

CNH GLOBAL N V
Form 425
December 06, 2012

20 Novembre, 2010
Fiat Industrial
European/UK Capital Goods and Aerospace and Defence
Conference
December 5, 2012
Filing under Rule 425 under the U.S. Securities Act of 1933
Filer: Fiat Industrial S.p.A.
Subject Company: CNH Global N.V.
CNH Global N.V.'s Exchange Act File No.: 333-05752

20 Novembre, 2010
Fiat Industrial
2012 Outlook
Q3 & Sep YTD Results

3
Fiat
Industrial

European/UK
Capital
Goods
and
Aerospace

and
Defence
Conference
Fiat Industrial
Combination
of
FI
and
CNH

recent
steps
November 26,
2012

Fiat Industrial and CNH Global announce definitive agreement to combine businesses
November 22,
2012

Fiat Industrial acknowledges CNH Special Committee announcement that it views favorably Fiat Industrial's
strategic
combination
proposal
in
the
form
delivered
on
November
19,
2012
November 19,
2012

Fiat
Industrial
submits
best
and
final
offer
to
combine
with
CNH
Global
November 12,
2012

Fiat Industrial Announces Key Appointments, with objective of enhancing operational integration of Fiat Industrial

and CNH, and the formation of a Group Executive Council (GEC), creation of 4 Regional COO positions and a CFO, all reporting to a Group COO

October 15,
2012

Fiat Industrial S.p.A. is advised that the special committee of the Board of CNH Global N.V. has determined not to recommend the strategic combination of Fiat Industrial and CNH on the terms proposed by Fiat Industrial on

May 30, 2012

May 30,
2012

Fiat Industrial proposes a combination with CNH Global

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Fiat
Industrial

European/UK
Capital
Goods
and

Aerospace
and
Defence
Conference
Fiat Industrial
Group Executive Council (GEC)
The
Group
Executive
Council
(GEC)
is
the
highest
executive
decision
making
body
within

Fiat Industrial outside of its Board of Directors¹. It is responsible for reviewing the operating performance of the businesses, setting performance targets, making key strategic decisions and investments for the Group, making capital allocations and sharing best practices, including the development and deployment of key human resources

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Fiat
Industrial

European/UK
Capital
Goods
and
Aerospace

and
Defence
Conference

The Merger Agreement provide that FI and CNH will each merge into a newly-formed company organized under the laws of the Netherlands (NewCo). FI shareholders will receive one NewCo share for each FI share and CNH shareholders will receive 3.828 NewCo shares for each CNH share in the merger

CNH would pay a cash dividend of US\$10 per CNH share to the CNH minority shareholders prior to completion of the merger

CNH will use its reasonable best efforts for the dividend to be paid prior to December 31, 2012 or as promptly thereafter as practicable

The NewCo shares will be listed on the New York Stock Exchange. NewCo will also use its reasonable best efforts to cause the NewCo shares to be admitted to listing on the Mercato Telematico Azionario managed by Borsa Italiana shortly following the closing of the mergers

NewCo
will
implement
a
loyalty
voting
structure;
shareholders
of
each
company
that
are
present
or
represented
by
proxy
at
the
respective
shareholders
meetings
to
consider
the
merger
transaction
and
that
continue
to
hold
their
shares
until

completion of the merger may elect to receive common shares registered in a special segment of NewCo's share register and be entitled to two votes per share. NewCo shareholders will be entitled to retain double-vote shares indefinitely. If a

NewCo
shareholder

transfers

shares

entitled

to

double

votes,

the

shares

will

revert

to

the

regular

segment

of

the

register

and will be entitled to a single vote per share. Following completion of the merger, new shareholders may earn a double vote through a loyalty mechanism by holding the shares continuously for at least three years

Fiat Industrial

FI and CNH announce definitive Agreement to combine businesses

6

The existence of two distinct equity securities for FI and CNH listed on separate markets is the result of

a
series
of
transactions
pursued
in
the
past
by
FIAT
Group

The current structure is cumbersome and inefficient in several respects
Small public float and liquidity of CNH
Constrains the Group's valuation
Limits ability by top US capital goods investors to build meaningful positions in CNH
Creates holding company discount at FI group level
Limits the Group's ability to capture strategic opportunities using equity
Multiple jurisdictions and layers of governance complicate intra-group dealings

