to the preparation of the half-year condensed consolidated financial statements
- Making inquiries of management and others within the entity
- Applying analytical procedures with respect to information included in the half-year condensed consolidated financial statements
- Obtaining assurance evidence that the half-year condensed consolidated financial statements agree with, or reconcile to, the entity’s underlying accounting records
- Evaluating the assurance evidence obtained
- Considering whether there have been any changes in accounting principles or in the methods of applying them and whether any new transactions have necessitated the application of a new accounting principle

- Considering whether management has identified all events that may require adjustment to or disclosure in the half-year condensed consolidated financial statements
- Considering whether the half-year condensed consolidated financial statements have been prepared in accordance with the applicable financial reporting framework and represents the underlying transactions free from material misstatement

Amsterdam, September 7, 2021

Ernst & Young Accountants LLP

/s/ O.E.D. Jonker