These issues have been magnified following the demerger because of the greater
prominence of CNH within FI Group
Fiat Industrial
Assessment of the current situation
Fiat
Industrial

European/UK
Capital
Goods
and
Aerospace
and
Defence
Conference

7
Iveco
CNH Global
N.V.
CNH Global
N.V.
~88%

Listed on the Milan
Stock Exchange

FPT
Industrial
100%

100%
NewCo

Iveco
FPT
Industrial
100%

100%
CNH
100%

Current Group Structure
Group Structure Post Transaction Completion

Former FI
shareholders

Former CNH
shareholders

Incorporated in
the Netherlands

Listed on the
NYSE as a FPI

Incorporated in the
Netherlands

Incorporated in
Italy

Listed on the NYSE and
Milan Stock Exchange

Loyalty voting structure

FI shareholders

CNH minorities
~12%

X %

(1)
Less than current ~12% in CNH

Fiat Industrial
Group structure pre and post completion

1

Fiat
Industrial

European/UK
Capital
Goods
and
Aerospace
and
Defence
Conference

8
Capital
Markets and
Valuation

Create a single class liquid stock listed in New York and Milan

Build a true peer to the major North American-based capital goods companies

Increase liquidity and attract new capital goods-focused investor base and analyst coverage in the US

Capitalize on scarcity value deriving from being the only significant agricultural equipment player listed in Europe

Eliminate CNH illiquidity discount and achieve, over time, a valuation more in line with global capital goods peers

Improve credit profile and access a broader liquidity pool

Strategic

and

Operational

Create opportunities for regional consolidation of Financial Services platforms or common development of new infrastructures in developing markets

Acquire greater scale in key emerging markets, such as China, Brazil, Argentina, translating into more effective local execution

Simplify intra-group dealings

Secure powertrain know-how for CNH

Increase

flexibility

to

pursue

strategic

transactions

and

reward

long-term

shareholding

Fiat Industrial

Rationale for the transaction

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

9
Fiat
Industrial

European/UK
Capital
Goods
and
Aerospace

and
Defence
Conference
DJSI World
Industrial Engineering
Eligible companies:

95

Admitted companies:

12

FIAT INDUSTRIAL SPA (Leader)

ABB LTD

ALSTOM SA

ATLAS COPCO AB

CATERPILLAR INC

CUMMINS INC

INGERSOLL-RAND PLC

KOMATSU LTD

MAN

SKF AB

VOLVO AB

XYLEM INC

85

85

51

55

77

48

51

87

87

83

88

88

Fiat Industrial confirmed in DJSI World and Europe indexes, **ranking as**

Sector

Leader

in

the

Industrial

Engineering

sector,

for

the

second

consecutive year

DJSI World and Europe equity indexes only admit companies that are best-in-class in managing their businesses according to sustainability criteria

Fiat Industrial Sector Leader

DJSI: Results of the 2012 assessment

20 Novembre, 2010
2012 Outlook

11

Fiat Industrial

Outlook

*

Revenues above 25bn

Trading profit in excess of 2bn

Net income of approximately 0.9bn

Net industrial debt between 1.2bn and 1.5bn

Cash and cash equivalents in excess of 4.0bn

Capital expenditures between 1.2bn and 1.4bn

*

As
per
Q3
&
Sep
YTD
Analysts
conference
call
On
the
back
of
the
Group's
performance
to
date
and
our
expectations
of
solid
trading
conditions
across
all
sectors,
especially
CNH,
Fiat
Industrial
is
firming
up
its
2012
guidance
as
follows:
Fiat
Industrial

European/UK
Capital
Goods
and
Aerospace

and
Defence
Conference

20 Novembre, 2010
Q3 & Sep YTD Results

13
204
297
2.0
2.2
4.9
5.7
Positive swing of 93mn, or
+45.6%

Up 0.2bn, with positive cash flow from operations offset by seasonal working capital absorption and sustained capital expenditure levels

Up 7.9%, as continued robust growth for AG Equipment more than compensated for weaker trading conditions in other businesses

Up 91mn over the prior year

Down 0.8bn, mainly attributable to cash utilization related to portfolio growth for financial services and capital expenditure (inclusive of

1.6bn in undrawn committed facilities)

7.9%

18.8%

5.9

6.3

0.8

p.p.

484

575

8.3%

9.1%

Up 0.8p.p. with CNH achieving strong margin gains and both Iveco and FPT Industrial maintaining margins substantially in line with prior year levels despite volume declines

Q3 11

Q3 12

Q3 11

Q3 12

Q3 11

Q3 12

Jun-end 12

Sep-end 12

Q3 11

Q3 12

Jun-end 12

Sep-end 12

Q3 12 highlights

Trading profit up 18.8% with continuing margin improvement y-o-y

Net result

(/mn)

Net industrial debt

(/bn)

Available Liquidity

(/bn)

Revenues

(/bn)

Trading margin

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

Trading profit

(/mn)

Continued robust performance for AG Equipment business driving top-line growth
CNH
IVECO
FPT
Industrial
Eliminations
& Others
448

575
 110
 26
 (9)
 -13.3%
 1,300
 1,641
 301
 78
 (38)
 36.8%
 Q3 12
 CNH
 IVECO
 FPT
 Industrial
 Eliminations
 & Others
 Sep YTD 12
 CNH
 IVECO
 FPT
 Industrial
 Eliminations
 & Others
 4,088
 6,313
 2,054
 646
 (475)
 12,004
 18,771
 6,226
 2,106
 (1,565)
 Q3 12
 CNH
 IVECO
 FPT
 Industrial
 Eliminations
 & Others
 Sep YTD 12
 (mn)
 2012
 2012`
 Q3 & Sep YTD 12
 Revenues and trading profit by business
 Fiat
 Industrial

European/UK
Capital
Goods
and
Aerospace
and
Defence
Conference

33.3%

-10.6%

18.8%

39.8%

-8.5%

27.1%

17.4%

-7.3%

7.9%

-12.9%

18.5%

-8.1%

7.5%

-8.8%

14

(mn)
Unusual items, net :
Net
unusual
expenses
of
9mn
vs.

28mn

in

Q3

11;

in

both

cases

related

primarily

to

restructuring

charges

for

Iveco

Financial charges, net :

Improvement of 24mn was primarily attributable to a reduction in funding costs and lower foreign exchange losses

Taxes :

Effective tax rate of 38% was in line with current expectations for the full year

From trading profit to net result

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

Q3 2011

Q3 2012

Sep YTD

2011

Sep YTD

2012

Trading profit

484

575

91

1,291

1,641

350

Unusual items, net

(28)

(9)

19

(55)

(140)

(85)

Operating income	
456	
566	
110	
1,236	
1,501	
265	
Financial charges, net	
(134)	
(110)	
24	
(374)	
(328)	
46	
Investment income, net	
18	
23	
5	
74	
66	
(8)	
Pre-tax result	
340	
479	
139	
936	
1,239	
303	
Taxes	
(136)	
(182)	
(46)	
(379)	
(479)	
(100)	
Net result	
204	
297	
93	
557	
760	
203	
15	

16

(*) Net Industrial debt average calculated on a monthly basis

(**) Includes 13mn breakage cost

FY

12

guidance

for

Financial

Charges

of
 ~ 400mn,
 with
 a
 +/-
 10%
 range
 potentially
 deriving
 from
 variations in the actual cash flow and FX exposure of the Group
 February 2012 -
 FI Analysts Call
 Financial charges breakdown
 Q3 12 vs. Q3 11
 Fiat
 Industrial

European/UK
 Capital
 Goods
 and
 Aerospace
 and
 Defence
 Conference
 Average
 Outstanding
 (/bn)
 Rate
 (%)
 P/L
 (/mn)
 Average
 Outstanding
 (/bn)
 Rate
 (%)
 P/L
 (/mn)
 Capital Market (fixed)
 (4.2)
 6.8%
 (71)
 (4.5)
 6.9%
 (79)
 Short-term Debt (floating)
 (2.5)
 8.3%

(51)**

(3.4)

4.1%

(35)

Gross Industrial Debt

(6.7)

7.3%

(122)

(8.0)

5.7%

(114)

Industrial Cash & Net Intersegment Financial Receivables

4.3

2.2%

23

4.9

2.5%

30

Net Industrial Debt

*

(2.4)

(99)

(3.1)

(84)

IAS 19

(interest cost on pension & OPEB)

(17)

(17)

FX

(18)

(9)

Net Financial Charges

(134)

(110)

(mn)
Cash flow
Fiat
Industrial

European/UK
Capital
Goods
and

Aerospace
 and
 Defence
 Conference
 17
 Q3 '12
 Sep YTD '12
 Net Industrial (Debt)/Cash beginning of period
 (1,963)
 (1,239)
 Net Income
 297
 760
 D&A (excl. Vehicle Buybacks)
 176
 528
 Change in Funds & Others
 (50)
 (11)
 Cash
 Flow
 from
 Op.
 Activities
 bef.
 Chg.
 in
 W.C.
 423
 1,277
 Change in Working Capital
 (386)
 (1,332)
 Cash Flow from Operating Activities
 37
 (55)
 Tangible & Intangible Capex (excl. Vehicle Buybacks)
 (291)
 (798)
 Cash
 Flow
 from
 Operating
 Activities
 net
 of
 Capex
 (254)
 (853)
 Change in Investments, Scope & Other

4
 59
 Net
 Industrial
 Cash
 Flow
 (250)
 (794)
 Capital Increase / Share Repurchases / Dividends
 (1)
 (233)
 FX Translation Effect
 11
 63
 Change
 in
 Net
 Industrial
 Debt
 (240)
 (964)
 Net
 Industrial
 (Debt)/Cash
 end
 of
 period
 (2,203)
 (2,203)

Absorption from change
 in working capital broadly
 anticipated as a function
 of seasonal lower
 production levels

Capex at 1.7x D&A in the
 quarter vs. 1.3x last year
 Q3 12

20 Novembre, 2010
CNH

CNH Agricultural & Construction Equipment

Margin up 1.3p.p. to 11%

(39)

336

54

(24)

9.7%

11.0%

448
10
Q3 11
Volume
/Mix
Pricing,
Net
Prod.
Cost
SG&A
Other
Q3 12

R&D
(24)
135
3,769
3,019
2011
2012
3,632
4,147
3,481
4,088

CNH revenues at 4.1bn up 17% (+4% in US\$), net sales of equipment distribution by region: NA 46%, EAME & CIS 27%, LA 15%, APAC 12%

AG at 3.2bn up 27% (+12% in US\$) on high commodity prices

and despite the severe drought in NA

Global tractor and combine unit deliveries up 9%

CE at 667mn down 10% (-21% in US\$) on considerably slower industry recovery in every region

Units deliveries down 20% (Light down 21%; Heavy down 18%)

Trading profit of 448mn up 112mn

Increased volume for AG equipment

Better mix, positive pricing and purchasing efficiencies for both AG and CE

R&D spending continues to be at elevated levels as CNH is investing in new products and engine emissions compliance programs

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference
19

CNH Agricultural Equipment
Sales volume & industry outlook
From
Jan
1
st
2011
onward

region
split
has
been
changed
as
follows:

NA: USA, Canada and Mexico; EAME & CIS: 27 EU Countries, CIS, Balkans, African continent, Middle East;
LA: Central and South America, and Caribbean Islands; APAC: Continental Asia and Oceania

Tractors demand flat to down 5%

Combines demand flat to down 5%

WW
(6%)
(0-5%)
NA
7%
0-5%
<40hp
8%
~+5%
40+hp
7%
0-5%
EAME & CIS
(8%)
(0-5%)
LA
9%
Flat
APAC
(10%)
~(5%)
WW
4%
(0-5%)
NA
11%
~(10%)
EAME & CIS
3%
5-10%
LA
(1%)
(0-5%)
APAC
(21%)
(5-10%)
WW AG

(6%)

(0-5%)

20

change vs.

Prior year

Q3 12

FY 12E

Industry

CNH

*

Industry

* Performance relative to mkt

Q3 12

FY 12 expectations

Tractors demand down 6% on difficult market in the
EAME & CIS and APAC regions

Combines demand up 4% on a positive NA market

Global AG industry down 6%

CNH share performance was positive for both tractors
and combines

Tractor share was up in the high horsepower tractor
segment in North America

Global AG demand flat to down 5% vs. 2011

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

CNH Construction Equipment
Sales volume & industry outlook
From
Jan
1
st
2011
onward

region
split
has
been
changed
as

follows:

NA: USA, Canada and Mexico; EAME & CIS: 27 EU Countries, CIS, Balkans, African continent, Middle East;
LA: Central and South America, and Caribbean Islands; APAC: Continental Asia and Oceania

Light equipment demand up 5 to 10%

Heavy equipment demand down 10 to 15%

* Performance relative to mkt

WW

2%

5-10%

NA

15%

~+25%

EAME & CIS

(3%)

0-5%

LA

(11%)

0-5%

APAC

Flat

Flat

WW

(13%)

(10-15%)

NA

27%

20-25%

EAME & CIS

8%

5-10%

LA

(14%)

(5-10%)

APAC

(28%)

(25-30%)

WW CE

(5%)

(0-5%)

change vs.

Prior year

Q3 12

FY 12E

Industry

CNH

*

Industry

NA: +19%

EAME & CIS: +1%

LA: -12%

APAC: -18%

Overall CE industry down 5%

Q3 12

Construction equipment share in line with the market

Gains in LA as a result of new product launches and good equipment availability

FY 12 expectations

21

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

22
Fiat
Industrial

European/UK
Capital
Goods
and
Aerospace

and

Defence

Conference

CNH Agricultural & Construction Equipment

Inventory Management (Units of Equipment)

* Excluding Joint Ventures

Source: CNH Internal Data

Third quarter overproduction vs. retail 6% ahead of scheduled
production downtime in the fourth quarter

Expected underproduction vs. retail in the fourth quarter

Third quarter underproduction vs. retail 3%

Expected underproduction vs. retail in the fourth quarter

Company Inventory

Dealer Inventory

CNH Retail Sales*

CNH Production*

Company Inventory

Dealer Inventory

CNH Retail Sales*

CNH Production*

Q1'09

Q2'09

Q3'09

Q4'09

Q1'10

Q2'10

Q3'10

10

11

-11

Q3-

11

-11

Q1-

Q2-

Q3-

Q4-

Q1-

Q2

Q4

12

12

12

Q1'09

Q2'09

Q3'09

Q4'09

Q1'10

Q2'10

Q3'10

10
11
-11
Q3-
11
-11
Q1-
Q2-
Q3-
Q4'
Q1'
Q2
Q4
12
12
12

23

Fiat Industrial

European/UK Capital Goods and Aerospace and Defence Conference

CNH Agricultural & Construction Equipment

Main product launches

FR forage harvester models

in Europe

New series of professional

fixed chamber Roll Balers,
leveraging on the long term
strategic partnership signed
with Orkel
Tier 4 interim H Series
Forklifts and N Series
Tractor Loaders in North
America
CX55B Mini Excavator in
Latin America
SR130 and SR150 Skid
Steer Loaders in India
E55B Mini Excavator in Latin
America
LM1445F & LM1745
Telehandler in Latin America
4WD Steiger Rowtrac,
narrow tracks in North
America
Combine line-up now
available with optional
folding auger with length up
to 34-feet

20 Novembre, 2010
Iveco

Iveco

Margins substantially in line with Q3 11 despite volume declines

38

(51)

123

(21)

21

5.6%

5.4%
110
1
Q3 11
Volume
/Mix
Price
Prod.
Cost
SG&A
Other
Q3 12
R&D
(1)
Purch.
0

Revenues down 7% to 2.1bn, due to activity drop both in Europe (-7%) and in LatAm (-18%), partially compensated by a more favorable product mix

Overall volumes -18% to 29k units

By geography

WE -23% to 15k units: Italy (-25%), Germany (-25%), France (-15%), Spain (-30%) & UK (-33%)

EE -9%

LA -27%

RoW +19%

By segment

Light -18%; Medium -34%; Heavy -16%

Trading profit at 110mn with margin at 5.4%
(-0.2 p.p.) due to volume effects and prices adjustments,
almost entirely offset by industrial efficiencies and
overheads cuts

2,123

1,899

2011

2012

2,273

2,435

2,054

2,215

25

Fiat

Industrial

European/UK

Capital

Goods

and
Aerospace
and
Defence
Conference

Iveco
Industry outlook
Europe down 15% (WE down 20% and EE up 8%)
LA down 19%
RoW up 79%
*
From
Jan

1
st
2011
onwards
information
concerning
EE
industry
figures
are
no
longer
available;
with
reference
to
WE
market share are estimated

1.
Including all segments
change
vs. prior year

Industry (
3.5T)*

Q3 12
FY 12E

WE
-7.9%
-5 / -10%

LA
-28.6%
-10/ -15%

Q3 12

WE overall industry down 7.9% vs. Q3 11

Light: -4.5%; Medium: -9.7%; Heavy: -13.3%

LA markets down 28.6% vs. Q3 11 (Brazil: down 32%; Venezuela
down 11%; Argentina: down 20%)

Light: -29.4% ; Medium: -27.6%; Heavy: -29.7%

FY 12 expectations

WE market stabilized at previous quarters levels, with a possible
turnaround in second half of next year, as a result of a pre-buy
before Euro VI

LA markets decrease expected, mainly driven by Brazil (due to Euro
III pre-buy effect, compounded by Euro V fuel distribution
concerns). Government stimulus program favorable financing
conditions might accelerate demand in last quarter of the year

Iveco
Order

intake

1

[k/units]

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

Iveco Q3 12 order intake decreased 6% vs. last year, back to
2010 activity levels (stabilized vs. Q2 12)

26

Iveco
European company and dealer inventories
K-units
Commercial Vehicles
vs.Q3 11
Dealer inventory
Company inventory
-13%

or -2.3k

units

-11%

or -0.9k

units

Progressive resizing of Dealers New Vehicles inventories : down 16% vs. Q4 '11, despite seasonality effects, still well below

Q2 '08 / Q3 '09 crisis levels (respectively -54% and -23%)

Dealers Network inventories end Q3 '12 still below 3 months of average sales

Q1'08

Q2'08

Q3'08

Q4'08

Q1'09

Q2'09

Q3'09

Q4'09

Q1'10

Q2'10

Q3'10

Q4'10

Q1'11

Q2'11

Q3'11

Q4'11

Q1'12

Q2'12

Q3'12

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

27

Iveco

Market shares by region

1

2.8-6T at 6.2% (-0.9 p.p. vs. last year)

2

Brazil: Light at 25,8% (+5,7 p.p.); Medium at 4,1% (-0,9 p.p.); Heavy at 8% (-4,4p.p.)

LA market share

3.5T at 11.3%, +0.1p.p. vs. last year

Light segment excellent performance going on
 leveraging on Daily model strong brand image
 Medium segment recovery starting, supported
 by new Tector and Euro V Vertis models launches
 Heavy segment still under pressure from aggressive
 competition in Brazil

Light

(3.5-7.9T)

Medium

(8.0-31T)

Heavy

(>31T)

LA market

share

Q3 12

17.7%

7.1%

12.1%

Change vs. Q3 11

+2.4p.p.

-0.1p.p.

-2.2p.p.

10.1

9.3

18.9

21.7

9.6

11.4

Q3 12

Q3 11

+2.8pp

-0.8pp

2

+1.8pp

Q3 12

Q3 11

Q3 12

Q3 11

WE market

share

Q3 12

11.7%

1

23.9%

7.8%

Change vs. Q3 11

Change at mix 2011

-2.1p.p.

-1.3p.p.

-1.9p.p.

-1.5p.p.

+0.1p.p.

+0.7p.p.

Light

(3.5-6T)

Medium

Heavy

WE market share

3.5T at 11.6% (7.6%

2.8T), down 1.3p.p.

vs. Q3 11 (down 0.6p.p. at market mix 2011)

Light segment positions affected by both

aggressive price competition and unfavorable
market mix

Medium

segment

2

nd

position

confirmed.

Italy

market share at 68.2% up 4.6p.p.

Heavy segment market share increasing in all

countries. Gained 1.0 point in the tractors segment

Fiat

Industrial

European/UK

Capital

Goods

and

Aerospace

and

Defence

Conference

28

Iveco
64
th
edition of the International Commercial Vehicle Show (IAA)
8
13 LITRES
Up to 500 HP
18 ÷

56 TON
8
13 LITRES
Up to 560 HP
Up to 104 TON
4
6 LITRES
Up to 300 HP
Up to 18 TON
Electric Asynchromotor
120 km Urban Cycle
> 210 Km NEDC Cycle
82 HP
Max Speed = 70 Km/h
3 LITRES
170 HP
19 + 1 PLACES
EEV 10 LITRES
Up to 450 HP
49 + 1 + 1 PLACES
EURO VI
9-11-13 LITRES
Up to 560 HP
18 ÷
44 TON
STYLING
& DESIGN
AWARD
Fiat
Industrial

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Iveco
China

China Industry Commercial Vehicles market down 8%
vs. last year

JVs sales up 13.6% vs. last year at
33k units, reaching 5.4% market
share vs. 4.4% in Q3 '11

Non-consolidated
sales [k/units]

Q3 '10

730

Q3 '11

670

625

Q3 '09

613

Q3 '12

Industry volumes (>1,8t)

[k/units]

Q3 '12

Q3 '10

33

Q3 '11

29

Q3 '09

33

27

Light Bus (Daily) at 10.0%, down

2.2p.p. vs. Q3 11

Light Trucks (Yuejin) at 5.2%, up

1.5p.p. vs. Q3 11

Heavy Truck (SIH) at 2.7%, up

0.4p.p. vs. Q3 11

Light Bus 3.5-7m (Daily segment) up 9.7%

Light Truck 1.8-6t (Yuejin segment) down 3.7%

Heavy >14t (SIH segment) down 28.8%

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Iveco

Focus on Africa sales development

Joint-Venture with local partner

Plant to be located in Pretoria area

JV : 60% Iveco / 40% Larimar, diversified South African group
operating in passenger & freight transport, bus engineering and

manufacturing, and financial services

36mn investments in 2013 for the production facilities

Production to deserve by priority SACU area customers, and also close countries such as Angola and Congo, targeting 6k-units in 2015, and 8k-units run rate after 5 years

180,000 sqm area (23% covered)

210 employees end 2013

8k-units production capacity (2 shifts), dedicated to buses manufacturing and trucks assembly based on components (CKD) supplied from Europe and China

Start of Production planned in H2 13

31

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20 Novembre, 2010
FPT Industrial

FPT Industrial
Defending margins on lower volumes
2011
2012
14
2011
2012
38

3
24
678
782
646
742
838
729
30
26

Revenues down 13% to 646mn due to business decrease for both captive customers and third parties compared to Q3 11

Third parties, including Fiat JVs, at 32% of total revenues, up 3p.p. compared to the same period of 2011

Trading profit at 26mn down 4mn vs. last year

Engines

129

107

Gearboxes

18

13

Axles

40

31

K/Units

Q3 12

Q3 11

-17%

-30%

-24%

Margin at 4% in line with last year

33

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32% of Total engines sold to Iveco and 28% to CNH, while remaining 40% to external customers (including Sevel,

Fiat JV in LCVs)

FPT Industrial

Product and business development

Presented the new Cursor 8 CNG Euro VI for bus and truck applications at the IAA Hannover exhibition

Signing of a LOI with VDL Bus & coach for supplying Cursor 9 Euro VI engines

Commercial launch

of
the
new
NEF67
570hp
Tier3
for
Marine
applications at the Genova Boat Show
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Goods
and
Aerospace
and
Defence
Conference
Supply
Contract
for
Cursor
10
application
on
Ford
Heavy-
Duty Trucks in Europe and Latin America
Production start-up of the Cursor 9 Euro V in the new Cordoba
Plant (Argentina) for Iveco Latin America
Launch of NEF4 Euro V engines in the Sete Lagoas Plant (Brazil)
for Iveco truck applications

FPT Industrial

Main events

The International Jury declared: «*the Hi-eSCR technology developed by FPT Industrial paves a brand new route in the reduction of harmful diesel-engine emissions*».

Three out of the four Award finalists are powered by FPT Industrial engines

On

July

23
rd
the
Turin
plant
produced
its

1
millionth
NEF
engine

The Cursor 13 produced by SFH JV in China was awarded the *2012 Annual*
Environmental Protection Engine

The first batch of Cursor 8 Euro V EEV for city bus application delivered to Beijing
Public Transportation Company (*BPTC*)

Two Cursor 9 650hp powered the FB Design boat smashing the record of New York-
to-Bermuda raid from 21 to 17 hours

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Defence
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Net debt breakdown

(bn)

* Net of intersegment receivables

Note: Numbers may not add due to rounding

Jun. 30, 12

Sep. 30, 12

Cons.

Ind.

Fin.
 Cons.
 Ind.
 Fin.
 20.5
 4.5
 16.0
 Gross Debt*
 20.2
 4.3
 15.9
 0.1
 0.0
 0.0
 Derivatives M-to-M, Net
 0.0
 0.0
 0.0
 (4.1)
 (2.6)
 (1.5)
 Cash & Mktable Securities
 (3.3)
 (2.0)
 (1.3)
 16.5
 2.0
 14.5
 Net Debt
 16.9
 2.2
 14.6
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 and
 Aerospace
 and
 Defence
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Gross debt
(bn)

*

Sales of Receivables Off Balance (IFRS de-recognition compliant): 0.7bn

Outstanding

Jun. 30, 12

Outstanding

Sep. 30, 12

10.6

Cash Maturities

10.3

5.4

Bank Debt

5.2

5.0

Capital Market

5.0

0.1

Other Debt

0.2

9.9

Securitization and Sale of Receivables (on book)*

9.8

7.8

ABS / Securitization

7.9

0.7

Warehouse Facilities

0.5

1.5

Sale of Receivables

1.4

0.0

Adjust. for Hedge Accounting on Fin. Payables

0.0

20.5

Gross Debt

20.2

4.1

Cash & Mktable Securities

3.3

(0.1)

Derivatives Fair Value

0.0

16.5

Net Debt

16.9

1.6

Undrawn committed credit lines

1.6

38

Debt maturity schedule

(bn)

Note: Numbers may not add due to rounding

*

With a residual tenor greater than 12 months

Outstanding

Sep. 30, 12

3M 2012

2013
 2014
 2015
 2016
 Beyond
 5.2
 Bank Debt
 0.9
 1.5
 1.8
 0.3
 0.3
 0.4
 5.0
 Capital Market
 0.2
 0.8
 0.0
 1.0
 0.6
 2.4
 0.2
 Other Debt
 0.1
 0.0
 0.0
 0.0
 0.0
 0.1
 10.3
 Total Cash Maturities
 1.1
 2.3
 1.8
 1.3
 0.9
 2.9
 3.3
 Cash & Mktable Securities
 0.7
 of which ABS related & Restricted
 Cash
 1.6
 Undrawn committed credit lines*
 4.9
 Total Available Liquidity
 Fiat
 Industrial

 European/UK

Capital
Goods
and
Aerospace
and
Defence
Conference

Safe harbor statement

Certain information included in this document is forward looking and is

subject to important risks and uncertainties that could cause actual results to differ materially. The Company's businesses include its capital goods business, including trucks, commercial vehicles, agricultural equipment, heavy and light construction equipment, powertrains for the

capital goods and marine business, related service parts and financial services and its outlook is predominantly based on its interpretation of what it considers to be the key economic factors affecting these businesses. Forward-looking statements with regard to the Group's businesses involve a number of important factors that are subject to change, including: the many interrelated factors that affect consumer confidence and worldwide demand for capital goods and capital goods-related products; factors affecting the agricultural business including commodities prices, weather, floods, earthquakes or other natural disasters, and governmental farm programs; general economic conditions in each of the Group's markets; changes in governmental policies regarding banking, monetary and fiscal policies, legislation, particularly that relating capital goods-related issues, agriculture, the environment, trade and commerce and infrastructure development; actions of competitors in the various industries in which the Group competes; production difficulties, including capacity and supply constraints and excess inventory levels; labor relations; interest rates and currency exchange rates; political and civil unrest; and other risks and uncertainties. Any forward-looking statements contained in this document are referred to the current

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pursuant
to
Section
1,
letter
(t)
of
Legislative
Decree
no.
58
of

February 24, 1998, or in any other country or state.

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Contacts